UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2016
OR

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

For the transition period from __________ to __________
Commission File Number: 001-16503

Willis Towers Watson

WILLIS TOWERS WATSON PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland *(Jurisdiction of incorporation or organization)*	**98-0352587** *(I.R.S. Employer Identification No.)*
c/o Willis Group Limited **51 Lime Street, London EC3M 7DQ, England** *(Address of principal executive offices)*	**(011) 44-20-3124-6000** *(Registrant's telephone number, including area code)*

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of 'large accelerated filer', 'accelerated filer' and 'smaller reporting company' in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of April 30, 2016, there were outstanding 138,440,802 ordinary shares, nominal value $0.000304635 per share, of the registrant.

WILLIS TOWERS WATSON

INDEX TO FORM 10-Q

For the Three Months Ended March 31, 2016

Certain Definitions

The following definitions apply throughout this quarterly report unless the context requires otherwise:

‘We’, ‘Us’, ‘Company’, ‘Willis Towers Watson’, ‘Our’, ‘Willis Towers Watson plc’ or ‘WTW’	Willis Towers Watson Public Limited Company, a company organized under the laws of Ireland, and its subsidiaries
‘shares’	The ordinary shares of Willis Towers Watson Public Limited Company, nominal value $0.000304635 per share
‘Legacy Willis’, ‘Willis’, or ‘LW’	Willis Group Holdings Public Limited Company and its subsidiaries, predecessor to Willis Towers Watson, prior to the Merger
‘Legacy Towers Watson’, ‘Towers Watson’, or ‘LTW’	Towers Watson & Co. and its subsidiaries
‘Merger’	Merger of Willis Group Holdings Public Limited Company and Towers Watson & Co. pursuant to that certain Agreement and Plan of Merger, dated June 29, 2015, as amended on November 19, 2015, and completed on January 4, 2016
‘Gras Savoye’	GS & Cie Groupe
‘Miller’	Miller Insurance Services LLP and its subsidiaries

Disclaimer Regarding Forward-looking Statements

We have included in this document ‘forward-looking statements’ within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations. All statements, other than statements of historical facts, that address activities, events or developments that we expect or anticipate may occur in the future, including such things as our outlook, future capital expenditures, growth in commissions and fees, business strategies and planned acquisitions, competitive strengths, goals, the benefits of new initiatives, growth of our business and operations, plans and references to future successes, and the benefits of the business combination transaction involving Legacy Towers Watson and Legacy Willis, including our combined future financial and operating results, plans, objectives, expectations and intentions are forward-looking statements. Also, when we use words such as ‘may’, ‘will’, ‘would’, ‘anticipate’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘plan’, ‘probably’, or similar expressions, we are making forward-looking statements. Such statements are based upon the current beliefs and expectations of the Company’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. All forward-looking disclosure is speculative by its nature.

There are important risks, uncertainties, events and factors that could cause our actual results or performance to differ materially from those in the forward-looking statements contained in this document, including the following:

- changes in general economic, business and political conditions, including changes in the financial markets;
- consolidation in or conditions affecting the industries in which we operate;
- any changes in the regulatory environment in which we operate;
- the ability to successfully manage ongoing organizational changes;
- our ability to successfully integrate the Towers Watson, Gras Savoye and Legacy Willis businesses, operations and employees, and realize anticipated growth, synergies and cost savings;
- the potential impact of the Merger on relationships, including with employees, suppliers, clients and competitors;
- significant competition that we face and the potential for loss of market share and/or profitability;
- compliance with extensive government regulation;
- our ability to make divestitures or acquisitions and our ability to integrate or manage such acquired businesses;
- expectations, intentions and outcomes relating to outstanding litigation;
- the risk that the Stanford litigation settlement will not be finalized or approved, the risk that the bar order may be challenged in other jurisdictions, and the deductibility of the charge relating to the settlement;
- the risk of material adverse outcomes on existing litigation matters;
- the diversion of time and attention of our management team while the Merger and other acquisitions are being integrated;
- doing business internationally, including the impact of exchange rates;
- the federal income tax consequences of the Merger and the enactment of additional state, federal, and/or foreign regulatory and tax laws and regulations, including changes in tax rates;
- our capital structure, including indebtedness amounts, the limitations imposed by the covenants in the documents governing such indebtedness and the maintenance of the financial and disclosure controls and procedures of each;
- our ability to obtain financing on favorable terms or at all;
- adverse changes in our credit ratings;
- the possibility that the anticipated benefits from the Merger cannot be fully realized or may take longer to realize than expected;
- our ability to retain and hire key personnel;

- a decline in defined benefit pension plan market;
- various claims, government inquiries or investigations or the potential for regulatory action;
- failure to protect client data or breaches of information systems;
- reputational damage;
- disasters or business continuity problems;
- clients choosing to reduce or terminate the services provided by us;
- fluctuation in revenues against our relatively fixed expenses;
- management of client engagements;
- technological change;
- the inability to protect intellectual property rights, or the potential infringement upon the intellectual property rights of others;
- increases in the price, or difficulty of obtaining, insurance;
- fluctuations in our pension liabilities;
- loss of, failure to maintain, or dependence on certain relationships with insurance carriers;
- changes and developments in the United States healthcare system;
- the availability of tax-advantaged consumer-directed benefits to employers and employees;
- reliance on third party services;
- our holding company structure;
- changes in accounting estimates and assumptions; and
- changes in the market price of our shares.

The foregoing list of factors is not exhaustive and new factors may emerge from time to time that could also affect actual performance and results. For more information, see the section entitled 'Risk Factors' in our Annual Report on Form 10-K and our subsequent filings with the Securities and Exchange Commission. Copies are available online at http://www.sec.gov or www.willistowerswatson.com.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. In light of the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved.

Our forward-looking statements speak only as of the date made and we will not update these forward-looking statements unless the securities laws require us to do so. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document may not occur, and we caution you against relying on these forward-looking statements.

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

WILLIS TOWERS WATSON
Condensed Consolidated Statements of Operations
(In millions of U.S. dollars, except per share data)
(Unaudited)

	Note	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Revenues			
Commissions, fees and consulting revenue		$ 2,219	$ 1,081
Interest and other income		15	6
Total revenues		2,234	1,087
Costs of providing services			
Salaries and benefits		1,196	567
Other operating expenses		431	160
Depreciation		43	22
Amortization	7	161	14
Restructuring costs	5	25	31
Integration expenses		52	—
Total costs of providing services		1,908	794
Income from operations		326	293
Interest expense		46	33
Other expense, net		18	6
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES		262	254
Provision for income taxes	6	18	56
INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES		244	198
Interest in earnings of associates, net of tax		1	16
NET INCOME		245	214
Income attributable to non-controlling interests		(7)	(4)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON		$ 238	$ 210
EARNINGS PER SHARE (i)			
Basic earnings per share	15	$ 1.76	$ 3.09
Diluted earnings per share	15	$ 1.75	$ 3.04
Cash dividends declared per share (i)		$ 0.48	$ 0.82

i. Basic and diluted earnings per share, and cash dividends declared per share, for the three months ended March 31, 2015 have been retroactively adjusted to reflect the reverse stock split on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

See accompanying notes to the condensed consolidated financial statements

WILLIS TOWERS WATSON
Condensed Consolidated Statements of Comprehensive Income
(In millions of U.S. dollars)
(Unaudited)

	Note	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
NET INCOME		$ 245	$ 214
Other comprehensive (loss) income, net of tax:			
Foreign currency translation	14	6	(112)
Pension funding adjustments	14	2	230
Hedge effectiveness	14	(22)	(11)
Other comprehensive (loss) income, net of tax and before non-controlling interests		(14)	107
Comprehensive income before non-controlling interests		231	321
Less: Comprehensive (income) loss attributable to non-controlling interest		(9)	3
Comprehensive income attributable to Willis Towers Watson		$ 222	$ 324

See accompanying notes to the condensed consolidated financial statements

WILLIS TOWERS WATSON
Condensed Consolidated Balance Sheets
(In millions of U.S. dollars, except share data)
(Unaudited)

	Note	March 31, 2016	December 31, 2015
ASSETS			
Cash and cash equivalents		$ 954	$ 532
Fiduciary assets		12,031	10,458
Accounts receivable, net	13	2,268	1,258
Prepaid and other current assets	13	326	255
Total current assets		15,579	12,503
Fixed assets, net		790	563
Goodwill	7	10,477	3,737
Other intangible assets, net	7	5,086	1,115
Pension benefits assets		749	623
Other non-current assets	13	348	298
Total non-current assets		17,450	6,336
TOTAL ASSETS		$ 33,029	$ 18,839
LIABILITIES AND EQUITY			
Fiduciary liabilities		$ 12,031	$ 10,458
Deferred revenue and accrued expenses		1,109	752
Short-term debt and current portion of long-term debt	9	1,144	988
Other current liabilities	13	972	603
Total current liabilities		15,256	12,801
Long-term debt	9	2,767	2,278
Liability for pension benefits		1,210	279
Deferred tax liabilities		1,234	240
Provision for liabilities		600	295
Other non-current liabilities	13	605	533
Total non-current liabilities		6,416	3,625
TOTAL LIABILITIES		21,672	16,426
COMMITMENTS AND CONTINGENCIES	12	—	—
REDEEMABLE NONCONTROLLING INTEREST		53	53
EQUITY			
Ordinary shares, $0.000304635 nominal value; Authorized: 1,510,003,775; Issued 138,398,396 shares in 2016 and 68,624,892 in 2015		—	—
Ordinary shares, €1 nominal value; Authorized: 40,000; Issued 40,000 shares in 2016 and 2015		—	—
Preference shares, $0.000115 nominal value; Authorized: 1,000,000,000; Issued nil shares in 2016 and 2015		—	—
Additional paid-in capital		10,436	1,672
Retained earnings		1,771	1,597
Accumulated other comprehensive loss, net of tax	14	(1,053)	(1,037)
Treasury shares, at cost, 17,519 shares in 2016 and 2015, and 40,000 shares, €1 nominal value, in 2016 and 2015		(3)	(3)
Total Willis Towers Watson shareholders' equity		11,151	2,229
Noncontrolling interests		153	131
Total equity		11,304	2,360
TOTAL LIABILITIES AND EQUITY		$ 33,029	$ 18,839

