

Benefits Handbook Date July 1, 2009

# MMC Retirement Plan

## MMC



**MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN**

# MMC Retirement Plan

*The purpose of the U.S. Retirement Program is to provide income for your retirement based on eligible salary and length of service with the Company. Benefits may be payable from three sources: the tax qualified retirement plan and for certain highly compensated employees, from two non-qualified plans.*

*The MMC Retirement Plan is part of the U.S. Retirement Program. Additional U.S. Retirement Program information can be found in the Benefit Equalization Plan and the Supplemental Retirement Plan summary sections of the Benefits Handbook.*

*The MMC Retirement Plan (Plan) is a tax-qualified plan that may pay a benefit according to a formula that considers your salary and service with the Company, as well as your COVERED COMPENSATION according to the government's covered compensation table.*

*This section describes the MMC Retirement Plan as of January 1, 2009. If you terminated employment before January 1, 2009, prior Plan provisions may determine your benefit.*

As used throughout this document, "employee," "you" and "your" always mean a U.S. salaried employee of MMC or any other participating company.

References in this document to "Company" means Marsh & McLennan Companies, Inc. and its subsidiaries and affiliates other than (i) Kroll, Inc. and its subsidiaries, (ii) CS STARS, LLC (formerly Corporate Systems, Inc.), (iii) Mercer Human Resource Services (now referred to as Mercer Outsourcing), (iv) Marsh & McLennan Agency LLP.

This document uses a number of defined terms; see the "Glossary" beginning on page 56 for definitions.

## SPD

This section provides a summary of the MMC Retirement Plan portion of the Retirement Program as of January 1, 2009.

These questions and answers in this section, together with the *Administrative Information* section, form the Summary Plan Description of the MMC Retirement Plan.

## A Note about ERISA

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that governs many employer-sponsored plans including this one. Your ERISA rights in connection with this Plan are detailed in the *Administrative Information* section that, together with this section constitute the Summary Plan Description for this Plan. However, the Plan rules are very detailed and this is only a summary.

In the case of any conflict between this description of the MMC Retirement Plan and the Plan, the Plan rules govern. See also the *Administrative Information* section.

<b>In This Section</b>	<b>See Page</b>
<b>The MMC Retirement Plan at-a-Glance .....</b>	<b>1</b>
<b>Participating in the Plan .....</b>	<b>3</b>
When Participation Begins .....	5
<b>How the MMC Retirement Plan Works .....</b>	<b>5</b>
IRS Limit on Pay.....	5
Vesting .....	7
Benefit Service .....	8
Transfers .....	9
If You Leave MMC and Return.....	11
Change Between Hourly and Salaried Status .....	13
Military Leave .....	14
<b>What the Plan Pays .....</b>	<b>14</b>
Retirement Plan Formula for Benefits Earned on or after January 1, 2006 .....	15
Retirement Plan Formula for Benefits Earned as of December 31, 2005 .....	16
Benefits Earned Before and After January 1, 2006.....	16
Transition Benefit .....	17
Temporary Transition Benefit .....	17
<b>When Benefits Are Paid.....</b>	<b>20</b>
Normal Retirement .....	21
Early Retirement.....	21
Deferring Your Retirement Benefit Past Age 65.....	22
Disability .....	23
Not Eligible for Retirement .....	23
<b>How Benefits are Paid .....</b>	<b>24</b>
Normal Form of Payment .....	24
Straight Life Annuity .....	24
Contingent Annuity.....	25
Period Certain .....	26
Social Security Level Income .....	27
Lump Sum .....	28
Changing Your Form of Payment.....	29
Determining Your Form of Payment.....	29
Direct Deposit.....	29
Payment by Check .....	29
<b>Requesting a Calculation .....</b>	<b>29</b>
<b>Applying for Benefits.....</b>	<b>31</b>
Terminated Vested or Retired Participant Initiating Benefits.....	32
Reporting a Change in Address .....	32
<b>How Benefits are Taxed.....</b>	<b>33</b>
Changing Withholdings .....	33
Taxes on a Lump Sum .....	33
Reported Withholdings.....	34

<b>Rollovers</b> .....	<b>34</b>
Where to Find Tax Information on Rollovers.....	35
<b>In Case of Divorce</b> .....	<b>35</b>
Qualified Domestic Relations Order (QDRO) Rules.....	35
Retirement Benefit for an Alternate Payee.....	37
Remarriage After a Qualified Domestic Relations Order (QDRO) .....	37
<b>In the Case of Your Death</b> .....	<b>37</b>
Beneficiary If I Die Before Benefits Commence .....	38
Beneficiary If I Die After Benefits Commence .....	38
Benefit to Beneficiary If I Die While Actively Employed.....	38
Benefit to Beneficiary If I Die after Termination but Before Benefits Commence.....	40
Benefit to Beneficiary If I Die After Benefits Commence .....	42
<b>Merged Plans</b> .....	<b>42</b>
Service with an Acquired Company .....	42
Special Sedgwick Rules .....	44
Special Johnson & Higgins Rules .....	50
<b>Glossary</b> .....	<b>56</b>

## The MMC Retirement Plan at-a-Glance

<b>Plan Type</b>	<ul style="list-style-type: none"> <li>▪ Tax qualified defined benefit retirement plan designed to provide monthly income to participants at retirement.</li> </ul>
<b>Eligibility and Enrolling</b>	<ul style="list-style-type: none"> <li>▪ You are eligible for the Plan if you:           <ul style="list-style-type: none"> <li>– are a U.S. salaried employee of a participating company,</li> <li>– are at least age 21,</li> <li>– have one year of VESTING SERVICE, and</li> <li>– do not participate in a retirement plan sponsored by another employer in the MMC controlled group.</li> </ul> </li> <li>▪ Participation generally begins on the first of the month in which you satisfy the eligibility requirements. Participation is automatic. No action is required by you.</li> <li>▪ See “Participating in the Plan” on page 3 for details.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>▪ Plan liabilities are funded by Company contributions and investment gains. Assets are held in a tax-exempt trust.</li> <li>▪ The Company pays the full cost of the Plan. Employee contributions are not permitted.</li> </ul>
<b>When You Become Vested</b>	<ul style="list-style-type: none"> <li>▪ You are vested after 60 months of vesting service, or upon reaching age 65 while employed by a company in the MMC controlled group.</li> <li>▪ See “Vesting” on page 7 for more details.</li> </ul>
<b>How Your Benefit is Calculated</b>	<ul style="list-style-type: none"> <li>▪ The formula used to calculate your benefit for BENEFIT SERVICE on or after January 1, 2006 uses, COVERED COMPENSATION, ELIGIBLE MONTHLY SALARY, length of benefit service and the Plan’s benefit percentage.</li> <li>▪ See “What the Plan Pays” on page 14 for details.</li> <li>▪ The formula used to calculate your annual benefits is different for any benefits you earned as of December 31, 2005.</li> <li>▪ See “Retirement Plan Formula for Benefits Earned as of December 31, 2005” on page 16 for details.</li> </ul>
<b>When You Can Begin Receiving Your Benefit</b>	<ul style="list-style-type: none"> <li>▪ You are eligible for a retirement benefit if you leave the company and are age 65 or older, or are at least 55 and have at least 60 months of vesting service.</li> <li>▪ You may retire and begin receiving unreduced monthly benefit payments at age 65 (normal retirement age).</li> <li>▪ You may elect early retirement and begin receiving reduced monthly benefit payments at or after age 55, provided you have at least 60 months of vesting service.</li> <li>▪ You may defer retirement beyond age 65 and earn a benefit until you elect a deferred retirement. You may not see an actuarial increase in your benefit for deferring retirement beyond your NORMAL RETIREMENT DATE.</li> <li>▪ See “When Benefits Are Paid” on page 20 for details.</li> </ul>

<b>How Your Benefit is Paid</b>	<ul style="list-style-type: none"> <li>▪ The Plan offers a number of payment forms for your retirement benefit.</li> <li>▪ Each payment form is actuarially equivalent—that is of equal value determined using the actuarial assumptions in the Plan. The differences in the amounts payable under each form, reflect the nature of the various payment forms.</li> <li>▪ See “How Benefits are Paid” on page 24 for details.</li> </ul>
<b>Tax Treatment</b>	<ul style="list-style-type: none"> <li>▪ Benefits paid at retirement are taxable to participants.</li> <li>▪ See “How Benefits are Taxed” on page 33 for details.</li> </ul>
<b>How to Apply for Your Benefit</b>	<p>If you are actively employed and want to begin the retirement process:</p> <ul style="list-style-type: none"> <li>▪ You must contact your Human Resources Representative at least 30 but not more than 90 days before your anticipated retirement date.</li> <li>▪ Certain information and documentation is required before benefits under the Plan can commence.</li> <li>▪ See “Applying for Benefits” on page 31 for details.</li> </ul> <p>If you leave Marsh &amp; McLennan Companies (MMC) before you retire and you want to commence your retirement benefit; you must:</p> <ul style="list-style-type: none"> <li>▪ Contact the MMC Employee Service Center to request a retirement package.</li> <li>▪ Send all required information, completed forms and related documents to the MMC Employee Service Center at least 30 but not more than 90 days before the date you want your benefits to begin.</li> <li>▪ See “Terminated Vested or Retired Participant Initiating Benefits” on page 32 for details.</li> </ul>
<b>If You Leave MMC and Return</b>	<ul style="list-style-type: none"> <li>▪ If you are rehired as a salaried employee, your vesting service and benefit service earned since December 31, 1984 is restored.</li> <li>▪ Your vesting service and benefit service earned prior to January 1, 1985, if any, may be restored, depending on your vesting status when you left and the length of your absence.</li> <li>▪ If you are rehired within 90 days of your termination, and you received retirement benefit payments, they will need to be repaid.</li> <li>▪ When you again retire, your benefits will be recalculated to take into account any additional benefits you earned and will be offset by the value of any benefits you received and have not repaid to the Plan.</li> <li>▪ See “If You Leave MMC and Return” on page 11 for details.</li> </ul>
<b>Contact Information</b>	<ul style="list-style-type: none"> <li>▪ For more information, contact the MMC Employee Service Center at 1-866-374-2662.</li> </ul>

## Participating in the Plan

### **Eligibility**

You are eligible if you are classified by the Company as a U.S. salaried employee (including employees of a foreign affiliate who are classified by the Company as U.S. expatriates) of MMC or any participating company in the Plan.

“You,” “Your,” and  
“Employee”

Participating companies include MMC and all its subsidiaries and affiliates **other than** (with some exceptions for participants eligible for transition rules) (i) Kroll, Inc. and its subsidiaries, (ii) CS STARS, LLC (formerly Corporate Systems, Inc.), (iii) Mercer Human Resource Services (now referred to as Mercer Outsourcing), and (iv) Marsh & McLennan Agency LLP (MMA).

As used throughout this document, “employee,” “you” and “your” always mean a U.S. salaried employee of MMC or any other participating company.

If your legal employer remains your U.S. employer and you are seconded from a participating employer in the United States to a non-participating employer outside the United States, you are considered a U.S. expatriate. As a U.S. expatriate, you are eligible for the Plan, provided you meet all participation requirements in the Plan.

Employees of an acquired business initially become eligible no earlier than the specified date established in the Plan. See “Merged Plans” on page 42 for details.

If you are an employee who is also a participant in the Plan and you transfer or become an employee of a non-participating company, you may be eligible to continue participation in the Plan if you satisfy the conditions for one of the following transition rules:

- If you are an employee who is also a participant in the Plan (excluding former employees of SynHRgy), who has attained age 45 and completed five years of service on the date prior to transfer to Mercer Outsourcing, you will continue to participate in the Plan, provided you remain continuously employed by Mercer Outsourcing and unless you complete a one-time irrevocable election to participate in the Mercer HR Services Retirement Plan.
- If you were an employee who was also a participant in the Plan who transferred to Marsh Risk Consulting Practice of Marsh U.S.A. or certain departments of the Marsh Risk Practice (MRC), FACS or Forensic Construction (FFC), Kroll Corporate Preparedness or Marsh Kroll HR during the period from July 12, 2004 and ending on December 31, 2007, you will continue to participate in the Plan, provided you remained continuously employed by MRC, FFC, Kroll Corporate Preparedness or Marsh Kroll HR during the specified period.
- If you are an employee who is also a participant in the Plan who transfers to CS STARS, LLC on or after July 12, 2004, you will continue to participate in the Plan provided you remain continuously employed by CS STARS, LLC.

- If you are an employee who is also a participant in the Plan who transfers to MMA on or after January 1, 2009, you will continue to participate in the Plan provided you remain continuously employed by MMA.

If you are an employee who remained a participant in the Plan following your transfer to MRC, FFC, Kroll Corporate Preparedness, CS STARS, LLC or MMA, and you transfer to one of the other named groups without terminating your employment with the MMC controlled group, you will continue to participate in the Plan, provided you remain continuously employed with one of these named entities.

Generally, you are not eligible if you are:

- An employee of Kroll, Inc. and its subsidiaries
- An employee hired or rehired by Marsh Kroll HR on or after July 12, 2004
- An employee hired or rehired by CS STARS, LLC, on or after January 1, 2005, or an employee of its predecessor, Corporate Systems Inc., hired prior to January 1, 2005
- An employee hired or rehired by MMA on or after January 1, 2009.

If you were hired or rehired by MRC during the period from July 12, 2004 through December 31, 2005, you did not participate in the Plan during that period.

If you were hired or rehired by FFC during the period from July 12, 2004 through December 31, 2006, you did not participate in the Plan during that period.

If you were hired or rehired by Kroll Corporate Preparedness during the period from July 12, 2004 through March 31, 2007, you did not participate in the Plan during that period.

The following employees are not eligible to participate in the Plan:

- employees classified on a U.S. payroll as hourly
- student interns
- employees in Puerto Rico
- leased employees
- U.S. citizens (or non U.S. citizens working in the U.S.) covered by a retirement plan sponsored by another employer in the MMC controlled group
- employees of a non-participating company who are seconded to a U.S. participating company, whose legal employer remains a non-participating company
- individuals who are compensated as independent contractors.

If you are covered under another DEFINED BENEFIT PLAN, or comparable retirement plan within the MMC controlled group, as determined by the Plan Administrator, you are not covered under this Plan.

## When Participation Begins

Your participation begins generally as of the first of the month in which you satisfy all eligibility requirements;

- you are a salaried employee,
- you are at least age 21,
- you have one year of VESTING SERVICE, and
- you are employed by a participating business unit.

Participation is automatic. No action is required by you.

Special provisions may also apply if you were employed by an acquired business.

## How the MMC Retirement Plan Works

### ***What Pay Counts***

The MMC Retirement Plan counts your monthly base salary regularly received generally before any reductions for elective contributions. Your eligible salary is based upon your pay rate in effect during the month (one-twelfth of your annual pay rate). If you are on an approved disability or military leave, your monthly earnings for the last month of your regular active employment, is deemed to be your monthly earnings for your period of approved disability or military leave.

Monthly base salary regularly received does not include overtime, bonuses, commissions and other extra compensation but does include before-tax salary reduction amounts that you may contribute to other programs sponsored by MMC in which you were eligible to participate, such as the 401(k) Savings & Investment Plan or a Flexible Spending Account, but excluding compensation you defer under the Supplemental Savings & Investment Plan.

Monthly base salary shall not exceed one-twelfth of the IRS limit on annual compensation in effect in which your monthly base salary is earned. See “IRS Limit on Pay” on page 5 for details.

### **IRS Limit on Pay**

The IRS limit on annual base pay that can be taken into account for contributions to the tax-qualified MMC Retirement Plan is \$245,000 for 2009. This number may increase in the future if the IRS announces cost of living adjustments.

***What pay is used to calculate my retirement benefit accrued on or after January 1, 2006?***

The pay that is used in your retirement benefit calculation for your benefit accrued on or after January 1, 2006 is based on your ELIGIBLE MONTHLY SALARY. You earn benefits each month based on your eligible salary in that month.

The amount of your pay that can be used in determining your eligible monthly salary under the Plan is subject to the IRS limit on annual compensation. The annual limit is pro-rated so that your eligible monthly salary cannot exceed one-twelfth of the IRS limit on annual compensation in effect for the applicable calendar year.

See "IRS Limit on Pay" on page 5 for details.

***What pay is used to calculate my retirement benefit accrued as of December 31, 2005?***

The pay that is used in your retirement benefit calculation for benefits accrued as of December 31, 2005 is the average of your highest 60 consecutive months of eligible salary excluding salary after December 31, 2005. The eligible salary is based upon annual base salary. This is known as your FINAL AVERAGE SALARY. If you have less than 60 months of BENEFIT SERVICE as of December 31, 2005, your final average salary will be the average of your highest consecutive months of eligible salary during your actual years and months of service before January 1, 2006.

The amount of your salary that can be used in determining your final average salary for a qualified plan is subject to the IRS limit on annual compensation. See "IRS Limit on Pay" on page 5 for details.

***If I have an annual base salary change in the middle of a month, what annual base salary is used to calculate my benefit?***

If an annual base salary change takes place within the month, the higher rate will be used for the calculation for that month.

***What pay is used to calculate my retirement benefit if I am a U.S. expatriate?***

Generally if you are a U.S. expatriate and your pay is denominated in a currency other than U.S. dollars, your non-U.S. dollar base salary will be converted to U.S. dollars for purposes of benefit calculations. The administrative procedures reflect published exchange rates. This converted base rate will be used to calculate your retirement benefit.

### ***If I'm out due to an approved disability or military leave, what pay is used to calculate my benefit?***

For the purpose of determining your accrued benefit under the Plan, during an approved disability or military leave, your eligible monthly salary will be deemed to be the same as your eligible monthly salary for the last month of active service prior to the approved disability or military leave.

If your leave is due to an approved disability or military leave, your monthly earnings for the last month of your regular active employment prior to the commencement of the approved disability or military leave is deemed to be monthly base salary regularly received for calculating your benefit. See "Military Leave" on page 14 and/or "Disability" on page 23 for additional information.

## Vesting

You are fully (100%) vested in your benefit accrued under the Plan after you complete 60 months (5 years) of VESTING SERVICE. However, if you have less than 60 months of vesting service, you are vested at age 65 provided you have at least one year of service and are actively employed with a company in the MMC controlled group.

You may be eligible for vesting service under the Plan if you are an hourly or leased employee or employed by a subsidiary which is not a participating company (for example: a foreign subsidiary) and are subsequently hired by the Company as an eligible salaried employee.

### ***What is vesting service?***

Vesting service refers to the period of service used to determine when you become vested. Once you are vested you are entitled to a benefit under the U.S. Retirement Program and eligible for early retirement, even if you terminate employment before you are eligible to retire. Most employees are vested after completing 60 months of vesting service. However, you are vested at age 65 if you are actively employed, even if you have less than 60 months of vesting service.

Vesting service generally includes the number of months of your employment as a salaried employee with any company in the MMC controlled group anywhere in the world. Generally, once you become a participant, your service while employed by a company that is a member of the MMC controlled group is credited for vesting service.

You may also be credited with prior vesting service for your service as an hourly or leased employee, and service with an acquired company prior to the acquisition date.

- If you are an hourly employee, you are generally credited with 12 months of vesting service for each EMPLOYMENT YEAR in which you complete 1,000 or more hours of service.
- If you are a leased employee that qualifies as an eligible employee either before or after your service as a leased employee, you may be credited with vesting service.

- Vesting service does not include service for employees who declined participation in the Sedgwick Retirement Plan prior to November 1, 1998, except for the one-year waiting period. (Special rules apply to certain former Sedgwick employees.) See “Special Sedgwick Rules” on page 44 for further information.

If you are placed on a leave of absence (other than for disability or military) that is more than 12 months in duration, you will not receive vesting service after the first 12 months of the leave.

### ***What is the status of my vesting service if I terminate my employment for less than 12 months?***

If you terminate your employment from the MMC controlled group as a salaried employee and are rehired within 12 months, you will be credited with vesting service for the period of your absence.

### ***What is the status of my vesting service if I terminate my employment for 12 months or more?***

If you terminate your employment from the MMC controlled group for a period of 12 months or more, your period of termination will not count towards vesting service even after you are rehired by any member company of the MMC controlled group.

### ***When you are vested***

You are fully vested in or have a nonforfeitable right to your benefit in the Plan when you earn 60 months of vesting service. If you leave voluntarily or involuntarily with less than 60 months of service, you are not vested in your retirement benefit and no benefits are payable from the Plan.

If you are a participant in the Plan and not already vested, you are automatically vested if you are actively employed at age 65. Your NORMAL RETIREMENT DATE is the first of the month after your 65<sup>th</sup> birthday (or your 65<sup>th</sup> birthday if your birthday falls on the first of the month).

You will be fully vested in your accrued benefit (to the extent funded) if the Plan has a full or partial termination.

You are also fully vested in the portion of your accrued benefit attributable to any employee contributions you made to a prior plan that was merged with the Plan.

## **Benefit Service**

Generally, you may be eligible for BENEFIT SERVICE under the Plan if you are a salaried employee and employed by a participating company. Benefit service is the number of months as a Plan participant used to calculate your benefit.

Benefit service is used to calculate your Plan benefit amount, and generally includes the number of months of your salaried employment with a participating company. For most salaried employees who satisfy the Plan's eligibility rules (See "Participating in the Plan" on page 3 for details), your BENEFIT SERVICE DATE starts on the first of the month in which you worked at least one hour. For example, if you were hired on October 31, 2008 your benefit service would be deemed to start on October 1, 2008 once you satisfied the Plan's eligibility rules.

## Transfers

### ***Transfer to or from a Non-participating Company***

If you transfer from a non-participating company to a participating company, your service with the participating company will be considered as VESTING SERVICE subject to the rules for measuring vesting service. (See "Vesting" on page 7 for details.)

Generally, your service with the non-participating company will not be counted as BENEFIT SERVICE unless you meet certain eligibility criteria.

Your service with the non-participating company may be counted as benefit service (See "Benefit Service" on page 8 for details.) if you satisfy each of the following 3 criteria.

- 1) You were a participant in the MMC Retirement Plan prior to August 1, 2006;
- 2) You have not had a BREAK IN SERVICE after August 1, 2006; and
- 3) You incurred a qualifying transfer event prior to August 1, 2006. A qualifying transfer event is:
  - You transferred from a participating company to a non-participating company; or
  - You transferred from a non-participating company to a participating company.

If you transferred to a participating company from a non-participating company operating in the U.S. and you participated in a retirement, profit sharing or similar plan sponsored by the non-participating company, your salaried service with the non-participating company will be considered benefit service under the MMC Retirement Plan.

If you transferred to a participating company from a non-participating company operating outside the United States on or after January 1, 2002, your salaried service with the non-U.S. company will be considered benefit service if a retirement benefit is payable to you from a plan sponsored by the non-covered company and the plan sponsored by the non-covered company is a DEFINED BENEFIT PLAN.

If you transferred to a participating company from a non-participating company operating outside the United States prior to January 1, 2002, your salaried service with the non-participating company will be considered benefit service if you participated in any retirement, profit-sharing or similar plan sponsored by the non-participating company.

Your benefit under the MMC Retirement Plan may be offset by any benefit to which you are entitled under the non-participating company's retirement plan which are attributable to contributions made by the non-participating company.

### ***Service with MHRS***

If you transferred your employment from Mercer HR Consulting or any other participating company, directly to Mercer HR Services or Mercer Trust Company (jointly "MHRS"), your employment with MHRS will count towards vesting service in the Plan. Pay and/or benefit service will only count if you met specific criteria at the date of transfer.

For employees who transferred prior to January 1, 2006:

- If you were at least age 45 with 5 years of benefits service (excludes former Synhrgy employees), you were offered a one-time irrevocable choice between (a) remaining in the MMC Retirement Plan and (b) moving to the Mercer HR Services Retirement Plan.
  - If you opted to remain in the MMC Retirement Plan, your benefit service and pay for the Plan includes your pay and employment with MHRS. If you were not age 50 with 10 years of vesting service, your benefit accrued and vested as of December 31, 2005 will be multiplied by a factor (no less than 1) equal to your final average earnings at the earlier of termination and December 31, 2010 divided by your final average earnings at December 31, 2005.
  - If you opted out of the MMC Retirement Plan, your Plan accrual ceases during your period of employment with MHRS. However, if you were not age 50 with 10 years of vesting service, your benefit accrued and vested as of December 31, 2005 will be multiplied by a factor (no less than 1) equal to your final average earnings at the earlier of termination and December 31, 2010 divided by your final average earnings at December 31, 2005.
- If you were at least 40 with 5 years of benefit service or had at least 10 years of benefit service and were not eligible for the choice described above (includes former Synhrgy employees), your benefit accrued and vested as of December 31, 2005 will be multiplied by a factor (no less than 1) equal to your final average earnings at the earlier of termination and December 31, 2010 divided by your final average earnings at December 31, 2005.

For employees who transfer after December 31, 2005:

- If you were at least age 45 with 5 years of benefits service (excludes former Synhrgy employees), you were offered a one-time irrevocable choice between (a) remaining in the MMC Retirement Plan and (b) moving to the Mercer HR Services Retirement Plan.
  - If you opted to remain in the MMC Retirement Plan, your benefit service and pay for the Plan includes your pay and employment with MHRS.
  - If you opted out of the MMC Retirement Plan, your Plan accrual ceases during your period of employment with MHRS.

## If You Leave MMC and Return

### ***If I was vested when I left the Company and I am rehired, will my prior service count or do I lose it?***

If you left the Company and were vested when you left, your prior VESTING SERVICE and BENEFIT SERVICE is restored.

### ***If I was not vested when I left the Company and I am rehired, will my prior service count or do I lose it?***

Restoration of prior vesting and benefit service depends on when you first incurred the BREAK IN SERVICE.

If you left the Company on or after January 1, 1985 and you are rehired, your vesting and benefit service earned for your service performed after December 31, 1984 is restored. Your vesting and benefit service earned for your service performed on or after January 1, 1976 and before January 1, 1985 will also be restored, unless you previously forfeited the service under a prior provision of the Plan.

If you left the Company during the period from January 1, 1976 to December 31, 1984 and you are rehired on or after January 1, 1985, your vesting and benefit service earned for your service performed on or after January 1, 1976 and before January 1, 1985 will be restored if you meet the following conditions:

- the length of your break in service as of December 31, 1984 was not greater than the length of your period of service immediately preceding the break in service, and
- the total length of your break in service is not greater than five years, and
- you did not previously forfeit the service under a prior provision of the Plan.

If you left the Company and were rehired during the period from January 1, 1976 to December 31, 1984, your vesting and benefit service earned since January 1, 1976 and prior to your break in service will be restored if the length of your break in service was not greater than your period of service immediately preceding the break in service, and you did not previously forfeit the service under a prior provision of the Plan.

Prior to January 1, 1976 different rules applied.

### ***What happens if I am rehired after 90 days, but have already received a payment from the Plan?***

If you are rehired after 90 days by any member company of the MMC controlled group, your termination will continue to be treated as a valid termination of employment. Monthly retirement payments you may have received during this period do not have to be repaid, but monthly payments will cease while you are actively employed as a salaried employee. Monthly payments will continue if you are rehired as an hourly employee.

If you are rehired at MHRS or Kroll after receiving a retirement payment, monthly payments will cease while you are actively employed as a salaried employee.

You should notify your Human Resources Representative if you are rehired after your employment terminates.

***What happens if I am rehired within 90 days, but have already received a payment from the Plan?***

If you are rehired as a salaried employee by any company that is part of the MMC controlled group within 90 days of your termination of employment, any distribution you may have received must be repaid to the Plan.

You should notify your Human Resources Representative if you are rehired after your employment terminates.

***What happens if I am rehired within 90 days in an ineligible employee class, but have already received a payment from the Plan?***

There will be no impact on your distribution, if you are rehired within 90 days in an ineligible employee class. For example, if you terminated as a salaried employee, commenced your benefits and are then rehired as an hourly employee, there is no impact on your monthly benefits. Your monthly benefits will continue to be paid.

***Will my retirement benefit amount increase if I am rehired?***

In general, your monthly retirement benefit payments will be suspended and you will accrue a retirement benefit if you are rehired as a salaried employee in a participating company.

When you later terminate employment, your benefit will be recalculated with your additional service and will be offset by the PRESENT VALUE of the payments you previously received. Under no circumstances will your benefit be lower than the benefit you were receiving before being rehired.

Additional service may or may not improve your monthly benefit. Various factors impact the calculated benefit such as; age and mortality rates. Except as provided below, your benefit will not be actuarially increased for your period of employment beyond your NORMAL RETIREMENT DATE when you are not receiving benefits.

If your employment is less than 40 hours a month and you continue to be employed or return to employment after your normal retirement date, special provisions will apply. Your monthly retirement benefit will be suspended. When you commence your retirement benefit again, your retirement benefit will be recalculated to take into account any benefit service and ELIGIBLE MONTHLY SALARY earned during your period of reemployment, and will be actuarially increased for the value of any retirement payments you did not receive for months after your normal retirement date in which you worked less than 40 hours. Your final benefit will be offset by the value of any payment previously received.

## Change Between Hourly and Salaried Status

### ***What happens if I change from hourly to salaried status?***

If you are an hourly employee, you generally will earn a year of VESTING SERVICE if you completed 1,000 or more hours of service within an EMPLOYMENT YEAR. An Employment Year is the twelve-month period generally beginning with the first day of the month you performed an hour of service or an anniversary of that date. If you have not completed the 1,000 hours of service within the Employment Year, (the twelve-month measurement period,) and you were an hourly employee throughout the Employment Year you receive no vesting for the year.