See accompanying notes to the condensed consolidated financial statements

WILLIS TOWERS WATSON
Condensed Consolidated Statements of Cash Flows
(In millions of U.S. dollars)
(Unaudited)

	Note	Three Months Ended March 31, 2016	2015
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
NET INCOME		$ 245	$ 214
Adjustments to reconcile net income to total net cash from (used in) operating activities:			
Depreciation expense		43	22
Amortization of intangible assets	7	161	14
Net periodic benefit of defined benefit pension plans		(23)	(13)
Provision for doubtful accounts		13	—
(Benefit from) provision for deferred income taxes		(70)	12
Share-based compensation		35	18
Effect of exchange rate changes on net income		5	41
Other, net		—	(22)
Changes in operating assets and liabilities, net of effects from purchase of subsidiaries:			
Accounts receivable		(161)	(152)
Fiduciary assets		(1,379)	(749)
Fiduciary liabilities		1,379	749
Other assets		(118)	(48)
Other liabilities		(81)	(149)
Movement on provisions		69	(1)
Net cash from (used in) operating activities		118	(64)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Additions to fixed assets and software for internal use		(48)	(17)
Capitalized software costs		(18)	—
Acquisitions of operations, net of cash acquired		469	(8)
Redemptions of held-to-maturity investments		11	—
Sales and redemptions of available for sale securities		9	—
Other, net		(6)	17
Net cash from (used in) investing activities		417	(8)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Net payments on revolving credit facility		(338)	—
Senior notes issued		997	—
Proceeds from issue of other debt		400	—
Debt issuance costs		—	(1)
Repayments of debt		(1,181)	(4)
Repurchase of shares		—	(15)
Proceeds from issuance of shares and excess tax benefit		11	38
Dividends paid		—	(54)
Acquisitions of and dividends paid to noncontrolling interests		(4)	(3)
Net cash used in financing activities		(115)	(39)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		420	(111)
Effect of exchange rate changes on cash and cash equivalents		2	(21)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		532	635
CASH AND CASH EQUIVALENTS, END OF PERIOD		$ 954	$ 503
Supplemental disclosures:			
Cash paid for interest		$ 63	$ 54
Cash paid for income taxes, net		$ 49	$ 19
Issuance of shares and assumed awards in connection with the Merger		$ 8,723	$ —

See accompanying notes to the condensed consolidated financial statements

WILLIS TOWERS WATSON
Condensed Consolidated Statements of Changes in Equity
(In millions of U.S. Dollars and numbers of shares in thousands)
(Unaudited)

	Shares outstanding (i)(thousands)	Ordinary shares and APIC (ii)	Retained Earnings	Treasury Shares	AOCL (iii)	Total WTW shareholders' equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling interests (iv)	Total
Balance as of December 31, 2014	67,460	$ 1,524	$ 1,530	$ (3)	$ (1,066)	$ 1,985	$ 22	$ 2,007	$ 59	
Shares repurchased	(109)	—	(15)	—	—	(15)	—	(15)	—	
Net income	—	—	210	—	—	210	3	213	1	$ 214
Dividends	—	—	(56)	—	—	(56)	(1)	(57)	(3)	
Other comprehensive income/(loss)	—	—	—	—	114	114	(1)	113	(6)	$ 107
Issue of shares under employee stock compensation plans and related tax benefits	444	37	—	—	—	37	—	37	—	
Share-based compensation	—	18	—	—	—	18	—	18	—	
Foreign currency translation	—	5	—	—	—	5	—	5		
Balance as of March 31, 2015	67,795	$ 1,584	$ 1,669	$ (3)	$ (952)	$ 2,298	$ 23	$ 2,321	$ 51	
Balance as of December 31, 2015	68,625	$ 1,672	$ 1,597	$ (3)	$ (1,037)	$ 2,229	$ 131	$ 2,360	$ 53	
Net income	—	—	238	—	—	238	6	244	1	$ 245
Dividends	—	—	(64)	—	—	(64)	—	(64)	(3)	
Other comprehensive income/(loss)	—	—	—	—	(16)	(16)	—	(16)	2	$ (14)
Issue of shares under employee stock compensation plans and related tax benefits	273	10	—	—	—	10	—	10	—	
Issue of shares for acquisitions	69,500	8,686	—	—	—	8,686	—	8,686	—	
Replacement share-based compensation awards issued on acquisition	—	37	—	—	—	37	—	37	—	
Share-based compensation	—	35	—	—	—	35	—	35	—	
Additional noncontrolling interests	—	(1)	—	—	—	(1)	16	15	—	
Foreign currency translation	—	(3)	—	—	—	(3)	—	(3)	—	
Balance as of March 31, 2016	138,398	$ 10,436	$ 1,771	$ (3)	$ (1,053)	$ 11,151	$ 153	$ 11,304	$ 53	

i. The nominal value of the ordinary shares and the number of ordinary shares issued in the three months ended March 31, 2015 have been retrospectively adjusted to reflect the reverse stock split on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.
ii. Additional paid-in capital ('APIC')
iii. Additional other comprehensive loss, net of tax ('AOCL')
iv. In accordance with the requirements of Accounting Standards Codification 480-10-S99-3A, we have determined that the noncontrolling interest in Max Matthiessen Holding AB should be disclosed as a redeemable noncontrolling interest and presented within mezzanine or temporary equity.

See accompanying notes to the condensed consolidated financial statements

Note 1 — Nature of Operations

Willis Towers Watson is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. The Company provides both specialized risk management advisory, broking and consulting services on a global basis to clients engaged in specific industrial and commercial activities, and services to small, medium and large corporations through its retail operations. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. We help organizations improve performance through effective people, risk and financial management by focusing on providing human capital and financial consulting services.

In our capacity as an advisor, insurance and reinsurance broker, the Company acts as an intermediary between clients and insurance carriers by advising clients on risk management requirements, helping clients determine the best means of managing risk, and negotiating and placing insurance risk with insurance carriers through the Company's global distribution network.

In our capacity as a consultant, technology and solutions provider and private exchange company, we help our clients enhance business performance by improving their ability to attract, retain and motivate qualified employees. We focus on delivering consulting services that help organizations anticipate, identify and capitalize on emerging opportunities in human capital management as well as investment advice to help our clients develop disciplined and efficient strategies to meet their investment goals. We operate the largest private Medicare exchange in the United States. Through this exchange, we help our clients move to a more sustainable economic model by capping and controlling the costs associated with retiree healthcare benefits.

We believe our broad perspective allows us to see the critical intersections between talent, assets and ideas - the dynamic formula that drives business performance.

See Note 3 — Merger, Acquisitions and Divestitures for information related to our Merger with Towers Watson.

Note 2 — Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited quarterly condensed consolidated financial statements of Willis Towers Watson and our subsidiaries are presented in accordance with the rules and regulations of the Securities and Exchange Commission ('SEC') for quarterly reports on Form 10-Q and therefore do not include all of the information and footnotes required by U.S. generally accepted accounting principles ('GAAP'). We have reclassified certain prior period amounts to conform to current period presentation. In the opinion of management, these condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for a fair presentation of the condensed consolidated financial statements and results for the interim periods. All intercompany accounts and transactions have been eliminated in consolidation. The condensed consolidated financial statements should be read together with the Willis Towers Watson audited consolidated financial statements and notes thereto attached as Exhibit 99.1 to the Form 8-K filed with the SEC on March 10, 2016, and may be accessed via EDGAR on the SEC's web site at www.sec.gov.

The results of operations for the three months ended March 31, 2016 are not necessarily indicative of the results that can be expected for the entire year. The results reflect certain estimates and assumptions made by management including those estimates used in calculating acquisition consideration and fair value of tangible and intangible assets and liabilities, professional liability claims, estimated bonuses, valuation of billed and unbilled receivables, and anticipated tax liabilities that affect the amounts reported in the condensed consolidated financial statements and related notes.

Significant Accounting Policies

The significant accounting policies listed below are an enhancement of the accounting policies disclosed in the Company's audited financial statements attached as Exhibit 99.1 to the Form 8-K filed with the SEC on March 10, 2016. These policies and estimates have been added or amended due to the Merger.