Your Employment Year is the same if you are hourly or salaried. Your twelve-month measuring period for your Employment Year does not change.

If you change from hourly to salaried status during an Employment Year, your actual hours worked as an hourly employee, plus 190 hours of service for each salaried month or partial month will be calculated to see if you have completed 1,000 hours of service in your Employment Year. If you have completed at least 1,000 hours of service, you will be credited with one year of vesting service for such Employment Year. You will not receive duplicate vesting service for the months during the Employment Year that you were a salaried employee.

If you did not receive credit for 1,000 hours of service, you will still be credited with vesting service for the months during the Employment Year during which you worked as a salaried employee.

Note, if you change from hourly to salaried status and your first hour of service performed is as an hourly employee, you will be credited with 190 hours of vesting service for that month.

Your vesting service shall in no event be less than the vesting service determined under the terms of the Plan document in effect on December 31, 2005.

Service on the hourly payroll does not count as BENEFIT SERVICE for purposes of determining the amount of your benefit. Benefit service will only include your period of service with a participating company as a salaried employee.

### ***What happens if I change from salaried to hourly status?***

If you change from salaried status to hourly status during an Employment Year, your actual hours worked as an hourly employee, plus 190 hours of service for each salaried month or partial month will be calculated to determine if you have completed 1,000 hours of service in your Employment Year. If you have completed at least 1,000 hours of service, you will be credited with one year of vesting service for such Employment Year. You will not receive duplicate vesting service for the months during the Employment Year that you were a salaried employee.

If you did not receive credit for 1,000 hours of service, you will still be credited with vesting service for the months during the Employment Year during which you worked as a salaried employee.

Service on the hourly payroll does not count as benefit service for purposes of determining the amount of your benefit. Benefit service will only include your period of service with a participating company as a salaried employee.

Your vesting service shall in no event be less than the vesting service determined under the terms of the Plan document in effect on December 31, 2005.

## Military Leave

If you take a military or other uniformed leave of absence and such leave is covered by the Uniformed Services Employment and Reemployment Rights Act (USERRA), service credit will be provided after you return to work, provided that you return within the period required by USERRA. For the purpose of determining your accrued benefit under the Plan, you will receive credit for each regularly scheduled working hour (exclusive of overtime) during a qualifying leave and your monthly earnings will be deemed to be the same as your monthly earnings for the last month of active service prior to the qualifying leave.

## What the Plan Pays

The MMC Retirement Plan formula uses your ELIGIBLE MONTHLY SALARY, length of BENEFIT SERVICE and Plan's benefit percentage on or after January 1, 2006. The formula adjusts your benefit to compensate for the Social Security benefits you will receive in retirement (generally, towards which you and the Company are contributing, although this offset is not a direct offset of your Social Security benefits).

Under Federal tax law, the benefit under the Plan is, in general, limited to no more than the lesser of 100% of your average earnings for your highest paid consecutive three years or a specific dollar amount (\$195,000 in 2009). The dollar limitation may be adjusted upward to reflect future cost of living increases. If your benefit under the Plan begins before you reach age 62, the dollar limitation will be reduced on an actuarial basis to reflect the early commencement of the benefit.

In the unlikely event that these limits affect you, you will be notified.

## Retirement Plan Formula for Benefits Earned on or after January 1, 2006

Your MMC Retirement Plan benefit for service on or after January 1, 2006 is determined using a formula based on your ELIGIBLE MONTHLY SALARY, length of BENEFIT SERVICE and the Plan's benefit percentage. The formula adjusts your benefit to compensate for the Social Security benefits you will receive in retirement (generally, towards which you and the Company are contributing, although this offset is not a direct offset of your Social Security benefits). The formula for the MMC Retirement Plan to determine your annual benefit (payable as a straight life annuity on or after age 65) is as follows:

- For the first 30 years (360 months) of benefit service: 1.6% multiplied by your eligible monthly salary;  
**+PLUS** (if applicable)
- For benefit service beyond 30 years (360 months): 1.0% multiplied by your eligible monthly salary;  
**-MINUS**
- For the first 35 years (420 months) of benefit service: an amount representing your Social Security retirement benefit, which is equal to 0.4% multiplied by your monthly COVERED COMPENSATION (or your eligible monthly salary, if less)

The monthly benefit payable in the form of an annuity for your lifetime will be one-twelfth of the annual amount determined by aggregating the accruals determined under the above formula for all of your months of benefit service.

If you became a Plan participant before January 1, 2006, your benefit accrued for benefit service before that date was determined using a different formula. A summary of the formula used for calculating benefits earned as of December 31, 2005, if applicable, can be viewed in the subsection, *Retirement Formula for Benefits Earned as of December 31, 2005*. All your benefit service, including benefit service earned as of December 31, 2005 is included to determine whether your accrual is at the 1.6% level or the 1.0% level.

The base salary used in determining your eligible monthly salary is subject to the IRS limit on annual compensation for a qualified plan. See "IRS Limit on Pay" on page 5 for details.

Note that you will not begin earning benefits under the MMC Retirement Plan until you are at least age 21 and have at least one year of VESTING SERVICE.

## Retirement Plan Formula for Benefits Earned as of December 31, 2005

The factors in the formula that are used to calculate your annual benefit earned as of December 31, 2005 are your FINAL AVERAGE SALARY, length of BENEFIT SERVICE and the Plan's benefit percentage. The formula adjusts your benefit to compensate for the Social Security benefits you will receive in retirement (generally, towards which you and the Company are contributing, although this offset is not a direct offset of your Social Security benefits). The formula for the MMC Retirement Plan to determine your annual benefit (payable as a straight life annuity on or after age 65) is as follows:

- For the first 30 years (360 months) of benefit service: 1.6% of your final average salary as of December 31, 2005 multiplied by your years and months of benefit service before 2006 up to a maximum of 30 years;

**+PLUS** (if applicable)

- For benefit service beyond 30 years (360 months): 1.0% of your final average salary as of December 31, 2005 multiplied by your years and months of benefit service before 2006 in excess of 30 years;

**-MINUS**

- For the first 35 years (420 months) of benefits service, an amount representing your Social Security retirement benefits, which is equal to 0.4% multiplied by your COVERED COMPENSATION (or final average salary, if less) as of December 31, 2005 multiplied by your years and months of benefit service before 2006 up to 35 years.

The benefit you earned for service before January 1, 2006, payable as a straight life annuity on or after age 65 will not change in the future, unless you are eligible for a transition benefit as described in the subsection, *Transition Benefits*.

The benefit payable by the Plan does not include any benefit you may be eligible for under Social Security.

Note: The base salary used in determining your final average salary is subject to the IRS limit on annual compensation for a qualified plan. See "IRS Limit on Pay" on page 5 for details.

## Benefits Earned Before and After January 1, 2006

If you have earned accrued benefits both before and after January 1, 2006, your December 31, 2005 accrued benefit will be calculated under the prior MMC Retirement Plan formula and will be based solely on your BENEFIT SERVICE and your FINAL AVERAGE SALARY as of that date. Your accrued benefit on or after January 1, 2006 will be calculated under the current MMC Retirement Plan formula and will be based on your ELIGIBLE MONTHLY SALARY, length of benefit service and the Plan's benefit percentage. Please note, the amount of your accrual for your benefits earned as of December 31, 2005 will not change in the future, unless you are eligible for the transition benefit as described in the subsection, *Transition Benefits*.

## Transition Benefit

The transition benefit consists of special rules that apply to the calculation of the benefits earned as of December 31, 2005.

If you qualify for the transition benefit, you will receive an increase to your benefit earned as of December 31, 2005 that is proportional to any increase in your FINAL AVERAGE SALARY on or after January 1, 2006 to your actual date of termination.

### *Example of the transition benefit*

If your final average salary has increased by 15% on or after January 1, 2006 to your actual termination date, your benefits earned as of December 31, 2005 will be increased by 15%.

### **Who is eligible for the transition benefit?**

You are eligible for the transition benefit, if according to MMC's records, you are a MMC Retirement Plan participant and as of December 31, 2005 you:

- had at least 10 years of VESTING SERVICE, and
- were at least age 50.

This means you qualify for the transition benefit if your VESTING SERVICE DATE is January 1, 1996 or earlier and your date of birth is January 1, 1956 or earlier.

### **What happens if I am eligible for the MMC Retirement Plan transition benefit, leave the Company and am later rehired?**

If you are eligible for the transition benefit, terminate employment and are later rehired, your transition benefit will be determined without regard to any increases in your eligible salary after you are rehired.

You will not be eligible for the transition benefit increase based on any change to your eligible salary that occurs on or after your rehire date.

## Temporary Transition Benefit

If you qualify for the temporary transition benefit, your benefit earned as of December 31, 2005 will increase based on any increases in your eligible salary you may receive while employed by MMC or a participating company until the earlier of your actual date of termination from Mercer HR Services or any other MMC company and December 31, 2010. You will receive an increase in your December 31, 2005 accrued benefit that is proportional to the increase in your FINAL AVERAGE SALARY on or after January 1, 2006 until the earlier of your actual date of termination from Mercer HR Services or any other MMC company and December 31, 2010.

### *Example of the temporary transition benefit*

If your final average salary has increased by 6% on or after January 1, 2006 until the earlier of your actual date of termination from Mercer HR Services or any other MMC company and December 31, 2010, your benefits earned as of December 31, 2005 will be increased by 6%.

### ***Who is eligible for the temporary transition benefit?***

You are eligible for the temporary transition benefit if you are a MMC Retirement Plan participant or have a frozen accrued benefit under the MMC Retirement Plan and you:

- transferred from Mercer HR Consulting to Mercer HR Services during the period from December 31, 2004 through December 31, 2005
- were at least age 45 with at least 5 years of VESTING SERVICE on the day prior to transfer to Mercer HR Services and had the option to remain in the MMC Retirement Plan or join the Mercer HR Services Retirement Plan, and chose to remain in the MMC Retirement Plan, *or* were at least age 40 with five years of vesting service or had at least 10 years of vesting service and were entitled to have your final average salary used to calculate your MMC Plan frozen accrued benefit taking into account salary increases while employed by Mercer HR Services; and
- as of December 31, 2005, you are an employee of Mercer HR Services but were not at least age 50 with at least 10 years of vesting service on December 31, 2005.

### ***Normal Retirement Example:***

IRS limits on salary (\$245,000 for 2009) apply to the MMC Retirement Plan because it is a tax-qualified plan. After 2005, the limit is prorated so that one-twelfth of the annual limit applies for each month in which you earn ELIGIBLE MONTHLY SALARY. For example, in 2009, the \$245,000 annual limit is pro-rated over twelve months, so your maximum monthly earnings that can be taken into account in 2009 is \$20,416.67.

Let's say you retire on April 1, 2009 (after having turned age 65 on March 15, 2009) and:

- you have 40 years and 3 months of BENEFIT SERVICE and vesting service as of March 15, 2009
- your eligible salary for each year from 2001 through March 2009 is as follows:

Year	Eligible Salary
2001	50,600
2002	53,400
2003	55,000
2004	57,000 (\$42,750 for April-December)
2005	59,000
2006	60,000
2007	63,000
2008	66,000
January 2009	5,500
February 2009	5,500
March 2009	5,750

- your final average salary (highest 60 months of salary) as of December 31, 2005 is \$55,000 [(59,000 + 57,000 + 55,000 + 53,400 + 50,600) / 5]
- your final average salary (highest 60 months of salary) as of April 1, 2009 is \$61,500 [(5,750 + 5,500 + 5,500 + 66,000 + 63,000 + 60,000 + 59,000 + 42,750) / 5]
- your eligible salary for 2006, 2007, and 2008 are \$5,000, \$5,250, and \$5,500 per month, respectively. Your eligible salary for January and February of 2009 is \$5,500 per month, and your eligible salary for March 2009 is \$5,750.
- you were age 50 or older and had at least 10 years of vesting service on December 31, 2005
- you are eligible for the transition benefit (which means that your accrued benefit earned before 2006 can increase based on increases in your eligible compensation after 2005); for purposes of the transition benefit, your final average salary increases from \$55,000 to \$61,500 (or by 11.8%) from January 1, 2006 to March 15, 2009
- the government-determined COVERED COMPENSATION amount for 2005 is \$57,636.

Benefit for service before January 1, 2006:	1.6% times \$55,000 times 30 years = \$26,400 <b>Plus</b> 1.0% times \$55,000 times 7 years = \$3,850 <b>Minus</b> 0.4% of the lesser of \$55,000 or \$57,636 (covered compensation) times 35 years = \$7,700 <b>Equals</b> \$22,250 per year payable at age 65 <b>Adjusted as follows:</b> \$22,250 plus (11.8% times \$22,250) = \$25,210.90 (11.8% reflects the special transition benefit)
---	--

Benefit for service on or after January 1, 2006:	<p><b>For 2006:</b> 1.0% times \$5,000/month = \$50 monthly accrual. Twelve months × \$50/month = \$600 annual accrual for 2006. (1.0% is used since benefit service is greater than 360 months.)</p> <p><b>For 2007:</b> 1.0% times \$5,250/month = \$52.50 monthly accrual. Twelve months × \$52.50/month = \$630 annual accrual for 2007.</p> <p><b>For 2008:</b> 1.0% times \$5,500/month = \$55.00 monthly accrual. Twelve months × \$55.00/month = \$660 annual accrual for 2008.</p> <p><b>For 2009:</b> 1.0% times \$5,500/month = \$55.00 monthly accrual. Two months × \$55.00/month = \$110 monthly accrual for January and February 2009. 1.0% times \$5,750/month = \$57.50 monthly accrual One month × \$57.50 = \$57.50 monthly accrual for March 2009 Total accrual for 2009 = \$167.50 (1.0% is used since benefit service is greater than 360 months.)</p> <p><b>Minus</b> \$0 (No offset since benefit service is greater than 420 months.)</p> <p><b>Equals</b> \$600 + \$630 + \$660 + \$167.50 = \$2,057.50 per year payable at age 65 for accruals in 2006, 2007, 2008, and 2009</p>
Total accrued benefit as of March 15, 2008:	(\$25,210.90 + \$2,057.50) or \$27,268.40 payable as a single life annuity commencing at age 65
Retirement income from MMC Retirement Plan:	\$27,268.40 per year payable at age 65

## When Benefits Are Paid

### ***What are my retirement and benefit commencement dates?***

You may terminate employment but wait to begin receiving payments until a later date.

If you are age 55 or above when you terminate employment with a vested benefit, the first day of the month following your termination of employment from the Company is your retirement date (even if you defer your benefit commencement and accept employment with another unrelated company). You accrue a benefit based on your salary and service up to your retirement date.

The first day of the month in which your monthly payments begin is your **BENEFIT COMMENCEMENT DATE**.

Your benefit commencement date may not be later than the first of the month after your 65<sup>th</sup> birthday (or your 65<sup>th</sup> birthday if your birthday falls on the first of the month) or the first of the month following your termination of employment, if later.

## Normal Retirement

Your NORMAL RETIREMENT DATE is the date on which you can retire and start receiving your normal retirement benefit. Your normal retirement date is the first of the month after your 65<sup>th</sup> birthday (or your 65<sup>th</sup> birthday if your birthday falls on the first of the month).

## Early Retirement

The MMC Retirement Plan allows participants to retire early, before age 65. Your EARLY RETIREMENT DATE can be the first day of any month after you terminate employment on or after reaching age 55, provided that you have at least 60 months of VESTING SERVICE on that date.

The benefit payable at your early retirement date is calculated using your salary and BENEFIT SERVICE through the end of the month in which you terminate employment. If you elect to begin benefit payments before age 62 (for benefits earned before January 1, 2006) or age 65 (for benefits earned on or after January 1, 2006), your benefit will be reduced to reflect the longer payment period than if you commenced payment at age 65 (your NORMAL RETIREMENT DATE) as shown in the table below.

The percentage of your age-65 benefit you will receive according to your benefit commencement age:

Benefit Commencement Age	Percentage of Your Age-65 Benefit You Will Receive	
	<i>Benefit Accrued as of December 31, 2005</i>	<i>Benefit Accrued on or after January 1, 2006</i>
55	72%	50%
56	76%	55%
57	80%	60%
58	84%	65%
59	88%	70%
60	92%	75%
61	96%	80%
62	100%	85%
63	100%	90%
64	100%	95%
65 and older	100%	100%

### ***Early Retirement Example***

Let's assume you have at least 60 months of vesting service and retire at age 62 and 3 months, your accrued benefit as of December 31, 2005, payable at age 65 is \$500 per month and your accrued benefit on or after January 1, 2006, payable at age 65 is \$500 per month. You elect to commence payment at age 62 and 3 months. This means you commence payment 2 years and 9 months (or 33 months) before age 65. Your benefits would be reduced for early retirement as follows:

#### **Accrued Benefit as of December 31, 2005:**

\$500 times 100% (no reduction at age 62 or older under the early retirement reduction methodology applicable to benefits earned before 2006)

= **\$500** per month payable at age 62 and 3 months

#### **Accrued Benefit on or after January 1, 2006:**

\$500 times 86.25% (0.41667% times 33 months equals a 13.75% reduction)

= **\$431.25** per month payable at age 62 and 3 months

**Total Early Retirement Benefit = \$931.25 per month payable as a straight life annuity at age 62**

If you accrued benefits under either the Johnson & Higgins or Sedgwick Retirement Plans, those benefits have different rules regarding the early retirement factors. If you accrued your benefit under the MMC Retirement Plan and terminated prior to January 1, 1991, different early retirement factors are applicable to you.

### **Deferring Your Retirement Benefit Past Age 65**

If you continue working past age 65 (normal retirement age), you continue to earn a benefit until you retire, although there is no actuarial increase in your benefit for working beyond your NORMAL RETIREMENT DATE. Generally, you will begin to receive a MMC Retirement Plan benefit on your "DEFERRED RETIREMENT DATE," which is the first of the month immediately following the day you terminate employment.

During the period between your normal retirement date and the date your retirement benefit begins, your retirement benefit is considered to be "suspended," meaning that it is not being paid.

If you continue working past age 70½, you are required to commence your benefit by April 1 of the year following your reaching age 70½.

## Disability

If you are eligible for long term disability benefits (approved for benefits under the MMC Long Term Disability Plan), your retirement benefit will begin on the first of the month after you reach 65 (or your 65<sup>th</sup> birthday if your birthday falls on the first of the month).

If you receive long term disability benefits after age 65, your retirement benefit begins on the first of the month after long term disability benefits cease.

Note: You continue to receive BENEFIT SERVICE and VESTING SERVICE while you are on long term disability. Your last regular active monthly earnings will be used as your monthly earnings while you are out on long term disability. Your monthly earnings shall not exceed one-twelfth of the IRS limit on annual compensation in effect during the plan year.

## Not Eligible for Retirement

### ***What If I leave the Company before age 55?***

If you are vested but terminate employment before age 55 (the earliest date you can commence benefit payments), you have the right to receive a benefit from the MMC Retirement Plan in the future. Once your Company employment ends, you stop earning a retirement benefit.

You must begin receiving your benefit no later than your NORMAL RETIREMENT DATE (the first of the month on or after age 65). However, you may elect to begin receiving your benefit starting on the first of any month on or after your 55<sup>th</sup> birthday. If you begin receiving your benefit before you reach age 65, your benefit will be reduced to compensate for the longer projected payout period.

The reduction for benefits accrued prior to January 1, 2003 is 4% (0.33% per month) per year from age 62. The reduction for benefits accrued after December 31, 2002 is 6% (0.50% per month) per year from age 65.

The charts below illustrate the early retirement reduction factors:

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued through December 31, 2002:
55	72%
56	76%
57	80%
58	84%
59	88%
60	92%
61	96%
62 or above	100%

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued from January 1, 2003 to termination of employment:
55	40%
56	46%
57	52%
58	58%
59	64%
60	70%
61	76%
62	82%
63	88%
64	94%
65	100%

## How Benefits are Paid

### ***Are there different forms of payment to choose from?***

The MMC Retirement Plan offers a number of payment forms for your retirement benefit. Each payment form is actuarially equivalent—that is of equal value determined using the actuarial assumptions in the Plan. The differences in the amounts payable under each form of payment reflects any difference in age between you and the person you designate to receive your benefit when you die and the projected payout period.

### Normal Form of Payment

If you do not elect a payment form and the PRESENT VALUE of your accrued benefit exceeds \$1,000, you will receive the “normal” form of monthly payment, which depends on your marital status when benefits commence.

If you are not married on your BENEFIT COMMENCEMENT DATE, your normal form of payment is a Straight Life Annuity.

If you are married on your benefit commencement date, your form of payment is a 50% Contingent Annuity with your spouse as the contingent annuitant. If you are married, you must obtain your spouse’s written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit if you wish to elect any other option.

### Straight Life Annuity

The straight life annuity form of payment provides you with equal monthly payments for as long as you live. No payments are made after your death.

If you are married, you must obtain your spouse’s written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit to elect this form of payment.

## Contingent Annuity

The contingent annuity form of payment provides you with equal monthly payments for your life and, after your death, for the life of the person, or “contingent annuitant,” you elect.

Before your benefit begins, you select a specific percentage of your monthly amount (50%, 66 $\frac{2}{3}$ %, 75% or 100%) to be paid to your contingent annuitant. When you die, your contingent annuitant will receive the percentage of your monthly benefit you selected for the rest of his or her life.

If you elect this payment form, a reduction factor will be applied to your monthly benefit to take into account the payment over two lives—yours and your contingent annuitant’s. Once your payments begin, you may not change the percentage you elect for your contingent annuitant, nor can you change your contingent annuitant even if he or she dies before you do (in this case, you will continue to receive the reduced monthly payments). (Note: if your contingent annuitant dies before your payments begin, your election is cancelled automatically and you may make a new payment election. If you do not make a new election, you will receive the normal form of payment based on your marital status.) If you are married, your spouse is automatically your contingent annuitant. You must obtain your spouse’s written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit if you wish to elect another option or a different contingent annuitant.

The following unisex table approximates some common contingent annuity reduction factors. The reduction factor applied to your benefit depends on:

- the benefit percentage you elect for your contingent annuitant;
- your age when benefits begin; and
- your contingent annuitant’s age when benefits begin.

Your age when payments begin	Contingent annuitant’s age when payments begin	50% benefit	66-2/3% benefit	75% benefit	100% benefit
55	50	94.1%	92.2%	91.4%	88.8%
	55	94.8%	93.3%	92.5%	90.2%
	58	95.6%	94.2%	93.5%	91.5%
62	57	91.1%	88.6%	87.3%	83.8%
	62	92.5%	90.3%	89.2%	86.1%
	65	93.4%	91.4%	90.4%	87.7%
65	60	89.5%	86.5%	85.1%	81.2%
	65	91.3%	88.7%	87.5%	84.0%
	68	92.4%	90.1%	89.1%	86.0%

## ***Naming or Changing Your Contingent Annuitant***

With the contingent annuity, you may select a contingent annuitant, subject to these restrictions:

- If you are married, you need your spouse's waiver of the qualified joint and survivor form of payment within 90 days prior to your benefits commencing and your spouse's consent to name a non-spouse contingent annuitant.
- Certain legal limits, which are based on your age when benefits begin and your contingent annuitant's age, restrict the percentage benefit you may select for a beneficiary who is not a spouse. You will be notified if these limits affect your choice of survivor percentage and beneficiary. Once your monthly payments begin, you may not change your contingent annuitant, even if your original beneficiary dies.

## ***Contingent Annuity Example***

The amount of your reduced monthly payments depends on the benefit percentage you choose for your contingent annuitant, the age difference between you and your contingent annuitant, and your age when benefits begin.

The following example illustrates how the reduction factors work. Let's assume:

You retire with a \$1,000 monthly benefit. If you choose a straight life annuity, you will receive \$1,000 a month from the Plan for your lifetime. When you die, payments cease.

Now let's consider that you are married and retire at age 65, that you name your spouse as a contingent annuitant, and that he or she is the same age as you. If you select a 50% contingent annuity, you will receive \$913 for the rest of your life ( $\$1,000 \times 91.3\%$ ). If you die before your spouse, the Plan will pay a monthly benefit of \$456.50—or 50% of your benefit - to your spouse for the remainder of his or her life.

## **Period Certain**

The period certain form of payment is a straight life annuity combined with a guaranteed payment period. This form of payment provides you with equal monthly payments for your life and guarantees that benefits will be paid for 5, 10, 15 or 20 (but no longer than your life expectancy) years, as you elect, even if you die earlier.

If you die before all guaranteed payments are made, your beneficiary will receive the remaining payments. If you survive the period of guaranteed payments, your monthly benefit will be continued for as long as you live, but no payments will be made to your beneficiary after you die.

If you elect this payment form, a reduction factor based on your age will be applied to your monthly benefit to take into account the guarantee period. The longer the guarantee period you elect, the greater the reduction to your monthly benefit. You must obtain your spouse's written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit.

Legal limits based on your age may restrict the period certain you can elect. You will be notified if these limits will affect your choice of guaranteed payment period.

The following table shows the Period Certain annuity factors:

Participant Age	5 Year	10 Year	15 Year	20 Year
55	99.5%	98.5%	96.3%	93.5%
56	99.4%	98.0%	95.9%	92.4%
57	99.4%	97.7%	95.4%	91.3%
58	99.3%	97.5%	94.9%	90.2%
59	99.2%	97.2%	94.4%	89.1%
60	99.1%	96.8%	93.7%	88.0%
61	99.0%	96.4%	93.0%	86.9%
62	98.9%	96.0%	92.2%	85.8%
63	98.7%	95.4%	91.3%	84.7%
64	98.6%	94.9%	90.3%	83.6%
65	98.5%	94.2%	89.2%	82.5%
66	98.1%	93.5%	88.0%	80.8%
67	97.8%	92.7%	86.7%	79.1%
68	97.5%	91.8%	85.3%	77.4%
69	97.2%	90.8%	83.8%	75.7%
70	97.0%	89.8%	82.2%	74.0%
71	96.8%	88.6%	80.6%	72.3%
72	96.6%	87.4%	78.8%	70.6%
73	96.4%	86.0%	76.9%	68.9%
74	96.2%	84.5%	75.0%	67.2%
75	96.0%	83.5%	74.0%	65.5%

## Social Security Level Income

You may elect the Social Security level income form of payment if you commence benefit payments prior to the age you first become eligible for Social Security benefits (currently age 62).

Under this form of payment, your pre-age 62 monthly payments from the Plan are increased by the estimated amount of your monthly Social Security benefit payable beginning at age 62 (adjusted for your actual BENEFIT COMMENCEMENT DATE).

When you reach age 62, your payments from the Plan are reduced by your estimated Social Security benefit. The intent is to provide you with a level total retirement income from the Plan and Social Security throughout your retirement. The reduction can bring your payment to a zero dollar amount.

If you are married, you must obtain your spouse's written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit to elect this form of payment.

## Lump Sum

### ***Who is eligible for a lump-sum distribution?***

If the PRESENT VALUE of your accrued monthly benefit under the MMC Retirement Plan does not exceed \$1,000, a lump sum payment will be paid automatically at the time your employment terminates.

If you are a former Sedgwick employee and the total present value of your accrued benefit under the former Sedgwick Retirement Plan is more than \$1,000 and not more than \$20,000 you have the option for a lump sum payment when your employment terminates.

If you were a participant in the Noble Lowndes Pension Plan (which merged into the Sedgwick Retirement Plan), attained your EARLY RETIREMENT DATE (the first day of the month after your 55<sup>th</sup> birthday and before your NORMAL RETIREMENT DATE) while actively employed by:

- Fred S. James & Co. from 1990 through 1996
- Sedgwick James, Inc. from 1997 through May 31, 1999
- Sedgwick, Inc.
- Marsh USA Inc after May 19, 1999

you are eligible for a lump sum distribution.

The lump sum distribution will be equal to the greater of:

- The present value of your accrued benefit payable on your normal retirement date (the later of your 65<sup>th</sup> birthday or the 5<sup>th</sup> anniversary of the date you commenced participation in either the Fred S. James & Co Inc. Retirement Plan prior to 1990, or Sedgwick James Retirement Plan from January 1, 1990, or Sedgwick Retirement Plan from January 1, 1994).
- The present value of your accrued benefit payable on your early retirement date. An early retirement reduction factor will be determined – reduced by one-twelfth of 4% for each month your annuity start date precedes your normal retirement date (if you were born after 1954, the reduction for each month before age 57 will be one-twelfth of 6%).

Interest and mortality tables used in determining the present value are prescribed by the government.

If you are married, you must obtain your spouse's written, notarized consent to waive his or her rights to a 50% Contingent Annuity benefit to elect this form of payment.

## Changing Your Form of Payment

You may cancel or change your form of payment (within 90 days prior to your benefit commencing) if you obtain any required spousal waiver and consent. Once payments begin, you may not change or revoke your election.

## Determining Your Form of Payment

Because many factors should be considered when electing a form of payment, you may want to seek the advice of a tax professional to determine the best form of payment for your situation.

## Direct Deposit

Your retirement benefit will be mailed to your address of record unless you indicate otherwise. If you opt to have your retirement benefit from the MMC Retirement Plan direct deposited, it will be direct deposited on the first business day of the month.