Accounts Receivable — Accounts receivable includes both billed and unbilled receivables and are stated at estimated net realizable values. Allowances for billed receivables are recorded, when necessary, in an amount considered by management to be sufficient to meet probable future losses related to uncollectible accounts. Accrued and unbilled receivables are stated at net realizable value which includes an allowance for accrued and unbillable amounts.

Revenue Recognition — Revenue includes insurance commissions, fees for consulting services rendered, hosted and delivered software, survey sales, investment income and other income.

Revenue recognized in excess of billings is recorded as unbilled accounts receivable. Cash collections in excess of revenue recognized are recorded as deferred revenue until the revenue recognition criteria are met. Client reimbursable expenses, including those relating to travel, other out-of-pocket expenses and any third-party costs, are included in revenue, and an equivalent amount of reimbursable expenses are included in other operating expenses as a cost of revenue.

Commissions revenue. Brokerage income and fees negotiated in lieu of brokerage are recognized at the later of the policy inception date or when the policy placement is complete. In situations in which our fees are not fixed and determinable due to the uncertainty of the commission fee per policy, we recognize revenue as the fees are determined. Commissions on additional premiums and adjustments are recognized when approved by or agreed between the parties and collectability is reasonably assured.

Consulting revenue. The majority of our consulting revenue consists of fees earned from providing consulting services. We recognize revenue from these consulting engagements when hours are worked, either on a time-and-expense basis or on a fixed-fee basis, depending on the terms and conditions defined at the inception of an engagement with a client. We have engagement letters with our clients that specify the terms and conditions upon which the engagements are based. These terms and conditions can only be changed upon agreement by both parties. Individual billing rates are principally based on a multiple of salary and compensation costs.

Revenue for fixed-fee arrangements is based upon the proportional performance method to the extent estimates can be made of the remaining work required under the arrangement. If we do not have sufficient information to estimate proportional performance, we recognize the fees straight-line over the contract period. We typically have four types of fixed-fee arrangements: annual recurring projects, projects of a short duration, stand-ready obligations and non-recurring system projects.

- *Annual recurring projects* and *projects of short duration.* These projects are typically straightforward and highly predictable in nature. As a result, the project manager and financial staff are able to identify, as the project status is reviewed and bills are prepared monthly, the occasions when cost overruns could lead to the recording of a loss accrual.
- *Stand-ready obligations.* Where we are entitled to fees (whether fixed or variable based on assets under management or a per-participant per-month basis) regardless of the hours, we generally recognize this revenue on either a straight-line basis or as the variable fees are calculated.
- *Non-recurring system projects.* These projects are longer in duration and subject to more changes in scope as the project progresses. Certain software or outsourced administration contracts generally provide that if the client terminates a contract, we are entitled to payment for services performed through termination.

Revenue recognition for fixed-fee engagements is affected by a number of factors that change the estimated amount of work required to complete the project such as changes in scope, the staffing on the engagement and/or the level of client participation. The periodic engagement evaluations require us to make judgments and estimates regarding the overall profitability and stage of project completion that, in turn, affect how we recognize revenue. We recognize a loss on an engagement when estimated revenue to be received for that engagement is less than the total estimated costs associated with the engagement. Losses are recognized in the period in which the loss becomes probable and the amount of the loss is reasonably estimable. We have experienced certain costs in excess of estimates from time to time.

Hosted software. We have developed various software programs and technologies that we provide to clients in connection with consulting services. In most instances, such software is hosted and maintained by us and ownership of the technology and rights to the related code remain with us. We defer costs for software developed to be utilized in providing services to a client, but for which the client does not have the contractual right to take possession, during the implementation stage. We recognize these deferred costs from the go live date, signaling the end of the implementation stage, until the end of the initial term of the contract with the client. We determined that the system implementation and customized ongoing administrative services are one combined service. Revenue is recognized over the service period, after the go live date, in proportion to the services performed. As a result, we do not recognize revenue during the implementation phase of an engagement.

Delivered software. We deliver software under arrangements with clients that take possession of our software. The maintenance associated with the initial software fees is a fixed percentage which enables us to determine the stand-alone value of the delivered software separate from the maintenance. We recognize the initial software fees as software is delivered to the client and we recognize the maintenance ratably over the contract period based on each element’s relative fair value. For software arrangements in which initial fees are received in connection with mandatory maintenance for the initial software license to remain active, we determined that the initial maintenance period is substantive. Therefore, we recognize the fees for the initial license and maintenance bundle ratably over the initial contract term, which is generally one year. Each subsequent renewal fee is recognized ratably over the contractually stated renewal period.

Surveys. We collect, analyze and compile data in the form of surveys for our clients who have the option of participating in the survey. The surveys are published online via a web tool that provides simplistic functionality. We have determined that the web tool is inconsequential to the overall arrangement. We record the survey revenue when the results are delivered online and made available to our clients that have a contractual right to the data. If the data is updated more frequently than annually, we recognize the survey revenue ratably over the contractually stated period.

Investment income. Investment income is recognized as earned.

Other Income. Other income comprises gains on disposal of intangible assets, which primarily arise from settlements through enforcing non-compete agreements in the event of losing accounts through producer defection or the disposal of books of business.

Recent Accounting Pronouncements

Not yet adopted

In May 2014, the Financial Accounting Standards Board ('FASB') issued Accounting Standard Update ('ASU') No. 2014-09 'Revenue From Contracts With Customers'. The new standard supersedes most current revenue recognition guidance and eliminates industry-specific guidance. The ASU is based on the principle that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to fulfill a contract. The ASU was originally scheduled to become effective for the Company at the beginning of its 2017 fiscal year; early adoption was not initially permitted. However, in August 2015, the FASB issued ASU No. 2015-14 'Revenue from Contracts from Customers: Deferral of the Effective Date' deferring the effective date but permitting early adoption at the original effective date. Consequently, the guidance will now become mandatorily effective for the Company at the beginning of its 2018 fiscal year. Entities have the option of using either a full retrospective or a modified retrospective approach for the adoption of the new standard and the Company is still evaluating its adoption methodology decision. In March 2016, the FASB issued ASU No. 2016-08 'Revenue from Contracts with Customers: Principal versus agent considerations' and in April 2016, the FASB issued ASU No. 2016-10 'Revenue from Contracts with Customers: Identifying Performance Obligations and Licensing', both of which provide additional guidance and examples for the implementation of ASU No. 2014-09. The Company is currently assessing the impact that the standard and related updates will have on its consolidated financial statements.

In January 2016, the FASB issued ASU No. 2016-01 'Recognition and Measurement of Financial Assets and Financial Liabilities', which, among other things, amends the classification and measurement requirements for investments in equity securities and amends the presentation requirements for certain fair value changes for certain financial liabilities measured at fair value. The ASU becomes effective for the Company at the beginning of the 2018 fiscal year; only partial early adoption is permitted. The Company is required to apply a cumulative-effect adjustment to the balance sheet as of the beginning of the fiscal year of adoption. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02 'Leases', which requires a lessee to recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The ASU becomes effective for the Company at the beginning of the 2019 fiscal year; early adoption is permitted. In transition, the Company is required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach, which includes a number of optional practical expedients. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-07 'Investments - Equity Method and Joint Venture', which simplifies the accounting for equity method investments. The amendments in the ASU eliminate the requirement that an entity retroactively adopt the equity method of accounting if an investment qualifies for use of the equity method as a result of an increase in the level of ownership or degree of influence. The amendments require that the equity method investor add the cost of acquiring the additional interest in the investee to the current basis of the investor's previously held interest and adopt the equity method of accounting as of the date the investment becomes qualified for equity method accounting. The ASU becomes effective for the Company at the beginning of the 2017 fiscal year; early adoption is permitted. The ASU is to be applied prospectively. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09 'Compensation - Stock Compensation', which simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The ASU becomes effective for the Company at the beginning of the 2017 fiscal year; early adoption is permitted. Certain applications of the ASU are to be applied prospectively or retrospectively with a cumulative-effect adjustment to the balance sheet as of the beginning of the fiscal year of adoption. The Company is currently assessing the impact that this standard will have on its consolidated financial statements.

Adopted in the current period

In June 2014, the FASB issued ASU No. 2014-12 'Stock Compensation', which sets out the guidance where share-based payment awards granted to employees required specific performance targets to be achieved in order for employees to become eligible to vest in the awards and such performance targets could be achieved after an employee completes the requisite service period. The amendment in this update requires a performance target that affects vesting and that could be achieved after the requisite service period to be treated as a performance condition. The Company adopted this standard on January 1, 2016. The adoption has no material impact to the Company's consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16 'Simplifying the Accounting for Measurement-Period Adjustments' in relation to business combinations, which requires that an acquirer recognize adjustments to provisional amounts that are identified in the measurement period in the reporting period in which the adjustment amounts are determined. The Company adopted this standard on January 1, 2016. Adjustments made to provisional amounts related to business combinations are reflected in the condensed consolidated financial statements and disclosed in Note 7 — Goodwill and Intangible Assets and Note 3 — Merger, Acquisitions and Divestitures to these financial statements.