To set up a direct deposit, complete the direct deposit form included in your retirement package.

You can't have your lump sum payment (if eligible) deposited directly into your checking or savings account.

## Payment by Check

If you are not able to have your MMC Retirement Plan benefit directly deposited, a check will be mailed to you on or about the first business day of the month. If your retirement benefit check is lost or stolen, a replacement check can be issued. Report any lost check to the MMC Employee Service Center at 1-866-374-2662.

## Requesting a Calculation

As you plan for retirement, you can estimate the benefit you will receive under the U.S. Retirement Program by accessing (via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com))):

- My Rewards@MMC; and/or
- the RETIREMENT PROGRAM CALCULATOR.

My Rewards@MMC provides a personalized view (click on the “Request Print Statement” for a print copy of your personalized statement) of your annual compensation, accumulated wealth (including your MMC Retirement Plan benefit), health benefits and survivor protection plans. Under Wealth Accumulation you will find your accrued estimated annualized benefit payable at age 65. Projected annual benefits at age 55, age 62 and age 65 are also provided.

Note: The estimate shown may not reflect your actual benefit if you participated in a non-U.S. or a non-participating company retirement plan. Nor does the estimate include any Social Security benefit.

The Retirement Program Calculator is an interactive tool that projects your estimated final benefit amount based on assumptions such as: selected retirement date, age, salary and years of service.

Note: For those with foreign service, the Retirement Program Calculator will not reflect any offsets which may apply. An offset may apply if you have a QDRO on file or if you have a benefit payable from another plan and received credit under this Plan for the same period of service.

If you need additional information and you meet the requirements stated below, you may request a formal calculation on an annual basis.

You can request a U.S. Retirement Program estimate if:

- a Qualified Domestic Relations Order is submitted and approved or
- you are at least age 50 with five years of VESTING SERVICE or
- you are retiring within one year from the date of the request or
- you are terminated with five years of vesting service.

If you are an active employee, send your U.S. Retirement Program estimate request to your Human Resources Representative. If you are a terminated employee, send your U.S. Retirement Program estimate request to the MMC Employee Service Center at P.O. Box 9740, Providence, RI 02940 or fax a request to 1-800-250-8414.

Only one calculation estimate is permitted per calendar year. All estimates will assume your current salary will remain in effect until your retirement date. You may request a copy of your calculation, which will show how your ELIGIBLE MONTHLY SALARY and FINAL AVERAGE SALARY (if applicable) were calculated and the years and months of BENEFIT SERVICE used.

If you are under age 55 and have at least five years of service when you terminate employment, you will be sent a letter (generally, within 45 days of your termination of employment) showing your MMC Retirement Plan benefit and other benefits under the U.S. Retirement Program at age 65.

The benefit payable by the Plan does not include any benefit you may be eligible for under Social Security.

## Applying for Benefits

### ***How do active employees begin the retirement process?***

To request your retirement benefit and begin the retirement process, you must contact your Human Resources Representative to request commencement of your retirement benefit and provide the information listed below at least 90 days before your anticipated retirement date.

Information needed by your Human Resources Representative for your commencement of your retirement benefit request includes:

- your termination date
- the date of birth and relationship of your intended beneficiary
- the date you want to start your benefit.

Your Human Resources Representative will prepare and submit a *Request for Retirement Plan Calculation Form* for you. The request will also indicate if the retirement package should be sent to your Human Resources Representative or to you directly at your address of record, with a copy sent to your Human Resources Representative.

Generally, the retirement package will be sent within 15 business days after your request is received. The retirement package includes retirement benefit information and other forms relating to other benefits, including the following forms:

- a direct deposit form
- Request for Retirement Benefits form
- tax withholding election form
- Benefit Equalization Plan and Supplemental Retirement Plan Forms if applicable.

Return your completed forms as instructed in your package.

Generally, your benefit will commence the first of the month after the MMC Employee Service Center receives your completed forms in good order, as long as your forms were received at least 30 days prior to the 1<sup>st</sup> of the month. Otherwise, your benefits will commence the 1<sup>st</sup> of the month following the month in which your completed forms in good order are on file for at least 30 days.

## Terminated Vested or Retired Participant Initiating Benefits

If you have already left the Company and would like to request your retirement benefit and begin the retirement process, you can send a letter to the MMC Employee Service Center at P.O. Box 9740, Providence, RI 02940 or fax a letter to 1-800-250-8414. In your letter be sure to state your:

- Social Security number
- termination date
- date of birth
- intended beneficiary's date of birth and relationship
- desired BENEFIT COMMENCEMENT DATE (generally the first of any month following your termination date, up to age 65. However, benefits cannot commence before your 55<sup>th</sup> birthday or before all completed paperwork in good order is on file for at least 30 days).

To begin receiving a retirement benefit from the MMC Retirement Plan, you must send all required retirement package information, completed forms and related documents in good order to the MMC Employee Service Center at 30 but not more than 90 days before your anticipated benefit commencement date.

The documents submitted must include, proof of age for you and your contingent annuitant, such as a copy of your birth certificate(s), driver's license(s) or passport(s). All information that you provide will be deemed true and correct and will be conclusively binding upon you and your contingent annuitant.

Generally, your benefit will commence the first of the month after the MMC Employee Service Center receives your completed forms in good order, as long as your forms were received at least 30 days prior to the 1<sup>st</sup> of the month. Otherwise, your benefits will commence the 1<sup>st</sup> of the month following the month in which your completed forms are on file for at least 30 days.

If you do not contact the MMC Employee Service Center to commence benefit payments, and if the MMC Employee Service Center cannot locate you by your 65<sup>th</sup> birthday, your benefit may be forfeited. Your benefit will be reinstated, however, if you subsequently notify the MMC Employee Service Center; your missed benefit payments will be made following your notification.

## Reporting a Change in Address

You must report any address change immediately to the MMC Employee Service Center at 1-866-374-2662 in order to ensure that you receive your benefits and any notices of benefit changes.

## How Benefits are Taxed

After your payments start, your benefits are taxed as ordinary income. Make your tax withholding election by filling out an IRS Federal Form W-4P. If you contributed to the Sedgwick Retirement Plan, the portion of your payment attributable to your employee contributions is not taxable.

You will be sent federal tax withholding forms with your retirement paperwork. If you don't return a form, federal taxes will be withheld as if you are married with three withholding allowances.

If you don't have sufficient taxes withheld, you may have to pay estimated taxes on a quarterly basis.

Consult with a financial or tax professional for information about your personal tax situation.

## Changing Withholdings

You may change your tax withholding election by completing a new IRS form W-4P. You may get a copy of the form at the IRS website.

## Taxes on a Lump Sum

If you are eligible for a lump sum distribution and don't roll it over, it will be considered a part of your taxable income.

In addition to any taxes, your distribution may be subject to a 10% penalty tax unless you:

- receive the distribution on or after you reach age 59½ or
- leave the Company and receive the distribution on or after age 55 or
- use the distribution for an IRS deductible medical expense or
- are disabled (as defined by the Internal Revenue Code) or
- are an alternate payee and receive a distribution pursuant to a Qualified Domestic Relations Order.

Lump sum payments are subject to a mandatory 20% federal tax withholding if not directly rolled over to the trustee or custodian of another plan or IRA. Any taxable amount you roll over into a Roth IRA will be includible in your taxable income at the time it is paid from the Plan; however, mandatory withholding does not apply. If certain conditions are met, withdrawals from a Roth IRA, unlike a regular IRA, may be made tax-free.

If your surviving spouse receives a lump sum distribution, he or she can also defer taxes by electing a rollover. You can avoid a required 20% federal withholding and the 10% penalty if the check is made payable to the trustee or custodian of another eligible employer plan that accepts rollovers or an IRA. If the distribution is paid directly to you, you can still roll over the distribution, but you must complete the rollover within 60 days. You may make up from your own funds the 20% that was withheld at the time of your distribution.

If your DOMESTIC PARTNER receives a lump sum distribution, he or she can defer taxes by electing a rollover. However, a surviving Domestic Partner may only elect a rollover to an IRA. If a surviving Domestic Partner elects a cash distribution rather than a rollover, the distribution is not subject to the 20% federal withholding that applies to eligible rollover distributions generally and is not eligible for rollover by the Domestic Partner once the distribution is received.

Your contributions to the Sedgwick Retirement Plan can be rolled over only to an IRA or eligible employer plan that accepts after-tax contributions.

Tax laws are complicated and change often. Should you (or your surviving spouse, surviving Domestic Partner or alternate payee under a QDRO) become eligible to receive a lump sum distribution from the Plan, more detailed information will be provided at the time.

## Reported Withholdings

Your MMC Retirement Plan benefit payments and withholdings are reported on an IRS Form 1099R. The form is mailed to you no later than January 31.

## Rollovers

### ***Can I roll money into the retirement benefit plan?***

The MMC Retirement Plan does not accept rollovers of benefits from other Plans.

### ***Can I roll over my MMC Retirement Plan benefit to an IRA or another employer plan?***

A monthly retirement benefit payment can't be rolled over.

You can roll over a lump sum payment from the MMC Retirement Plan into an Individual Retirement Account (IRA) (including a Roth IRA as described in Section 408A of the Code) or into another eligible employer plan that accepts rollovers. An eligible employer plan could be a qualified plan (e.g., 401(k) plan), or certain plans of government and tax-exempt organizations established under sections 403(a), 403(b) or section 457 of the Internal Revenue Code).

If you received a lump sum payment with a portion of the benefit attributable to service while in the Sedgwick Retirement Plan, the contributions you made to the Sedgwick Retirement Plan can be rolled over if the IRA or another eligible employer plan accepts after-tax contributions.

With the rollover check, there will be a letter for the receiving trustee stating the distribution is from a tax-qualified retirement plan.

If the lump sum value of your benefit is \$1,000 or less, you will automatically receive a lump sum distribution (which is eligible for rollover as described above) in lieu of a monthly benefit.

If you die and the lump sum value of the survivor benefit is \$1,000 or less, your spouse or DOMESTIC PARTNER will automatically receive a lump sum distribution in lieu of a monthly benefit. Your surviving spouse or Domestic Partner is also eligible to roll over a lump sum distribution (see "Taxes on a Lump Sum" on page 33 for details).

If the lump sum value of your benefit is less than \$200, it will automatically be paid to you. You can deposit it into another eligible employer plan or IRA that accepts rollovers.

### ***How do I rollover a lump sum?***

Participants eligible for a lump sum payment will be sent a form to complete.

### **Where to Find Tax Information on Rollovers**

Refer to the IRS Special Tax Notice Regarding Plan Payments for tax information on rollovers out of the Plan. A copy of this notice will be provided to each recipient of a distribution eligible for rollover.

You should consult with a tax professional to find out exactly what taxes you will have to pay.

### **In Case of Divorce**

In the case of divorce, the Plan may be required to pay all or a portion of your MMC Retirement Plan benefit to your former spouse. Review the information here on Qualified Domestic Relations Order (QDRO) rules for details. You can also find more information on what to do in the case of divorce in the *Life Events* section of the Benefits Handbook.

### **Qualified Domestic Relations Order (QDRO) Rules**

A "qualified domestic relation order" (QDRO) is a "domestic relations order" (DRO) that creates, or recognizes the existence of, the right of an "alternate payee" (former spouse, child(ren) or other dependent(s)) to receive all or a part of your accrued benefit under the Plan.

A DRO is a judgment (generally issued by the court to be recognized as a DRO under ERISA), decree, or order that relates to the provision of child support, alimony payments, or marital property rights for the benefit of a spouse, former spouse, child, or other dependent.

The Plan has to honor any DRO relating to your Plan benefit as long as it complies with the QDRO guidelines of the Plan and applicable legal requirements. A DRO must contain the following information to qualify as a QDRO acceptable under the Plan and ERISA.

- the name, last known mailing address of the participant and the alternate payee and marriage date (if applicable)
- the full name of the Plan (Marsh & McLennan Companies Retirement Plan)
- the full name and address of the Plan Administrator (Plan Administrator – MMC Retirement Plan, c/o MMC Global Benefits, Marsh & McLennan Companies, Inc., Waterfront Corporate Center, 121 River Street, 6<sup>th</sup> Floor, Hoboken, NJ 07030)
- the amount or percentage of the participant's benefit to be paid by the plan to each Alternate Payee, expressed in terms of either:
  - a specific amount payable monthly, or
  - a percentage (not greater than 100%) by which the participant's vested accrued benefit is to be reduced to provide a monthly annuity to the Alternate Payee.
- The date the payments to the Alternate Payee are to commence which may be the first of any month not later than the participant's NORMAL RETIREMENT DATE, and not earlier than the earliest date on which, under the Plan, the participant could elect to receive retirement benefits.

The Alternate Payee's benefit under a QDRO may be paid as a single-life annuity over the life of the Alternate Payee or in any optional form in which such benefits may be paid under the Plan to the participant (other than in the form of a joint and survivor annuity).

A draft order should be sent to QDRO Consultants Co. for approval prior to being sent to the court for signature. (If you submit a DRO to the court without prior approval by QDRO Consultants Co. and the QDRO does not comply with the Plan's guidelines, you will be required to resubmit it to the court.) All expenses in connection with obtaining a QDRO are your and your alternate payee's responsibility.

### ***Whom should I contact about my benefit under this Plan if I am going through a divorce?***

In order to give your spouse an interest in your retirement benefit, a Domestic Relations Order must be submitted to QDRO Consultants Co. at the following address:

QDRO Consultants Co.  
Attention: Marsh & McLennan QDRO Compliance Team  
110 South Huntington Street  
Medina, Ohio 44256

You can also call QDRO Consultants Co. at 1-800-527-8481 with any questions or fax inquiries to them at 1-330-722-2735.

## Retirement Benefit for an Alternate Payee

The terms of the Qualified Domestic Relations Order will determine when an alternate payee may start to receive MMC Retirement Plan benefits. The Plan Administrator will follow the terms of the Qualified Domestic Relations Order (QDRO).

If the Qualified Domestic Relations Order (QDRO) provides for a division of the benefit only after the participant starts to receive benefits, then the alternate payee's benefit will commence at the same time as the participant's benefit.

If the Qualified Domestic Relations Order (QDRO) provides for a division of the participant's benefit prior to the participant's retirement, an alternate payee can start a retirement benefit on the first of the month after the participant reaches age 55 (or the participant's 55<sup>th</sup> birthday if the birthday falls on the first of the month).

## Remarriage After a Qualified Domestic Relations Order (QDRO)

If you remarry, your new spouse may qualify as a spouse only with respect to benefits not awarded to your former spouse under the Qualified Domestic Relations Order.

## In the Case of Your Death

In the event of your death before vested benefits under the MMC Retirement Plan commence, your vested death benefit will go to your:

- spouse to whom you have been married for at least twelve consecutive months at the time of your death, or
- DOMESTIC PARTNER.