Note 3 — Merger, Acquisitions and Divestitures

Merger

On January 4, 2016, pursuant to the Agreement and Plan of Merger, dated June 29, 2015, as amended on November 19, 2015, between Willis, Towers Watson, and Citadel Merger Sub, Inc., a wholly-owned subsidiary of Willis formed for the purpose of facilitating this transaction ('Merger Sub'), Merger Sub merged with and into Towers Watson, with Towers Watson continuing as the surviving corporation and a wholly-owned subsidiary of Willis.

Towers Watson was a leading global professional services firm operating throughout the world, dating back more than 100 years. The Merger will allow the combined firm to go to market with complementary strategic product and services offerings.

At the effective time of the Merger (the 'Effective Time'), each issued and outstanding share of Towers Watson common stock (the 'Towers Watson shares'), was converted into the right to receive 2.6490 validly issued, fully paid and nonassessable ordinary shares of Willis (the 'Willis ordinary shares'), $0.000115 nominal value per share, other than any Towers Watson shares owned by Towers Watson, Willis or Merger Sub at the Effective Time and the Towers Watson shares held by stockholders who are entitled to and who properly exercised dissenter's rights under Delaware law.

Immediately following the Merger, Willis effected (i) a consolidation (i.e., a reverse stock split under Irish law) of Willis ordinary shares whereby every 2.6490 Willis ordinary shares were consolidated into one Willis ordinary share $0.000304635 nominal value per share and (ii) an amendment to its Constitution and other organizational documents to change its name from Willis Group Holdings Public Limited Company to Willis Towers Watson Public Limited Company.

On December 29, 2015, the third business day immediately prior to the closing date, Towers Watson declared and paid the Towers Watson pre-merger special dividend, in an amount of $10.00 per share of Towers Watson common stock, approximately $694 million in the aggregate based on approximately 69 million Towers Watson shares issued and outstanding at December 29, 2015.

On December 30, 2015, all Towers Watson treasury stock was canceled.

The Merger was accounted for using the acquisition method of accounting with Willis considered the accounting acquirer of Towers Watson.

The table below presents the preliminary calculation of aggregate Merger Consideration**.**

		January 4, 2016
Number of shares of Towers Watson common stock outstanding as of January 4, 2016		69 million
Exchange ratio		2.6490
Number of Willis Group Holdings shares issued (prior to reverse stock split)		184 million
Willis Group Holdings price per share on January 4, 2016	$	47.18
Fair value of 184 million Willis ordinary shares	$	8,686
Value of equity awards assumed		37
Preliminary estimated aggregate Merger Consideration	$	8,723

A summary of the preliminary fair values of the identifiable assets acquired, and liabilities assumed, of Towers Watson at January 4, 2016 are summarized in the following table.

		January 4, 2016
Cash and cash equivalents	$	476
Accounts receivable, net		825
Other current assets		78
Fixed assets, net		207
Goodwill		6,702
Other intangible assets (i)		4,111
Pension benefits assets		67
Other non-current assets		85
Deferred tax liabilities		(1,174)
Liability for pension benefits		(941)
Other current liabilities		(707)
Other non-current liabilities		(266)
Long term debt, including current portion (ii)		(740)
Allocated Aggregate Merger Consideration	$	8,723

i. Represents identified finite-lived intangible assets; primarily relates to customer relationships and software and other marketing related intangibles.

ii. Represents both debt due upon change of control of $400 million borrowed under Towers Watson's term loan ($188 million) and revolving credit facility ($212 million) and an additional draw down under a new term loan of $340 million. The $400 million debt was repaid by Willis borrowings under the 1-year term loan facility on January 4, 2016. The $340 million new term loan partially funded the $694 million Towers Watson pre-merger special dividend.

Upon completion of the fair value assessment following the Merger, the Company anticipates the ultimate fair values of the net assets acquired, including all tax-related assets and liabilities, will differ from the preliminary assessment outlined above. Generally, changes to the initial estimates of the fair value of assets and liabilities will be recorded as adjustments to those assets and liabilities and residual amounts will be allocated to goodwill. Goodwill is calculated as the difference between the acquisition date fair value of the net assets acquired, and represents the value of the Legacy Towers Watson assembled workforce and the future economic benefits that we expect to achieve as a result of the Merger. None of the goodwill recognized on the transaction is tax deductible.

The acquired intangible assets are attributable to the following categories:

	Amortization basis	Fair Value	Expected life (years)
Customer relationships	In line with underlying cash flows	$ 2,231	7 - 17
Software	In line with underlying cash flows or straight line basis	728	1 - 10
Product	In line with underlying cash flows	47	20
IPR&D (i)	n/a	91	n/a
Trade name	Straight line basis	1,003	25
Favorable lease agreements	Straight line basis	11	4-11
		$ 4,111	

---

i. Represents software not yet placed in service as of the acquisition date. Once placed into service, each In process research and development ('IPR&D') software component will be reclassified into finite-lived software intangible assets and amortized in line with underlying cash flows or straight line basis.

The following pro forma financial information is unaudited and is intended to reflect the impact of the Merger on Willis Towers Watson's consolidated financial statements as if the Merger had taken place on January 1, 2015 and presents the results of operations of Willis Towers Watson based on the historical financial statements of Willis and Towers Watson after giving effect to the Merger and pro forma adjustments. Pro forma adjustments are included only to the extent they are (i) directly attributable to the Merger, (ii) factually supportable and (iii) with respect to the consolidated statement of operations, expected to have a continuing impact on the combined results. The accompanying unaudited pro forma financial information is presented for illustrative purposes only and has not been adjusted to give effect to certain expected financial benefits of the Merger, such as revenue synergies, tax savings and cost synergies, or the anticipated costs to achieve these benefits, including the cost of integration activities. The unaudited pro forma results are not indicative of what would have occurred had the Merger taken place on the indicated date.

	Three Months Ended March 31,	
	As reported 2016	Pro Forma 2015
Total revenues	$ 2,234	$ 2,012
Net income attributable to Willis Towers Watson	$ 238	$ 251
Diluted earnings per share	$ 1.75	$ 1.82

The above pro forma financial information for the three months ended March 31, 2015 does not reflect the impact of the Gras Savoye acquisition, had the Gras Savoye transaction, in addition to the Merger, taken place on January 1, 2015, as the effects to Willis Towers Watson's consolidated financial statements were not material.

Acquired Share-Based Compensation Plans

In connection with our Merger with Towers Watson on January 4, 2016, we assumed certain stock options and restricted stock units ('RSU') issued under the Towers Watson & Co. 2009 Long Term Incentive Plan ('LTIP'), the Liazon Corporation 2011 Equity Incentive Plan, and the Extend Health, Inc. 2007 Equity Incentive Plan.

Stock Options. The outstanding unvested employee stock options were converted into 592,486 Willis Towers Watson stock options using the conversion ratios stated in the agreement for the number of options. The fair value of the stock options was calculated using the Black-Scholes model with a volatility and risk-free interest rate over the expected term of each group of options using the fair value share price of Willis Towers Watson's closing share price on the date of acquisition. We determined the fair value of the portion of the outstanding options related to pre-acquisition employee service using Willis Towers Watson straight-line expense methodology from the date of grant to the acquisition date to be $7 million which was added to the transaction consideration. The fair value of the remaining portion of options related to the post-acquisition employee services was $13 million, and will be recorded over the future vesting periods.

Restricted Stock Units. The outstanding unvested restricted stock units were converted into 597,307 Willis Towers Watson restricted stock units using the conversion ratios stated in the agreement. The fair value of these restricted stock units was calculated using the fair value share price of Willis Towers Watson's closing share price on the date of acquisition. We determined the fair value of the portion of the outstanding RSUs related to pre-acquisition employee service using Willis Towers Watson straight-line expense methodology from the date of grant to the acquisition date to be $30 million which was added to the transaction consideration. The fair value of the remaining portion of RSUs related to the post-acquisition employee services was $32 million, and will be recorded over the future vesting periods.

Gras Savoye Acquisition

On December 29, 2015, Legacy Willis completed the transaction to acquire substantially all of the remaining 70% of the outstanding share capital of Gras Savoye, the leading insurance broker in France, for total consideration of €544 million ($592 million) of which $582 million in cash was paid at closing. Additionally, the previously held equity interest in Gras Savoye was remeasured to a fair value of €221 million ($241 million) giving a total fair value on a 100% basis of €765 million ($833 million).

The union combines the Company's global insurance broking footprint with Gras Savoye's particularly strong presence in France, Central and Eastern Europe, and across Africa. Gras Savoye's expertise in high-growth markets and industry sectors complements the Company's global strengths, creating value for clients.

The Company funded the cash consideration with a 1-year term loan. The amount outstanding on our 1-year term loan as of March 31, 2016 was $617 million and is included in short-term debt and current portion of long-term debt on the consolidated balance sheets.

Deferred consideration is payable on the first and second anniversary of the acquisition. The discounted fair value of the deferred consideration is $10 million. None of the goodwill recognized on the transaction is tax deductible.

The following table presents the Company's preliminary allocation of the purchase price to the assets acquired and liabilities assumed based on their fair values:

		December 29, 2015
Cash and cash equivalents	$	87
Fiduciary assets		625
Accounts receivable, net		90
Goodwill		573
Intangible assets		445
Other assets		55
Fiduciary liabilities		(625)
Deferred revenue and accrued expenses		(80)
Short and long-term debt		(80)
Net deferred tax liabilities		(89)
Other liabilities		(178)
Net assets acquired		823
Decrease in paid in capital for purchase of noncontrolling interest		50
Noncontrolling interest acquired		(40)
Preliminary purchase price allocation	$	833

The purchase price allocation as of the date of acquisition was based on a preliminary valuation and is subject to revision within the purchase price allocation period as more detailed analysis is completed and additional information about the value of assets acquired and liabilities assumed becomes available. All aspects of the initial purchase price allocation may be subject to revision within the purchase price allocation period.

The acquired intangible assets are attributable to the following categories:

	Amortization basis	Fair Value	Expected life (years)
Customer relationships	In line with underlying cash flows	$ 332	20
Software and other intangibles	Straight line basis	79	5
Trade name	Straight line basis	34	14
		$ 445	

Miller Insurance Services LLP Acquisition

On May 31, 2015, Legacy Willis completed the transaction to acquire an 85 percent interest in Miller, a leading London wholesale specialist insurance broking firm, for total consideration of $401 million including cash consideration of $232 million.

Deferred consideration is payable at the first, second and third anniversaries of the acquisition. Contingent consideration is payable at the third anniversary of the acquisition and is contingent on meeting certain EBITDA performance targets. The discounted fair value of the deferred and contingent consideration, based on best estimates, is $124 million and $29 million, respectively.

The purchase price allocation as of the date of acquisition was based on a valuation of the assets acquired, liabilities assumed, and contingent consideration associated with the acquisition. No revisions to the purchase price allocation have been made during the three months ended March 31, 2016.

Note 4 — Segment Information

We are integrating Willis and Towers Watson (together, the 'Legacy Companies') and creating a unified platform for global growth, including to position the Company to leverage the Legacy Companies' mutual distribution strength to enhance market penetration, expand our global footprint and create a strong platform for further innovation.

Until we are integrated, we will continue to manage our business through the Legacy Company platforms. For the three months ended March 31, 2016, we had eight reportable operating segments: Willis International; Willis North America; Willis Capital, Wholesale & Reinsurance ('CWR'); Willis GB; Towers Watson Benefits; Towers Watson Exchange Solutions; Towers Watson Risk and Financial Services; and Towers Watson Talent and Rewards.

During the second quarter of 2016, we will begin managing our business and reporting our segmental results across four integrated reportable operating segments: Corporate Risk and Broking; Exchange Solutions; Human Capital and Benefits; and Investment, Risk and Reinsurance.

For internal reporting and segmental reporting for the first quarter of 2016, the following items for which segmental management are not held accountable are excluded from segmental expenses:

(i) costs of certain corporate functions, leadership and projects;

(ii) certain litigation provisions;

(iii) Merger-related integration expenses;

(iv) corporate restructuring costs associated with the Operational Improvement Program for Legacy Willis segments (see Note 5 — Restructuring Costs);

(v) Merger-related amortization for Legacy Towers Watson intangible assets;

(vi) share-based compensation; discretionary compensation and related payroll taxes for Legacy Towers Watson segments; and

(vii) Merger-related deferred revenue adjustment for Legacy Towers Watson segments.

There are no inter-segment revenues, with segments operating on a revenue-sharing basis equivalent to that used when sharing business with other third-party brokers.

Management evaluates the performance of its operating segments and allocates resources to them based on segment revenue and adjusted operating income. Revenue includes amounts that were directly incurred on behalf of our clients and reimbursed by them (reimbursable expenses).

The table below presents commissions and fees revenue for Legacy Willis reportable segments and revenue (net of reimbursable expenses) for Legacy Towers Watson reportable segments for the three months ended March 31, 2016 and 2015:

	Three Months Ended March 31,	
	2016	2015
Willis International	$ 481	$ 287
Willis North America	368	356
Willis Capital, Wholesale, and Reinsurance	331	296
Willis GB	139	142
Towers Watson Benefits	486	—
Towers Watson Exchange Solutions	152	—
Towers Watson Risk and Financial Services	144	—
Towers Watson Talent and Rewards	124	—
Total segment revenue	$ 2,225	$ 1,081

The table below presents operating income of the reported segments for the three months ended March 31, 2016 and 2015:

	Three Months Ended March 31,	
	2016	2015
Willis International	$ 147	$ 70
Willis North America	83	78
Willis Capital, Wholesale, and Reinsurance	152	153
Willis GB	20	21
Towers Watson Benefits	173	—
Towers Watson Exchange Solutions	45	—
Towers Watson Risk and Financial Services	34	—
Towers Watson Talent and Rewards	13	—
Total segment operating income	$ 667	$ 322

The table below presents a reconciliation of the information reported by segment to the consolidated amounts reported for the three months ended March 31, 2016 and 2015:

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Revenue:		
Total segment revenue	$ 2,225	$ 1,081
Fair value adjustment to deferred revenue in purchase accounting	(32)	—
Reimbursable expenses and interest and other	41	6
Revenue	$ 2,234	$ 1,087
Total segment operating income	$ 667	$ 322
Differences in allocation methods (i)	13	(15)
Fair value adjustment for deferred revenue	(32)	—
Amortization(iii)	(126)	—
Restructuring costs(iii)	(5)	(11)
Merger-related integration expenses	(44)	—
Provision for the Stanford litigation	(50)	—
Share-based compensation (ii)	(15)	—
Discretionary compensation(iv)	(84)	—
Payroll tax on discretionary compensation(iv)	(6)	—
Other, net	8	(3)
Income from operations	326	293
Interest expense	(46)	(33)
Other expense, net	(18)	(6)
Income from continuing operations before income taxes and interest in earnings of associates	$ 262	$ 254

____

i. Certain costs, including costs related to corporate functions and leadership projects, are allocated to our segments based on budgeted expenses determined at the beginning of the fiscal year, as management believes that these costs are largely uncontrollable to the segment. To the extent that the actual expense base, upon which allocations are made, differs from the forecast/budget amount, a reconciling item will be created between internally allocated expenses and the actual expense that we report for GAAP purposes.

ii. For Legacy Towers Watson segments, share-based compensation excludes certain share-based payments granted in conjunction with our performance bonus, which are included in discretionary compensation.

iii. Legacy Willis segments include Amortization and Restructuring Costs

iv. Legacy Towers Watson segments exclude discretionary compensation and related payroll taxes.

The Company does not currently provide asset information by reportable segment as it does not routinely evaluate the total asset position by segment.

Note 5 — Restructuring Costs

In April 2014, Legacy Willis announced a multi-year operational improvement program designed to strengthen its client service capabilities and to deliver future cost savings (hereinafter referred to as the Operational Improvement Program). The main elements of the program, which is expected to be completed by the end of 2017, include the following:

- movement of more than 3,500 Legacy Willis support roles from higher cost locations to Legacy Willis facilities in lower cost locations, bringing the ratio of employees in higher cost versus lower cost near-shore and off-shore centers from approximately 80:20 to approximately 60:40;
- net workforce reductions in support positions;

- lease consolidation in real estate and reductions in ratios of seats per employee and square footage of floor space per employee; and
- information technology systems simplification and rationalization.

The Company recognized restructuring costs of $25 million and $31 million in the three months ended March 31, 2016 and 2015, respectively, related to the Operational Improvement Program. The Company expects to incur total restructuring costs amounting to approximately $440 million through the end of 2017.

An analysis of the cost for restructuring recognized in the statement of operations for the three months ended March 31, 2016 and 2015 by Legacy Willis segment, are as follows:

	Three Months Ended March 31, 2016					
	Legacy Willis International	Legacy Willis North America	Legacy Willis Capital, Wholesale & Reinsurance	Legacy Willis GB	Legacy Willis Corporate & Other	Total
Termination benefits	$ 2	$ 1	$ —	$ —	$ —	$ 3
Professional services and other	6	7	1	3	5	22
Total	$ 8	$ 8	$ 1	$ 3	$ 5	$ 25

	Three Months Ended March 31, 2015					
	Legacy Willis International	Legacy Willis North America	Legacy Willis Capital, Wholesale & Reinsurance	Legacy Willis GB	Legacy Willis Corporate & Other	Total
Termination benefits	$ 2	$ 2	$ 6	$ —	$ —	$ 10
Professional services and other	1	5	—	4	11	21
Total	$ 3	$ 7	$ 6	$ 4	$ 11	$ 31

An analysis of the total cumulative restructuring costs recognized for the Operational Improvement Program from commencement to March 31, 2016 by segment is as follows:

	Legacy Willis International	Legacy Willis North America	Legacy Willis Capital, Wholesale & Reinsurance	Legacy Willis GB	Legacy Willis Corporate & Other	Total
2014						
Termination benefits	$ 3	$ 3	$ 1	$ 9	$ —	$ 16
Professional services and other	2	—	—	1	17	20
2015						
Termination benefits	$ 8	$ 8	$ 7	$ 10	$ 3	$ 36
Professional services and other	18	23	2	17	30	90
2016						
Termination benefits	$ 2	$ 1	$ —	$ —	$ —	$ 3
Professional services and other	6	7	1	3	5	22
Total						
Termination benefits	$ 13	$ 12	$ 8	$ 19	$ 3	$ 55
Professional services and other	26	30	3	21	52	132
Total	$ 39	$ 42	$ 11	$ 40	$ 55	$ 187

At March 31, 2016, the Company's liability under the Operational Improvement Program is as follows:

	Termination Benefits	Professional Services and Other	Total
Balance at January 1, 2014	$ —	$ —	$ —
Charges incurred	16	20	36
Cash payments	(11)	(14)	(25)
Balance at December 31, 2014	5	6	11
Charges incurred	36	90	126
Cash payments	(26)	(85)	(111)
Balance at December 31, 2015	15	11	26
Charges incurred	3	22	25
Cash payments	(7)	(23)	(30)
Balance at March 31, 2016	$ 11	$ 10	$ 21

Note 6 — Income Taxes

Provision for income taxes for the three months ended March 31, 2016 was $18 million, compared to $56 million for the three months ended March 31, 2015. The effective tax rate was 6.9% for the three months ended March 31, 2016 and 22.0% for the three months ended March 31, 2015. The lower effective tax rate for the three months ended March 31, 2016 was primarily due to the change in the global mix of income impacted by the Merger as described in Note 3 — Merger, Acquisitions and Divestitures. The Merger resulted in additional deductions in jurisdictions with high statutory income tax rates, which reduced the global effective tax rate.