If you are not married and do not have a Domestic Partner, are married for fewer than twelve consecutive months at the time of your death, have a partner but do not meet the Domestic Partner requirements as defined by the Plan or are not vested in the Plan, the Plan does not pay a benefit upon your death.

### ***What is the definition of a Domestic Partner?***

A partner of the same or opposite sex with whom you are registered as Domestic Partners in accordance with the requirements of a city, state, or municipality that recognizes domestic partnerships, if you have been registered as Domestic Partners for 12 months or longer.

If you are not registered as Domestic Partners or have been registered for fewer than 12 months, your partner will qualify as a Domestic Partner for the purposes of the Plan if you and your Domestic Partner satisfy all of the following criteria:

- You are both at least age 18.
- Neither of you are currently nor have been married or the Domestic Partner of any other person for at least the previous 12 months.

- You are not related by blood to a degree of closeness that would prohibit marriage under applicable U.S. state law.
- You are in an exclusive, committed relationship that has existed for at least 12 months and is intended to be permanent.
- You have mutually agreed to be responsible for each other's common welfare.
- You have resided together for at least the previous 12 months, and you intend to do so permanently.

## Beneficiary If I Die Before Benefits Commence

If you are not married and do not have a DOMESTIC PARTNER, are married for fewer than twelve consecutive months at the time of your death, have a partner but do not meet the Domestic Partner requirements as defined by the Plan or are not vested in the Plan, the Plan does not pay a benefit upon your death.

If you are vested in the MMC Retirement Plan but die while actively employed or terminate and die before your benefit begins, a benefit is paid to your surviving spouse or surviving Domestic Partner. Your surviving spouse is your legal spouse to whom you have been married for at least twelve consecutive months at the time of your death.

Employees who contributed to the Sedgwick Retirement Plan (which was merged into the MMC Retirement Plan on January 1, 2000) may have a beneficiary on file to receive a refund of their contributions plus interest in the event they die before benefits commence and have not been married for at least one year at the time of death. This beneficiary election may be updated at any time.

## Beneficiary If I Die After Benefits Commence

Your beneficiary is the individual you named when you commenced your benefit. The benefit, if any, payable after your death, will be based on the form of payment you elected when your benefits commenced.

## Benefit to Beneficiary If I Die While Actively Employed

If you are not married and do not have a DOMESTIC PARTNER, are married for fewer than twelve consecutive months at the time of your death, have a partner but do not meet the Domestic Partner requirements as defined by the Plan or are not vested in the Plan, the Plan does not pay a benefit upon your death.

If you are married and vested in the Plan, your spouse to whom you have been married for at least one year at the time of your death will receive the following:

If you die before age 50:

- the contingent annuitant's portion of your accrued vested benefit calculated as if you had terminated employment on your date of death and elected the 50% Contingent Annuity option will be payable to your spouse. This benefit will commence on the first of the month following the month in which you would have attained age 65. Your spouse can elect to commence the benefit as early as the first of the month following the month when you would have attained age 55 although the monthly benefit paid will be reduced using the Plan's early retirement reduction factors. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.

If you die on or after age 50:

- 50% of your accrued vested benefit calculated as if you had terminated employment on your date of death will be payable to your spouse. This benefit will commence as of the first of the month following your death. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.

If you have a Domestic Partner and are vested in the Plan, your Domestic Partner will receive the following:

If you die before age 50:

- the contingent annuitant's portion of your accrued vested benefit calculated as if you had terminated employment on your date of death and elected the 50% Contingent Annuity option will be payable to your Domestic Partner. The monthly benefit will be reduced using the Plan's early retirement reduction factors. This benefit will commence as of the first of the month following your date of death. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.
- Payments to your surviving Domestic Partner must in any event begin no later than the last day of the Plan Year after the year of your death, in accordance with IRS rules. If payments are delayed beyond the latest date allowed by law, an excise tax of 50% of the late payments applies, which may be waived by the IRS if reasonable cause is shown for the delay.
- If you have a Domestic Partner or enter into a Domestic Partner relationship in the future, be sure to inform your Domestic Partner of his or her potential benefits under the Plan and urge him or her to contact the Plan as soon as possible in the event of your death.

If you die on or after age 50:

- 50% of your accrued vested benefit calculated as if you had terminated employment on your date of death will be paid to your Domestic Partner. This benefit will commence on the first of the month following your date of death. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.
- Payments to your surviving Domestic Partner must in any event begin no later than the last day of the Plan Year after the year of your death, in accordance with IRS rules. If payments are delayed beyond the latest date allowed by law, an excise tax of 50% of the late payments applies, which may be waived by the IRS if reasonable cause is shown for the delay.
- If you have a Domestic Partner or enter into a Domestic Partner relationship in the future, be sure to inform your Domestic Partner of his or her potential benefits under the Plan and urge him or her to contact the Plan as soon as possible in the event of your death.

Note: If the PRESENT VALUE of the spousal or Domestic Partner death benefit does not exceed \$1,000, a lump sum payment will be paid automatically following your death.

### Benefit to Beneficiary If I Die after Termination but Before Benefits Commence

If you are not married and do not have a DOMESTIC PARTNER, are married for fewer than twelve consecutive months at the time of your death, have a partner but do not meet the Domestic Partner requirements as defined by the Plan or are not vested in the Plan, the Plan does not pay a benefit upon your death.

If you are married and vested in the Plan, your spouse to whom you have been married for at least twelve consecutive months will receive a death benefit based on your vested accrued benefit at your death as if you elected the 50% Contingent Annuity form of payment on the day before your date of death. This benefit will commence on the first of the month following the month in which you would have attained age 65. Your spouse can elect to commence the benefit as early as the first of the month following the month when you would have attained age 55 although the monthly benefit paid will be reduced using the Plan's early retirement reduction factors. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.

If you are married, elect a Contingent Annuity form of payment as a retirement benefit and die before payments begin:

- the Contingent Annuity percentage (e.g., 50%, 66 $\frac{2}{3}$ %, 75%, or 100%) that you elected as a retirement benefit will be paid to your spouse as a death benefit if your spouse was designated as your contingent annuitant, or
- the 50% Contingent Annuity death benefit will be paid to your spouse if your spouse was not designated as your contingent annuitant. The contingent annuitant you designated in your retirement election will not receive a benefit from the Plan.

If you have a Domestic Partner and are vested in the Plan, your Domestic Partner will receive a death benefit based on your vested accrued benefit at your death as if you elected the 50% Contingent Annuity form of payment on the day before your date of death. The monthly benefit will be reduced using the Plan's early retirement reduction factors. This benefit will commence as of the first of the month following your date of death. Monthly payments are made at the beginning of each month. The first payments will be made up to 90 days following notification of your death.

Payments to your surviving Domestic Partner must in any event begin no later than the last day of the Plan Year after the year of your death, in accordance with IRS rules. If payments are delayed beyond the latest date allowed by law, an excise tax of 50% of the late payments applies, which may be waived by the IRS if reasonable cause is shown for the delay.

If you have a Domestic Partner or enter into a Domestic Partner relationship in the future, be sure to inform your Domestic Partner of his or her potential benefits under the Plan and urge him or her to contact the Plan as soon as possible in the event of your death.

If you have a Domestic Partner and die after electing a contingent annuity form of payment as a retirement benefit and die before payments begin:

- the Contingent Annuity percentage (e.g., 50%, 66 $\frac{2}{3}$ %, 75%, or 100%) that you elected as a retirement benefit will be paid to your Domestic Partner if your Domestic Partner was designated as your contingent annuitant, or
- the 50% Contingent Annuity death benefit payable will be paid to your Domestic Partner if your Domestic Partner was not designated as your contingent annuitant. The contingent annuitant you designated in your retirement election will not receive a benefit from the Plan.

## Benefit to Beneficiary If I Die After Benefits Commence

If you elected a period certain option and die before all guaranteed payments are made, the beneficiary you named will receive the remaining payments. If all guaranteed payments were made, no payments will be made to your beneficiary when you die.

If you elected a contingent annuity option, your contingent annuitant will receive the percentage of your monthly benefit you selected for the rest of his or her life.

There is no beneficiary for the straight life annuity or the Social Security level income forms of payment.

## Merged Plans

### Service with an Acquired Company

You are an acquired company employee if you were employed by an acquired company on the date of acquisition. Employees of an acquired business initially become eligible no earlier than the specified dates established in the Plan.

If you are an acquired company employee and meet the eligibility requirement for this Plan (see “Participating in the Plan” on page 3 for details), generally you will be eligible for VESTING SERVICE on the first day of the month of your most recent date of hire with the acquired company unless the terms in the acquisition agreement, if any, specify otherwise.

If you are an acquired company employee and meet the eligibility requirement for this Plan (see “Participating in the Plan” on page 3 for details), generally you will be eligible for BENEFIT SERVICE on the first day of the month the acquired company becomes part of the MMC controlled group unless the terms in the acquisition agreement, if any, specify otherwise.

Note: You are not an acquired company employee if you are not an employee of the acquired company on the date of the acquisition. If you are not an acquired company employee, you are not eligible for benefit and vesting service credit for prior service with the acquired company.

### ***What compensation is used to determine final average monthly earnings if my period of employment includes a time with an acquired company?***

The compensation used to determine final average monthly earnings may include a period of employment with an acquired company prior to the date of acquisition.

***If I was a participant in a merged plan, when do I become a participant in this Plan?***

If you were a participant of a merged plan, you shall become a participant in this Plan as of the first day of the month of the merger into this Plan, unless the Company has specifically designated a different date for all participants of the merged plan.

If you are a participant of an acquired plan (other than Johnson & Higgins and Sedgwick) that merges into the MMC Retirement Plan, your benefit service recognized under the acquired plan will be accepted as benefit service under the MMC Retirement Plan.

***What rules apply to my benefits if I was an employee of Meidinger, Inc. on the date of the acquisition?***

If you were an employee of Meidinger, Inc. on the date of the acquisition (February 29, 1984) and participated in the Meidinger Employee Retirement Plan (Meidinger Plan) immediately prior to the acquisition, you became a participant in the MMC Retirement Plan on July 1, 1984. You were credited under the Plan for service with Meidinger, Inc. prior to the date of the acquisition for purposes of determining eligibility, vesting and benefits.

If you were a Meidinger Plan participant who had attained age 50 prior to the date of acquisition, your benefit under the MMC Retirement Plan will not be less than the actuarial equivalent of the retirement benefit payable in the form of a one hundred twenty month certain annuity which would have been payable under the Meidinger Plan. The payment is based on compensation through the date of your termination or retirement under the MMC Retirement Plan and the aggregate period of service accumulated under the Meidinger Plan and the MMC Retirement Plan.

Once vested in the MMC Retirement Plan, the retirement plan benefit payable to a Meidinger Plan participant who had not attained age 50 on the date of the acquisition shall not be less than the actuarial equivalent of the pension benefit accrued under the Meidinger Plan as of the date of the acquisition in the form of a one hundred and twenty month certain annuity.

***What rules apply to my benefits if I was an employee of A.S. Hansen Inc. on the date of the acquisition?***

If you were an employee of A.S. Hansen Inc. on the date of the acquisition (February 27, 1987), you received benefit service under the MMC Retirement Plan from March 1, 1987. Your A.S. Hansen Pension Plan eligibility and vesting service was also credited to the MMC Retirement Plan.

Benefits accrued under the A.S. Hansen Pension Plan were frozen as of February 28, 1987. The frozen benefit will be paid in addition to your benefits accrued under the MMC Retirement Plan for credited service since March 1, 1987.

### ***What rules apply to my benefits if I was an employee of Montgomery and Montgomery Inc. on the date of the acquisition?***

If you were an employee of Montgomery & Montgomery Inc. on the date of the acquisition (December 31, 1986), you received benefit service under the MMC Retirement Plan from December 1, 1986.

Benefits accrued under the Montgomery & Montgomery Inc. Retirement Income Plan were frozen as of January 31, 1987. The frozen benefit will be paid in addition to benefits accrued under the MMC Retirement Plan for credited service since December 1, 1986. Your benefit will be reduced if your BENEFIT COMMENCEMENT DATE precedes your 65<sup>th</sup> birthday. The reduction will be the lesser of the required reduction calculated under the prior Montgomery & Montgomery Inc. Retirement Income Plan and the MMC Retirement Plan.

### **Special Sedgwick Rules**

These special rules apply to individuals with past Sedgwick service who are actively employed by the Company on or after January 1, 2000. In general, individuals employed by MMC who were employed by Sedgwick on the corporate merger date, November 3, 1998, were first eligible to participate in the MMC Retirement Plan on January 1, 2000.

Effective as of January 1, 2000, the Sedgwick Retirement Plan was merged into the MMC Retirement Plan. Your Sedgwick benefit as of December 31, 1999, if any, updated for MMC pay history will be added to any benefit you accrued starting January 1, 2000 under the MMC Retirement Plan. The total combined benefit will be payable from the MMC Retirement Plan if you are vested when you leave the Company.

Note: Your Sedgwick service will count for vesting in the MMC Retirement Program to the extent it was recognized under the Sedgwick Retirement Plan if you were employed on the corporate merger date and remained employed through December 31, 1999; it does not count as BENEFIT SERVICE under the U.S. Retirement Program. Your benefit and VESTING SERVICE DATES on record can be found via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com)) by accessing, "Information About You" in the RETIREMENT PROGRAM CALCULATOR.

### ***Effect on Eligibility Requirement with Prior Sedgwick Service***

#### ***How will the one year of service eligibility requirement be affected by my former Sedgwick service?***

Your previous eligibility service with a Sedgwick company will generally count toward the one year of service eligibility requirement under the MMC Retirement Plan.

## ***Benefit Accrual Rates with Prior Sedgwick Service***

### ***How does my prior Sedgwick service impact my future MMC Retirement Plan benefit accrual rates?***

The benefit that you earn after 1999 will be determined under the MMC Retirement Plan formula using service with MMC after 1999. Prior Sedgwick benefit service is not counted as benefit service under the MMC Retirement Plan formula.

The benefit formula for the MMC Retirement Plan uses a higher accrual rate (i.e. 1.6%) for the first 30 years of benefit service than the rate (1.0%) used in later years. To determine which rate applies when your MMC Retirement Plan benefit is calculated, your combined length of benefit service with both Sedgwick and MMC will be considered as applicable for determining the period to measure average monthly earnings. Prior Sedgwick benefit service is counted only to determine how many years of service count toward the 30 years.

For example, say you had 25 years of Sedgwick credited service as of December 31, 1999. You continue employment with MMC for 15 years beginning in 2000, until you retire with a combined total of 40 years of service. Your MMC Retirement Plan benefit for your post-1999 service would be calculated using the higher accrual rate for five years (because these five years, when added to your 25 years of Sedgwick service, total 30), the lower accrual rate for the remaining 10 years, and your total base salary history with both MMC and Sedgwick.