Historically, we have not provided deferred taxes on cumulative earnings of our subsidiaries that have been reinvested indefinitely. As a result of the Merger, we changed our assertion on a portion of certain acquired Towers Watson foreign subsidiaries' unremitted earnings and recorded a deferred tax liability through goodwill. We continue to assert that the historical cumulative earnings of our other subsidiaries are reinvested indefinitely and we do not provide deferred tax liabilities on these amounts.

The Company records valuation allowances against net deferred tax assets based on whether it is more likely than not that the deferred tax assets will be realized.

We have liabilities for uncertain tax positions under Accounting Standards Codification ('ASC') 740, *Income Taxes* of $56 million, excluding interest and penalties. The Company believes the outcomes that are reasonably possible within the next 12 months may result in a reduction in the liability for uncertain tax positions in the range of approximately $5 million to $10 million, excluding interest and penalties.

Note 7 — Goodwill and Intangible Assets

Goodwill represents the excess of the cost of businesses acquired over the fair market value of identifiable net assets at the dates of acquisition. Goodwill is not amortized but is subject to impairment testing annually and whenever facts or circumstances indicate that the carrying amounts may not be recoverable.

For the three months ended March 31, 2016, the Company was organized into eight reporting units which are consistent with its operating segments: Willis International, Willis North America, Willis Capital, Wholesale and Reinsurance ('CWR'), Willis GB, Towers Watson Benefits, Towers Watson Exchange Solutions, Towers Watson Risk and Financial Services and Towers Watson Talent and Rewards - see Item 1 in our Annual Report on Form 10-K filed with the SEC on February 29, 2016, for detailed descriptions of the segments. Goodwill is allocated to these reporting units based on the original purchase price allocation for acquisitions within the reporting units. When a business entity is sold, goodwill is allocated to the entity disposed of based on the relative fair value of that entity compared with the fair value of the reporting unit in which it is included.

The components of goodwill are outlined below for the three months ended March 31, 2016:

	LW International	LW North America	LW CWR	LW GB	LTW Benefits	LTW Exchange Solutions	LTW Risk and Financial Services	LTW Talent and Rewards	Total
Balance at December 31, 2015									
Goodwill, gross	$ 1,120	$ 1,512	$ 1,025	$ 572	$ —	$ —	$ —	$ —	$ 4,229
Accumulated impairment losses	—	(492)	—	—	—	—	—	—	(492)
Goodwill, net	$ 1,120	$ 1,020	$ 1,025	$ 572	$ —	$ —	$ —	$ —	$ 3,737
Purchase price allocation adjustments	—	—	—	2	—	—	—	—	2
Goodwill acquired during the period	2	—	—	—	2,987	2,240	728	747	6,704
Goodwill disposed of during the period	—	(5)	—	—	—	—	—	—	(5)
Foreign exchange	46	—	(4)	(3)	—	—	—	—	39
Balance at March 31, 2016									
Goodwill, gross	$ 1,168	$ 1,507	$ 1,021	$ 571	$ 2,987	$ 2,240	$ 728	$ 747	$ 10,969
Accumulated impairment losses	—	(492)	—	—	—	—	—	—	(492)
Goodwill, net	$ 1,168	$ 1,015	$ 1,021	$ 571	$ 2,987	$ 2,240	$ 728	$ 747	$ 10,477

The following table reflects changes in the net carrying amount of the components of finite-lived intangible assets for the three months ended March 31, 2016:

	Balance as of December 31, 2015	Intangible assets acquired	Intangible assets disposed	Amortization	Foreign Exchange	Balance as of March 31, 2016
Client relationships	$ 920	$ 2,231	$ (3)	$ (110)	$ 19	$ 3,057
Management contracts	62	—	—	(1)	2	63
Software	77	728	—	(38)	1	768
Trademark and trade name	50	1,003	—	(10)	1	1,044
Product	—	47	—	(1)	(1)	45
Favorable agreements	2	11	—	—	—	13
Other	4	1	—	(1)	1	5
Total amortizable intangible assets	$ 1,115	$ 4,021	$ (3)	$ (161)	$ 23	$ 4,995

We record amortization related to our finite-lived intangible assets. Exclusive of the amortization of our favorable lease agreements, for the three months ended March 31, 2016 and March 31, 2015, we recorded amortization of $161 million and $14 million, respectively.

Our acquired unfavorable lease liabilities were $33 million and $23 million as of March 31, 2016 and December 31, 2015, respectively, and are recorded in the other noncurrent liabilities in the condensed consolidated balance sheet.

In process research and development intangible assets of $91 million have not yet been placed in service and are not included in the table above.

The following table reflects the carrying value of finite-lived intangible assets and liabilities as of March 31, 2016 and December 31, 2015:

	March 31, 2016		December 31, 2015	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Client relationships	$ 3,535	$ (478)	$ 1,293	$ (373)
Management contracts	69	(6)	67	(5)
Software	805	(37)	77	—
Trademark and trade name	1,056	(12)	52	(2)
Product	46	(1)	—	—
Favorable agreements	14	(1)	2	—
Other	8	(3)	8	(4)
Total finite-lived assets	$ 5,533	$ (538)	$ 1,499	$ (384)
Unfavorable agreements	$ 35	$ (2)	$ 23	$ —
Total finite-lived intangible liabilities	$ 35	$ (2)	$ 23	$ —

The weighted average remaining life of amortizable intangible assets and liabilities at March 31, 2016 was 15.0 years.

The table below reflects the future estimated amortization expense for amortizable intangible assets and the rent offset resulting from amortization of the net lease intangible assets and liabilities for the remainder of 2016 and for subsequent years:

Year ending December 31,	Amortization	Rent offset
Remainder of 2016	$ 471	$ (3)
2017	594	(4)
2018	544	(3)
2019	488	(2)
2020	431	(2)
Thereafter	2,454	(6)
Total	$ 4,982	$ (20)

Note 8 — Derivative Financial Instruments

We are exposed to certain interest rate and foreign currency risks. Where possible, we identify exposures in our business that can be offset internally. Where no natural offset is identified, we may choose to enter into various derivative transactions. These instruments have the effect of reducing our exposure to unfavorable changes in interest and foreign currency rates. The Company's Board of Directors reviews and approves policies for managing each of these risks as summarized below.

Interest Rate Risk - Investment Income

As a result of the Company's operating activities, the Company holds fiduciary funds. The Company earns interest on these funds, which is included in the Company's financial statements as interest and other income. These funds are regulated in terms of access as are the instruments in which they may be invested, most of which are short-term in nature.

During 2015, in order to manage interest rate risk arising from these financial assets, the Company entered into interest rate swaps to receive a fixed rate of interest and pay a variable rate of interest. These derivatives were designated as hedging instruments and as of March 31, 2016 and December 31, 2015 had a total notional amount of $300 million for each period and a net fair value of $2 million and nil, respectively.

Foreign Currency Risk

A number of our non-U.S. subsidiaries receive revenues and incur expenses in currencies other than their functional currency and as a result, the foreign subsidiary's functional currency revenues will fluctuate as the currency rates change. Additionally, our London brokerage market operations forecast Pound sterling expenses may exceed Pound Sterling revenues, and may also hold a significant net sterling asset or liability position in the balance sheet. To reduce the variability, we use foreign exchange forward contracts to hedge this foreign exchange risk.

These derivatives were designated as hedging instruments and as of March 31, 2016 and December 31, 2015 had a total notional amount of $1.1 billion and $1.3 billion, respectively, and net fair value liabilities of $57 million and $31 million, respectively.

At March 31, 2016 the Company estimates, based on current interest and exchange rates, there will be $25 million of net derivative losses on forward exchange rates, interest rate swaps, and treasury locks reclassified from accumulated comprehensive income into earnings within the next twelve months as the forecast transactions affect earnings. At March 31, 2016, our longest outstanding maturity was 2.7 years.

We also enter into foreign currency transactions, primarily to hedge certain intercompany loans. These derivatives are not generally designated as hedging instruments and at March 31, 2016 and December 31, 2015 we had notional amounts of $958 million and $532 million, respectively, and net fair value liabilities of $13 million and nil, respectively.