If you were not an active employee participant in the Sedgwick Retirement Plan on December 31, 1999, only your service and base salary with MMC on or after January 1, 2000, will count toward the benefit accrual rates.

## ***Pay Average to Determine Post-1999 MMC Benefit***

### ***What portion of my pay is used to determine my post-1999 MMC benefit?***

The base salary that you earned with Sedgwick will count for the MMC Retirement Plan's five-year pay average that is used to determine benefits accrued as of December 31, 2005, if your Sedgwick benefit service is counted for the MMC accrual rates under any of the situations described earlier. If your prior Sedgwick base salary counts, then your Sedgwick base salary and your MMC base salary will be taken into account when determining your overall U.S. Retirement Program benefit accrued as of December 31, 2005.

Otherwise, only your base salary with MMC on or after January 1, 2000, will count toward the MMC Retirement Plan benefit calculations.

## ***Vesting Requirement with Prior Sedgwick Service***

### ***What is the vesting requirement if I had former Sedgwick service?***

Generally, the MMC Retirement Plan requires 60 months of service for full vesting. Your prior Sedgwick VESTING SERVICE generally counts for this purpose and includes all calendar years prior to January 1, 2000 in which you earned 1,000 hours of service with Sedgwick

- prior to the date you were first eligible to start contributing to the Sedgwick Plan and
- after the date you first became eligible to contribute if you actually elected to contribute to the Sedgwick Plan.

Your previous vesting service with a Sedgwick company will count toward the MMC Retirement Plan's 60 months of service vesting requirement if:

- you were vested or credited with vesting service under the Sedgwick Retirement Plan when you left Sedgwick employment; or
- you were an active employee participating in the Sedgwick Retirement Plan on December 31, 1999; or
- you were employed at MMC on November 3, 1998 and left employment when you were not yet vested under the Sedgwick Retirement Plan on or after November 3, 1998; or
- you were hired by MMC after November 3, 1998, within five years of leaving a Sedgwick company.

Otherwise, only your service with MMC on or after November 3, 1998, will count toward the 60 months of service vesting requirement.

## ***Prior MMC Service Impact on Sedgwick Benefit***

### ***How does my prior MMC service impact my Sedgwick retirement benefit?***

If you were employed by a Sedgwick company on November 3, 1998 and before that you worked at MMC, your MMC service will count in determining your vesting status under the Sedgwick Plan if you are employed by MMC on or after January 1, 2000 and if:

- you left MMC after 1984; or
- you left MMC before 1985 with a vested MMC Retirement Plan benefit.

Otherwise, your prior MMC service does not count for vesting in your Sedgwick benefit.

## ***Vesting Effect for Future MMC Service***

### ***How is my future MMC service going to impact the vesting of my Sedgwick retirement benefit?***

If you previously worked at Sedgwick, but terminated before becoming vested in your Sedgwick Retirement Plan benefit, and you are employed by MMC on or after January 1, 2000, your MMC service beginning with the date of your employment with MMC will be counted in determining your vested status in the Sedgwick benefit if:

- you were employed at MMC on November 3, 1998 and left Sedgwick on or after November 3, 1993 and repaid the employee contributions you made to the Sedgwick Plan plus interest within five years of reemployment; or
- you were employed at MMC after November 3, 1998 within five years of leaving Sedgwick and repaid the employee contributions you made to the Sedgwick Plan plus interest within five years of reemployment.

## ***Benefit Service Impact***

### ***How is my future MMC service going to impact the benefit service for calculating my Sedgwick retirement benefit?***

Periods of employment with an MMC company do not count as benefit service in determining the amount of any benefit to which you may be entitled under the Sedgwick Retirement Plan formula.

## ***Pay History***

### ***How will my future MMC pay impact my Sedgwick retirement benefit?***

If you were employed by Sedgwick on November 3, 1998 and remained continuously employed by MMC through December 31, 1999 and have a Sedgwick benefit that has not been previously forfeited or distributed in a lump sum that has not been repaid to the Plan, your pay history after January 1, 2000 will be used to update your December 31, 1999 accrued Sedgwick benefit. Your benefit is multiplied by a factor that is determined by dividing your FINAL AVERAGE SALARY at termination of employment by your final average salary as of December 31, 1999.

For example, if your final average salary at termination is \$125,000 and your final average salary as of December 31, 1999 was \$100,000 your Sedgwick benefit accrued as of December 31, 1999 will be multiplied by 1.25 ( $\$125,000/\$100,000$ .)

### **Early Retirement Factors**

*What factors will be used to reduce my Sedgwick benefit attributable to the Sedgwick Retirement Plan and the pay update on that benefit if I commence benefits before age 65?*

If you have a Sedgwick Retirement Plan benefit and commence payments prior to age 65, your accrued benefit from the Sedgwick Retirement Plan as of December 31, 1999 (as adjusted for any pay update applied to your benefit) are reduced by the early retirement factors that were in effect under the Sedgwick Retirement Plan as of December 31, 1999, as follows:

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued through December 31, 1999 Born Before 1955	You will receive this percentage of your benefit accrued through December 31, 1999 Born After 1954
55	60%	56%
56	64%	62%
57	68%	68%
58	72%	72%
59	76%	76%
60	80%	80%
61	84%	84%
62	88%	88%
63	92%	92%
64	96%	96%
65	100%	100%

The MMC Retirement Plan early retirement factors will be applied to the benefit you accrue under the MMC Retirement Plan to compensate for the longer projected payout period.

### ***Prior Johnson & Higgins Vesting Service Impact on Sedgwick Benefit***

#### ***How will my prior Johnson & Higgins vesting service impact my Sedgwick retirement benefit?***

If you were employed by a Sedgwick company on November 3, 1998 and before that you worked at Johnson & Higgins, your Johnson & Higgins service will be counted in determining your vested status under the Sedgwick benefit if you are employed by MMC on or after January 1, 2000 and if:

- you left Johnson & Higgins with a vested Johnson & Higgins benefit; or
- you left Johnson & Higgins on or after November 3, 1993 before becoming vested and were hired by Sedgwick before November 3, 1998.

Otherwise, your prior Johnson & Higgins service does not count for vesting in your Sedgwick benefit.

Periods of employment with a Sedgwick or Johnson & Higgins company do not count as benefit service in determining the amount of any benefit to which you may be entitled under the other company's retirement plan, as applicable.

Pay with a Sedgwick company does not count as pay in the J&H benefit formula. Pay with a Johnson & Higgins company does not count as pay in the Sedgwick benefit formula.

If you have prior Johnson & Higgins or MMC service that you believe should be counted in determining your eligibility and vesting in the plans described, notify your Human Resources Representative. Be sure to provide documentation supporting your assertion.

### ***Sedgwick Vesting Service Impact on Johnson & Higgins Benefit***

#### ***How will my Sedgwick vesting service impact my Johnson & Higgins retirement benefit?***

If you are employed by MMC on or after January 1, 2000, your Sedgwick/MMC vesting service that you earned after your date of hire by Sedgwick will count towards vesting in your Johnson & Higgins benefit if you were hired by Sedgwick before November 3, 1998 and left Johnson & Higgins on or after November 3, 1993 before becoming vested.

### ***Johnson & Higgins Vesting Service Impact on Sedgwick Benefit***

#### ***How will my Johnson & Higgins vesting service impact my Sedgwick retirement benefit?***

If you are employed by MMC on or after January 1, 2000, your J&H vesting service that you earned after your date of hire by Johnson & Higgins will count toward vesting in your Sedgwick benefit if you were hired by Johnson & Higgins before October 1, 1997, left Sedgwick on or after November 3, 1993 before becoming vested and repaid the employee contributions you made to the Sedgwick Plan.

Remember that Sedgwick vesting service includes all calendar years in which you earned 1,000 hours of service with Sedgwick.

## Special Johnson & Higgins Rules

These special rules apply to individuals with past Johnson & Higgins service who are actively employed by the Company on or after January 1, 1998. In general, individuals employed by MMC who were employed by Johnson & Higgins on the corporate merger date, March 27, 1997, were first eligible to participate in the MMC Retirement Plan on January 1, 1998.

Effective as of January 1, 1998, the Johnson & Higgins Retirement Income Plan was merged into the MMC Retirement Plan. Your Johnson & Higgins benefit as of December 31, 1997, if any, updated for MMC pay history will be added to any benefit you accrued starting January 1, 1998 under the MMC Retirement Plan. The total combined benefit will be payable from the MMC Retirement Plan if you are vested when you leave the Company.

Note: Your Johnson & Higgins service will count for vesting in the MMC Retirement Plan to the extent it was recognized under the Johnson & Higgins Retirement Income Plan if you were employed on the corporate merger date and remained employed through December 31, 1997; it does not count as BENEFIT SERVICE under the MMC Retirement Plan. Your benefit and VESTING SERVICE DATES on record can be found via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com)) by accessing, "Information About You" in the RETIREMENT PROGRAM CALCULATOR.

### ***Effect on Eligibility Requirement with Prior Johnson & Higgins Service***

*How will the one year of service eligibility requirement be affected by my former Johnson & Higgins service?*

Your previous eligibility service with a Johnson & Higgins company will generally count toward the one year of service eligibility requirement under the MMC Retirement Plan.

### ***Benefit Accrual Rates with Prior Johnson & Higgins Service***

*How does my prior Johnson & Higgins service impact my future MMC Retirement Plan benefit accrual rates?*

The benefit that you earn after 1997 will be determined under the MMC Retirement Plan formula using service with MMC after 1997. Prior Johnson & Higgins benefit service is not counted as benefit service under the MMC Retirement Plan formula.

The benefit formula for the MMC Retirement Plan uses a higher accrual rate (i.e. 1.6%) for the first 30 years of benefit service than the rate (1.0%) used in later years. To determine which rate applies when your MMC Retirement Plan benefit is calculated, your combined length of benefit service with both Johnson & Higgins and MMC will be considered as applicable for determining the period to measure average monthly earnings. Prior Johnson & Higgins benefit service is counted only to determine how many years of service count toward the 30 years.

For example, say you had 25 years of Johnson & Higgins credited service as of December 31, 1997. You continue employment with MMC for 15 years beginning in 1998, until you retire with a combined total of 40 years of service. Your MMC Retirement Plan benefit for your post-1997 service would be calculated using the higher accrual rate for five years (because these five years, when added to your 25 years of Johnson & Higgins service, total 30), the lower accrual rate for the remaining 10 years, and your total base salary history with both MMC and Johnson & Higgins.

If you were not an active employee participant in the Johnson & Higgins Retirement Income Plan on December 31, 1997, only your service and base salary with MMC on or after January 1, 1998, will count toward the benefit accrual rates.

### ***Pay Average to Determine Post-1997 MMC Benefit***

*What portion of my pay is used to determine my post-1997 MMC benefit?*

The base salary that you earned with Johnson & Higgins will count for the MMC Retirement Plan's five-year pay average that is used to determine benefits accrued as of December 31, 2005, if your Johnson & Higgins benefit service is counted for the MMC accrual rates under any of the situations described earlier. If your prior Johnson & Higgins base salary counts, then your Johnson & Higgins base salary and your MMC base salary will be taken into account when determining your MMC Retirement Plan benefit accrued as of December 31, 2005.

Otherwise, only your base salary with MMC on or after January 1, 1998, will count toward the MMC Retirement Plan benefit calculations.

### ***Vesting Requirement with Prior Johnson & Higgins Service***

*What is the vesting requirement if I had former Johnson & Higgins service?*

Generally, the U.S. Retirement Program requires 60 months of service for full vesting. Your prior Johnson & Higgins VESTING SERVICE generally counts for the purpose and includes all years of service prior to January 1, 1998 with Johnson & Higgins.

Your previous vesting service with a Johnson & Higgins company will count toward the MMC Retirement Plan's 60 months of service vesting requirement if:

- you were vested or credited with vesting service under the Johnson & Higgins Retirement Income Plan when you left Johnson & Higgins employment; or
- you were an active employee participating in the Johnson & Higgins Retirement Income Plan on December 31, 1998; or
- you were employed at MMC on March 27, 1997 and left employment when you were not yet vested under the Johnson & Higgins Retirement Income Plan on or after March 27, 1997; or
- you were hired by MMC after March 27, 1997, within five years of leaving a Johnson & Higgins company.

Otherwise, only your service with MMC on or after March 27, 1997, will count toward the 60 months of service vesting requirement.

### ***Prior MMC Service Impact on Johnson & Higgins Benefit***

*How does my prior MMC service impact my Johnson & Higgins retirement benefit?*

If you were employed by a Johnson & Higgins company on March 27, 1997 and before that you worked at MMC, your MMC service will count in determining your vesting status under the Johnson & Higgins Retirement Income Plan if you are employed by MMC on or after January 1, 1998 and if:

- you left MMC after 1984; or
- you left MMC before 1985 with a vested MMC Retirement Plan benefit.

Otherwise, your prior MMC service does not count for vesting in your Johnson & Higgins benefit.

### ***Vesting Effect for Future MMC Service***

*How is my future MMC service going to impact the vesting of my Johnson & Higgins retirement benefit?*

If you previously worked at Johnson & Higgins, but terminated before becoming vested in your Johnson & Higgins Retirement Income Plan benefit, and you are employed by MMC on or after January 1, 1998, your MMC service beginning with the date of your employment with MMC will be counted in determining your vested status in the Johnson & Higgins benefit if:

- you were employed at MMC on March 27, 1997 and left Johnson & Higgins on or after March 27, 1997; or
- you were employed at MMC after March 27, 1997 within five years of leaving Johnson & Higgins.

### ***Benefit Service Impact***

*How is my future MMC service going to impact the benefit service for calculating prior Johnson & Higgins retirement benefit?*

Periods of employment with an MMC company do not count as benefit service in determining the amount of any benefit to which you may be entitled under the Johnson & Higgins Retirement Income Plan formula.

### ***Pay History***

*How is my future MMC pay history going to impact my Johnson & Higgins retirement benefit?*

If you were employed by Johnson & Higgins on March 27, 1997 and remained continuously employed by MMC through December 31, 1997 and have a Johnson & Higgins benefit that has not been previously forfeited or distributed in a lump sum that has not been repaid to the plan, your pay history after January 1, 1998 will be used to update your December 31, 1997 accrued Johnson & Higgins benefit. Your benefit is multiplied by a factor that is determined by dividing your FINAL AVERAGE SALARY at termination of employment by your final average salary as of December 31, 1997.

For example, if your final average salary at termination is \$125,000 and your final average salary as of December 31, 1999 was \$100,000 your Johnson & Higgins benefit accrued as of December 31, 1999 will be multiplied by 1.25 (\$125,000/\$100,000.)