We recorded a loss of $12 million and a gain of $2 million in other expense, net on the condensed consolidated statements of operations for the three months ended March 31, 2016 and 2015, respectively, for derivatives not designated as hedging instruments.

We record gains or losses related to the changes in the fair value of our financial instruments for foreign exchange forward contracts accounted for as foreign currency hedges in other expense, net in the condensed consolidated statements of operations. For the three months ended March 31, 2016, we recorded losses of $13 million for instruments still held at March 31, 2016. For the three months ended March 31, 2015, we recorded gains of $2 million for instruments still held at March 31, 2015.

Note 9 — Debt

Short-term debt and current portion of long-term debt consists of the following:

	March 31, 2016	December 31, 2015
1-year term loan facility matures 2016	$ 617	$ 587
4.125% senior notes due 2016	—	300
6.200% senior notes due 2017	394	—
Current portion of 7-year term loan facility expires 2018	22	22
Current portion of term loan expires 2019	85	—
Short-term borrowing under bank overdraft arrangement	26	79
	$ 1,144	$ 988

Long-term debt consists of the following:

	March 31, 2016	December 31, 2015
Revolving $800 million credit facility	$ 135	$ 467
6.200% senior notes due 2017	—	394
7-year term loan facility expires 2018	213	218
Term loan expires 2019	232	—
7.000% senior notes due 2019	186	186
5.750% senior notes due 2021	495	495
3.500% senior notes due 2021	445	—
4.625% senior notes due 2023	247	247
4.400% senior notes due 2026	543	—
6.125% senior notes due 2043	271	271
	$ 2,767	$ 2,278

Senior Notes

On March 22, 2016, Willis Towers Watson issued $450 million of 3.500% senior notes due 2021 (‘2021 Notes’) and $550 million of 4.400% senior notes due 2026 (‘2026 Notes’). The effective interest rates of these senior notes are 3.707% and 4.572%, respectively, which includes the impact of the discount upon issuance. The 2021 Notes and the 2026 Notes will mature on September 15, 2021 and March 15, 2026, respectively. Interest accrues on the notes from March 22, 2016 and will be paid in cash on March 15 and September 15 of each year, commencing September 15, 2016. The net proceeds from this offering, after deducting underwriter discounts and commissions and estimated offering expenses, were $988 million. We used the net proceeds of this offering as follows: to repay $300 million principal under our $800 million revolving credit facility and related accrued interest, which was drawn to repay our 4.125% senior notes on March 15, 2016; to repay $400 million principal on the second tranche under our 1-year term loan facility and related accrued interest; and to pay down a portion of the remaining principal amount outstanding under our $800 million revolving credit facility and related accrued interest.

$800 million revolving credit facility

Drawings under the $800 million revolving credit facility bear interest at LIBOR plus a margin of 1.25% to 2.00%, or alternatively the base rate plus a margin of 0.25% to 1.00% based upon the Company’s guaranteed senior unsecured long-term debt rating; a 1.375% margin applies while the Company’s debt rating remains BBB/Baa3. As of March 31, 2016 and December 31, 2015, $135 million and $467 million was outstanding under this revolving credit facility, respectively.

7-year term loan facility

The 7-year term loan facility expiring 2018 bears interest at the same rate applicable to the $800 million revolving credit facility and is repayable in quarterly installments of $6 million and a final repayment of $186 million is due in the third quarter of 2018.

1-year term loan facility

On November 20, 2015, Legacy Willis entered into a 1-year term loan facility. The 1-year term loan has two tranches: one of €550 million, of which €544 million ($592 million) was drawn on December 19, 2015 and used to finance the acquisition of Gras Savoye. The second tranche of $400 million was drawn on January 4, 2016 and used to re-finance debt held by Legacy Towers Watson which became due on acquisition. The term loan facility matures on December 19, 2016. For Eurocurrency Rate Loans in U.S. dollars, advances under the term facility bear interest at a rate equal to, LIBOR or EURIBOR, plus an applicable margin of 1.25% to 2.00%, or alternatively the base rate plus a margin of 0.25% to 1.00%, provided that beginning 180 days after the initial funding date, 0.5% will be added to the applicable margin and, provided further, that the LIBOR or EURIBOR rate, as applicable, cannot be below zero. A 1.375% margin applies while the Company’s debt rating remains BBB/Baa3. The advance drawn on January 4, 2016 was repaid in its entirety on March 22, 2016 from a portion of the proceeds from the issuance of our senior notes discussed above. The amounts outstanding as of March 31, 2016 and December 31, 2015 were $620 million and $592 million, respectively, and are included in the current portion of long-term debt on the consolidated balance sheets. The debt outstanding as of March 31, 2016 and December 31, 2015 is gross of $3 million and $5 million, respectively, in debt fees related to the 1-year term loan facility.

WSI revolving credit facility

Advances under the Willis Securities, Inc. (‘WSI’) revolving credit facility bear interest at a rate equal to LIBOR plus a margin of 1.25% to 2.00%, or alternatively the base rate plus a margin of 0.25% to 1.00%, based upon the Company’s guaranteed senior-unsecured long-term debt rating. A margin of 1.50% applies while the Company’s debt rating remains BBB/Baa3.

As of March 31, 2016 and December 31, 2015, there were no borrowings outstanding under the WSI revolving credit facility. On April 27, 2016, the end date of the credit period was extended to April 28, 2017 and the repayment date was extended to April 28, 2018. There were no other significant changes in the terms of this credit facility.

The agreements relating to the $800 million revolving credit facility, the 7-year term loan facility, and the 1-year term loan contain requirements that we are not to exceed certain levels of consolidated funded indebtedness in relation to consolidated EBITDA and we are to maintain at least a minimum level of consolidated EBITDA to consolidated cash interest expense, subject to certain adjustments. In addition, the agreements relating to our facilities and senior notes include, in the aggregate, covenants relating to the delivery of financial statements, reports and notices, limitations on liens, limitations on sales and other disposals of assets, limitations on indebtedness and other liabilities, limitations on sale and leaseback transactions, limitations on mergers and other fundamental changes, maintenance of property, maintenance of insurance, nature of business, compliance with applicable laws, maintenance of corporate existence and rights, payment of taxes and access to information and properties. At March 31, 2016 and December 31, 2015, we were in compliance with all financial covenants.

Term Loan Due December 2019

On January 4, 2016, we acquired a $340 million term loan in connection with the Merger. On November 20, 2015, Towers Watson Delaware Inc. entered into a four-year amortizing term loan agreement for up to $340 million with a consortium of banks to help fund the pre-Merger special dividend. On December 28, 2015, Towers Watson Delaware Inc. borrowed the full $340 million.

The interest rate on the term loan is based on the Company's choice of one, two, three or six-month LIBOR plus a spread of 1.25% to 1.75%, or alternatively the bank base rate plus 0.25% to 0.75%. The spread to each index is dependent on the Company's consolidated leverage ratio. The weighted-average interest rate on this term loan for the three months ended March 31, 2016 was 1.78%. The term loan amortizes at a rate of $21 million per quarter, beginning in March 2016, with a final maturity date of December 2019. The Company has the right to prepay a portion or all of the outstanding term loan balance on any interest payment date without penalty. At March 31, 2016, the balance outstanding on the term loan was $319 million, gross of $2 million in debt issuance fees.

The agreements associated with this financing contain customary representations and warranties and affirmative and negative covenants. The term loan requires Towers Watson Delaware Inc., as a consolidated entity, to maintain certain financial covenants that include a minimum Consolidated Interest Coverage Ratio and a maximum Consolidated Leverage Ratio (which terms in each case are defined in the term loan agreement). In addition, the term loan contains restrictions on the ability of Towers Watson Delaware Inc. to, among other things, incur additional indebtedness; pay dividends; make distributions; create liens on assets; make acquisitions; dispose of property; engage in sale-leaseback transactions; engage in mergers or consolidations, liquidations and dissolutions; engage in certain transactions with affiliates; and make changes in lines of businesses. Additionally, Towers Watson Delaware Inc. is prohibited from providing guarantees of debt outside of the Towers Watson Delaware Inc. consolidated entity. At March 31, 2016, we were in compliance with all financial covenants.

Note 10 — Fair Value Measurements

The Company has categorized its assets and liabilities that are measured at fair value on a recurring and non-recurring basis into a three-level fair value hierarchy, based on the reliability of the inputs used to determine fair value as follows:

- Level 1: refers to fair values determined based on quoted market prices in active markets for identical assets;
- Level 2: refers to fair values estimated using observable market based inputs or unobservable inputs that are corroborated by market data; and
- Level 3: includes fair values estimated using unobservable inputs that are not corroborated by market data.

The following methods and assumptions were used by the Company in estimating its fair value disclosure for financial instruments:

The fair values of long-term debt instruments (excluding related fair value hedges) are not measured at fair value on a recurring basis and are based on quoted market values and are classified as Level 1 measurements, with the exception of the 7-year term loan facility and drawings under our $800 million revolving credit facility where fair value is determined using observable market data for similar debt instruments of comparable maturities (Level 2 measure).

Derivative financial instruments - Market values have been used to determine the fair value of interest rate swaps and forward foreign exchange contracts based on estimated amounts the Company would receive or have to pay to terminate the agreements, taking into account the current interest rate environment or current foreign currency forward rates. Such financial instruments are classified as Level 2 in the fair value hierarchy.