### ***Early Retirement Factors***

*What factors will be used to reduce my Johnson & Higgins benefit attributable to the Johnson & Higgins Retirement Income Plan and the pay update on that benefit if I commence benefits before age 65?*

If you have a Johnson & Higgins Retirement Income Plan benefit and commence payments prior to age 65, your accrued benefit from the Johnson & Higgins Retirement Income Plan as of December 31, 1997 (as adjusted for any pay update applied to your benefit) are reduced by the early retirement factors that were in effect under the Johnson & Higgins Retirement Income Plan as of December 31, 1997.

If you leave employment on or after age 55 and had five years of vesting service, your Johnson & Higgins Retirement Income Plan benefit and the applicable pay update will be subject to the following early retirement reduction factors:

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued through December 31, 1997
55	58%
56	64%
57	70%
58	76%
59	82%

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued through December 31, 1997
60	88%
61	94%
62	100%
63	100%
64	100%
65	100%

If you leave employment prior to attaining age 55 and had five years of vesting service, your Johnson & Higgins Retirement Income Plan benefit and the applicable pay update will be subject to the following early retirement reduction factors:

If you elect to begin your benefit at this age:	You will receive this percentage of your benefit accrued through December 31, 1997
55	40%
56	46%
57	52%
58	58%
59	64%
60	70%
61	76%
62	82%
63	88%
64	94%
65	100%

The MMC Retirement Plan early retirement factors will be applied to the benefit you accrue under the MMC Retirement Plan to compensate for the longer projected payout period.

## ***Prior Johnson & Higgins Vesting Service Impact on Sedgwick Benefit***

### ***How will my prior Johnson & Higgins vesting service impact my Sedgwick retirement benefit?***

If you were employed by a Sedgwick company on November 3, 1998 and before that you worked at Johnson & Higgins, your Johnson & Higgins service will be counted in determining your vested status under the Sedgwick Plan if you are employed by MMC on or after January 1, 2000 and if:

- you left Johnson & Higgins with a vested Johnson & Higgins benefit; or
- you left Johnson & Higgins on or after November 3, 1993 before becoming vested and were hired by Sedgwick before November 3, 1998.

Otherwise, your prior Johnson & Higgins service does not count for vesting in your Sedgwick benefit.

Periods of employment with a Sedgwick or Johnson & Higgins company do not count as benefit service in determining the amount of any benefit to which you may be entitled under the Johnson & Higgins Retirement Income Plan or Sedgwick Retirement Plan, as applicable.

Pay with a Sedgwick company does not count as pay in the Johnson & Higgins Retirement Income Plan benefit formula. Pay with a Johnson & Higgins company does not count as pay in the Sedgwick benefit formula.

If you have prior Johnson & Higgins or MMC service that you believe should be counted in determining your eligibility and vesting in the plans described, notify your Human Resources representative. Be sure to provide documentation supporting your assertion.

## ***Sedgwick Vesting Service Impact on Johnson & Higgins Benefit***

### ***How will my Sedgwick vesting service impact my Johnson & Higgins retirement benefit?***

If you are employed by MMC on or after January 1, 2000, your Sedgwick and MMC vesting service that you earned after your date of hire by Sedgwick will count towards vesting in your Johnson & Higgins benefit if you were hired by Sedgwick before November 3, 1998 and left Johnson & Higgins on or after November 3, 1993 before becoming vested.

## ***Johnson & Higgins Vesting Service Impact on Sedgwick Benefit***

### ***How will my Johnson & Higgins vesting service impact my Sedgwick retirement benefit?***

If you are employed by MMC on or after January 1, 2000, your Johnson & Higgins and MMC vesting service that you earned after your date of hire by Johnson & Higgins will count towards vesting in your Sedgwick benefit if you were hired by Johnson & Higgins before October 1, 1997, left Sedgwick on or after November 3, 1993 before becoming vested and repaid the employee contributions you made to the Sedgwick Plan.

Remember that Sedgwick vesting service includes all calendar years in which you earned 1,000 hours of service with Sedgwick.

## Glossary

### ACCRUED OR EARNED BENEFIT

---

This is the amount of benefit that:

- you have earned to date, as determined under the benefit calculation formula based on your salary and benefit service and
- is payable at age 65 if you terminate employment and are vested.

### BENEFIT COMMENCEMENT DATE

---

This is the first day of the month in which your benefit from the Plan is paid. Once you elect a benefit commencement date and payments commence, you may not change it.

### BENEFIT SERVICE

---

Benefit service is used to calculate your MMC Retirement Plan benefit amount, and generally includes the number of months of your salaried employment with the participating company.

On or after January 1, 2006 (salaried employment with a participating company and receiving monthly earnings), a month of BENEFIT SERVICE (calendar month) is credited for purposes of determining the accrued benefit service. A month of benefit service means a calendar month which occurs on or after January 1, 2006 during which an eligible employee is employed by a participating company and receives monthly earnings.

If you are placed on a leave of absence (other than for an approved disability or military leave of absence) that is more than 12 months in duration, you will not receive benefit service after the first 12 months of the leave.

### BENEFIT SERVICE DATE

---

This is the start of your benefit service and, for most salaried employees, is the first of the month in which you worked at least one hour. For example, if you were hired on October 31, your benefit service date would be October 1. Your benefit service date may be determined differently if you became an eligible employee through an acquisition, if you left the Company and were later rehired, or if you had service as an hourly or leased employee or were employed outside the U.S. Your Human Resources Representative can tell you your benefit service date, as currently maintained in the Company's records; this date can also be found via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com)) by accessing, "Information About You" in the Retirement Program Calculator.

### BREAK IN SERVICE

---

When service is credited on an hourly basis a break in service is an Employment Year during which an individual is credited with fewer than 501 hours of service. When service is credited with on an elapsed time basis, a break in service generally occurs on the first anniversary of the date on which an individual either quits, retires, is discharged or dies.

## COVERED COMPENSATION

---

This is a set of annually issued Federal Government values of the average of the Social Security maximum Taxable Wage Bases over the 35-year period that ends at your Social Security normal retirement age. The Taxable Wage Base is the maximum amount of compensation recognized in determining your Social Security retirement benefit. (Currently, Social Security normal retirement age is 65 if you were born before 1938; 66 if you were born in 1938 through 1954; and 67 if you were born in 1955 or later. If you have not yet reached your Social Security normal retirement age, the current wage base is projected to your Social Security normal retirement age assuming no increases.) Each year the Federal Government issues an updated Taxable Wage Base Table. A copy of the table can be found on the Internet by accessing: [www.irs.gov/irb/2004-46\\_IRB/ar07.html](http://www.irs.gov/irb/2004-46_IRB/ar07.html) or go to "IRS.gov" and search for "Internal Revenue Bulletin (IRB) 2004-46".

## DEEMED DATE OF EMPLOYMENT

---

This is the employment commencement date for determining an acquired company participant's Vesting Service.

## DEFERRED RETIREMENT DATE

---

If your employment with the Company continues beyond your 65<sup>th</sup> birthday, your retirement benefit will be deferred, and you will begin receiving your benefit as of the first of the month that immediately follows the day you terminate employment. You will continue to earn a MMC Retirement Plan benefit until you retire, although there is no actuarial increase in your benefit for working beyond your normal retirement date.

If you continue in active employment past your normal retirement date, you continue to earn a MMC Retirement Plan benefit until you retire, although there is no actuarial increase in your benefit for working beyond your normal retirement date.

## DEFINED BENEFIT PLAN

---

This is a type of retirement benefit plan in which benefits are determined by a formula that usually considers salary and service. The plans in the U.S. Retirement Program are all defined benefit plans, but only the MMC Retirement Plan is tax-qualified under the Internal Revenue Code.

## DOMESTIC PARTNER

---

A partner of the same or opposite sex with whom you are registered as Domestic Partners in accordance with the requirements of a city, state, or municipality that recognizes domestic partnerships, if you have been registered as Domestic Partners for 12 months or longer.

If you are not registered as Domestic Partners or have been registered for fewer than 12 months, your partner will qualify as a Domestic Partner for the purposes of this plan if you and your Domestic Partner satisfy all of the following criteria:

- You are both at least age 18.
- Neither of you are currently nor have been married or the Domestic Partner of any other person for at least the previous 12 months.
- You are not related by blood to a degree of closeness that would prohibit marriage under applicable U.S. state law.
- You are in an exclusive, committed relationship that has existed for at least 12 months and is intended to be permanent.
- You have mutually agreed to be responsible for each other's common welfare.
- You have resided together for at least the previous 12 months, and you intend to do so permanently.

## EARLY RETIREMENT DATE

---

If you have completed at least 60 months of vesting service and are under age 65, you may retire on the first of any month on or after age 55. Your accrued benefit considers salary and service through the end of the month in which you terminate employment. If you retire before age 62 and commence your benefit payments before age 62, your benefit accrued as of December 31, 2005 is reduced by the applicable benefit reduction percentage to reflect the longer payment period. If you retire before age 65, your benefit accrued on or after January 1, 2006 is reduced by the applicable benefit reduction percentage to reflect the longer payment period. Benefits accrued under plans of an acquired company may have different early retirement reduction factors that apply.

## ELIGIBLE MONTHLY SALARY

---

Eligible monthly salary is your monthly base salary paid during periods when you were employed as a salaried employee by a participating MMC company. Salary does not include overtime, bonuses, commissions and other extra compensation but does include before-tax salary reduction amounts that you may contribute to other programs sponsored by MMC in which you were eligible to participate, such as the 401(k) Savings & Investment Plan or a Flexible Spending Account, but excluding compensation you defer under the Supplemental Savings & Investment Plan. The amount of your salary that can be used in determining your eligible monthly salary under the Plan is subject to the IRS limit on annual compensation. The annual limit is pro-rated so that your eligible monthly salary cannot exceed one-twelfth of the IRS limit on annual compensation in effect for the applicable calendar year. See "IRS Limit on Pay" on page 5 for details.

## EMPLOYMENT YEAR

---

An Employment Year is the twelve-month period generally beginning with the first day of the month an employee performs an hour of service or an anniversary of that date.

## FINAL AVERAGE SALARY

---

Final average salary is the average of your highest eligible monthly salary paid during periods when you were employed as a salaried employee by a participating MMC company, over a 60 consecutive month period during your employment. Salary does not include overtime, bonuses, commissions and other extra compensation but does include before-tax salary reduction amounts that you may contribute to other programs sponsored by MMC in which you were eligible to participate, such as the 401(k) Savings & Investment Plan or a Flexible Spending Account, but excluding compensation you defer under the Supplemental Savings & Investment Plan. The amount of your salary that can be used in determining your final average salary for a qualified plan is subject to the IRS limit on annual compensation. See "IRS Limit on Pay" on page 5 for details.

## NORMAL RETIREMENT DATE

---

Your normal retirement date is the first day of the month on or after reaching age 65.

## PRESENT VALUE

---

The present value is the current actuarial value of your accrued benefit, expressed as a lump sum amount. This value is determined using legally specified interest rates and actuarial life expectancy assumptions.

## RETIRED EMPLOYEE

---

The Company considers you a retired employee starting the first of the month following the last day for which you are paid (if you are not at that time expected to return to work), provided you are at least age 55 with 60 months of vesting service on that date, or age 65 and over with any amount of service.

## RETIREMENT PROGRAM CALCULATOR

---

The Retirement Program Calculator is a tool you can use to estimate your benefits under the U.S. Retirement Program based on assumptions (selected age expected to retire, salary, years of service, etc.) you choose and also view your prior estimates. The calculator is meant for planning purposes and only provides an estimate of the final amount you may receive during retirement. The Retirement Program Calculator icon can be accessed via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com)).

## TAX QUALIFIED PLAN

---

A plan that satisfies the Internal Revenue Service requirements governing retirement plans and pays benefits within IRS limits and allows the Company to set aside assets in a tax-exempt trust to fund participant benefits, without subjecting participants to tax until they receive distributions from the plan.

The IRS imposes certain limits on tax-qualified plans, such as establishing a maximum amount of salary that can be used to calculate plan benefits, and the maximum benefit that a retirement plan can pay a participant at age 65 and other retirement ages. The government adjusts these limits from time to time. Lower limits applicable for prior years may affect your benefits.

The MMC Retirement Plan is a tax-qualified plan and was last approved by the IRS on July 31, 2002. The 2009 IRS limits for the MMC Retirement Plan are:

- maximum annual pensionable compensation: \$245,000
- annual life annuity benefit at age 65; the lesser of \$195,000 or the average of your highest Company annual compensation over a three consecutive calendar year period.

## VESTING SERVICE

---

Vesting service is used to determine when you become vested and are entitled to a benefit under the U.S. Retirement Program and your eligibility for early retirement, even if you terminate employment before you are eligible to retire. Most employees are vested after completing 60 months of vesting service. However, you are vested at age 65, even if you have less than 60 months of vesting service. Any month in which you worked at least one hour as a salaried employee counts as a full month of vesting service.

Vesting service generally includes the number of months of your salaried employment with the Company (that is, your benefit service) but may also include service:

- with an acquired company to the extent determined by the Company
- with an MMC company that does not participate in the MMC Retirement Plan
- pre-merger vesting service recognized under a merged plan
- as an hourly employee as long as you are credited with at least 1,000 hours of service in an Employment Year

- as a leased employee if you later become a salaried employee and have been credited with at least 1,000 hours of service in an Employment Year.

Vesting service does not include service for employees who declined participation in the Sedgwick Retirement Plan prior to November 1, 1998, except for the one-year waiting period. (Special rules apply to certain former Sedgwick employees.)

If you are placed on a leave of absence (other than for disability or military) that is more than 12 months in duration, you will not receive vesting service after the first 12 months of the leave.

#### VESTING SERVICE DATE

---

Vesting service date is the date on which your vesting service begins. For most salaried employees, the vesting service date is the same as the benefit service date: the first of the month in which you worked at least one hour. Your vesting service date may vary, however, if you became an eligible employee through an acquisition, if you participated in a plan that was merged into this Plan, if you left the Company and later were rehired, if you had service as an hourly or leased employee, or if you did not work for a participating company. Your vesting service date can be found via MMC PeopleLink ([www.mmcpeoplelink.com](http://www.mmcpeoplelink.com)) by accessing, "Information About You" in the Retirement Program Calculator.

#### VESTED TERMINATION BENEFIT

---

This is the benefit you receive if you terminate employment after you are vested but before age 55. You may elect to receive this benefit from the MMC Retirement Plan on the first of any month following your 55<sup>th</sup> birthday (or your 55<sup>th</sup> birthday if your birthday falls on the first of the month), up until your normal retirement date. If you elect to begin receiving benefits before age 65, your benefit is reduced to reflect the longer payment period. You must begin receiving your benefit no later than your normal retirement date (the first of the month on or after age 65).