Available-for-sale securities are classified as Level 1 and we generally use quoted market prices in determining the fair value of our available-for-sale securities.

The following presents our assets and liabilities measured at fair value on a recurring basis at March 31, 2016 and December 31, 2015:

	Fair Value Measurements on a Recurring Basis at March 31, 2016			
	Level 1	Level 2	Level 3	Total
Assets:				
Available-for-sale securities:				
Mutual funds / exchange traded funds	$ 39	$ —	$ —	$ 39
Derivatives:				
Derivative financial instruments (i)	$ —	$ 15	$ —	$ 15
Liabilities:				
Derivatives:				
Derivative financial instruments (i)	$ —	$ 83	$ —	$ 83

	Fair Value Measurements on a Recurring Basis at December 31, 2015			
	Level 1	Level 2	Level 3	Total
Assets:				
Derivatives:				
Derivative financial instruments (i)	$ —	$ 26	$ —	$ 26
Liabilities:				
Derivatives:				
Derivative financial instruments (i)	$ —	$ 57	$ —	$ 57

i See Note 8 — Derivative Financial Instruments for further information on our derivative investments.

The following presents our liabilities whose carrying value differs from the fair value and are not measured at fair value on a recurring basis at March 31, 2016 and December 31, 2015:

	March 31, 2016		December 31, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities:				
Current portion of long term debt	$ 1,144	$ 1,164	$ 988	$ 998
Long-term debt	$ 2,767	$ 2,922	$ 2,278	$ 2,394

The remeasurement of goodwill is classified as non-recurring level 3 fair value assessment due to the significance of unobservable inputs developed using company-specific information, see Note 7 — Goodwill and Intangible Assets.

Note 11 — Retirement Benefits

Defined Benefit Plans and Post-retirement Welfare Plan

Willis Towers Watson sponsors both qualified and non-qualified defined benefit pension plans and other post-retirement welfare plans (‘PRW’) plans throughout the world. The majority of our plan assets and obligations are in the United States and the United Kingdom. We have also included disclosures related to defined benefit plans in certain “other” countries, which includes Canada, Germany, Ireland and the Netherlands. Together, these disclosed funded and unfunded plans represented 99% of Willis Towers Watson’s pension and PRW obligations and are disclosed herein for the 2016 disclosures.

On January 4, 2016, in connection with the Merger, we acquired additional defined benefit pension, PRW, and defined contribution plans. Total plan assets of approximately $3.7 billion and projected benefit obligations of approximately $4.6 billion were acquired. The funded status for each of the acquired plans has been included in the preliminary values of identifiable assets acquired, and liabilities assumed in Note 3 — Merger, Acquisitions and Divestitures and are recorded as $67 million in pension benefits assets and $941 million in liability for pension benefits.

Significant plans acquired are described below:

United States

Legacy Towers Watson U.S. defined benefit pension plan – Prior to December 31, 2010 employees earned benefits under their original plan formulas, which were frozen on December 31, 2011. Beginning January 1, 2012, all Legacy Towers Watson employees, including named executive officers, accrue qualified and non-qualified benefits under a stable value pension design.

The Legacy Towers Watson U.S. Defined Contribution Plan allows eligible Towers Watson U.S. associates to participate in a savings plan design that provides for 100% match on the first 2% of employee contributions and 50% match on the next 4% of employee contributions. Employees vest in the employer match upon two years of service.

United Kingdom

Legacy Towers Watson U.K. defined benefit pension plan – Benefit accruals earned under a Legacy Watson Wyatt defined benefit plan (predominantly pension benefits) ceased on February 28, 2015, although benefits earned prior to January 1, 2008 retain a link to salary until the employee leaves the Company. Benefit accruals earned under a Legacy Towers Perrin defined benefit plan (predominantly lump sum benefits) were frozen on March 31, 2008. All associates now accrue defined contribution benefits.

The Legacy Towers Watson U.K. defined contribution plan has a money purchase feature to which we make core contributions plus additional contributions matching those of the participating associates up to a maximum rate. Contribution rates depend on the age of the participant and whether or not they arise from salary sacrifice arrangements through which the associate has elected to receive contributions in lieu of additional salary.

Other

In addition to the Legacy Towers Watson U.S. and U.K. defined benefit pension plans, we acquired smaller defined benefit pension plans in Canada, Germany, Ireland and the Netherlands.

Post-retirement Welfare Plan

Legacy Towers Watson Post-retirement Benefits – We provide certain health care and life insurance benefits for retired employees in the U.S. The principal plans cover associates in the U.S. who have met certain eligibility requirements. Our principal post-retirement benefit plans are primarily unfunded. Retiree medical benefits provided under our U.S. post-retirement benefit plans were closed to new hires effective January 1, 2011. Life insurance benefits under the plans were frozen with respect to service, eligibility and amounts as of January 1, 2012 for active associates.

Components of Net Periodic Benefit Cost for Defined Benefit Pension and Post-retirement Welfare Plans

The following table sets forth the components of net periodic benefit cost for the Company's defined benefit pension and post-retirement welfare plans for the three months ended March 31, 2016 and 2015:

	Three Months Ended March 31,							
	2016				2015			
	U.S.	U.K.	Other	PRW	U.S.	U.K.	Other	PRW
Service cost	$ 15	$ 6	$ 5	$ —	$ —	$ 10	$ 1	$ —
Interest cost	34	28	6	1	10	26	2	—
Expected return on plan assets	(59)	(64)	(8)	—	(14)	(57)	(1)	—
Settlement	—	—	2	—	—	—	—	—
Amortization of net loss	3	11	—	—	3	9	—	—
Amortization of prior service (credit)	—	(5)	—	—	—	(2)	—	—
Net periodic benefit (income) cost	$ (7)	$ (24)	$ 5	$ 1	$ (1)	$ (14)	$ 2	$ —

Employer Contributions to Defined Benefit Pension Plans

The Company made no contributions to its U.S. plans for the three months ended March 31, 2016 and has not yet determined the contributions to be made over the remainder of the fiscal year. The Company made contributions of $32 million to its U.K. plans for the three months ended March 31, 2016 and anticipates making additional contributions of $78 million for the remainder of the fiscal year. The Company made contributions of $6 million to its other plans for the three months ended March 31, 2016 and anticipates making additional contributions of $17 million for the remainder of the fiscal year.

Defined Contribution Plans

The Company made contributions of $36 million and $14 million to its various defined contribution plans during the three months ended March 31, 2016 and 2015, respectively.

Note 12 — Commitments and Contingencies

Pensions

The Company's pension funding obligations are described in Note 11 — Retirement Benefits.

Operating Leases

The Company leases certain land, building and equipment under various operating lease commitments. The total amount of the minimum rent is expensed on a straight line basis over the term of the lease.

During the three months ended March 31, 2016, the Company has assumed gross real estate operating lease obligations related to the Merger with Towers Watson of approximately $459 million.

Other Contractual Obligations

On October 1, 2015, Legacy Towers Watson made a capital commitment of $40 million to Longitude Holdings Limited in exchange for 48,322 common shares outstanding representing 24.2% of outstanding equity ownership. As of March 31, 2016, approximately $5 million of capital contributions had been made towards this commitment.

Indemnification Agreements

Willis Towers Watson has various agreements which provide that it may be obligated to indemnify the other party to the agreement with respect to certain matters. Generally, these indemnification provisions are included in contracts arising in the normal course of business and in connection with the purchase and sale of certain businesses. Although it is not possible to predict the maximum potential amount of future payments that may become due under these indemnification agreements because of the conditional nature of Willis Towers Watson's obligations and the unique facts of each particular agreement, Willis Towers Watson does not believe any potential liability that might arise from such indemnity provisions is probable or material. There are no provisions for recourse to third parties, nor are any assets held by any third parties that any guarantor can liquidate to recover amounts paid under such indemnities.

Legal Proceedings

In the ordinary course of business, the Company is subject to various actual and potential claims, lawsuits, and other proceedings. Some of the claims, lawsuits and other proceedings seek damages in amounts which could, if assessed, be significant. We do not expect the impact of claims or demands not described below to be material to the Company's financial statements. The Company also receives subpoenas in the ordinary course of business and, from time to time, receives requests for information in connection with governmental investigations.

Errors and omissions claims, lawsuits, and other proceedings arising in the ordinary course of business are covered in part by professional indemnity or other appropriate insurance. The terms of this insurance vary by policy year. Regarding self-insured risks, the Company has established provisions which are believed to be adequate in the light of current information and legal advice, or, in certain cases, where a range of loss exists, the Company accrues the minimum amount in the range if no amount within the range is a better estimate than any other amount. The Company adjusts such provisions from time to time according to developments.

On the basis of current information, the Company does not expect that the actual claims, lawsuits and other proceedings to which the Company is subject, or potential claims, lawsuits, and other proceedings relating to matters of which it is aware, will ultimately have a material adverse effect on the Company's financial condition, results of operations or liquidity. Nonetheless, given the large or indeterminate amounts sought in certain of these actions, and the inherent unpredictability of litigation and disputes with insurance companies, it is possible that an adverse outcome or settlement in certain matters could, from time to time, have a material adverse effect on the Company's results of operations or cash flows in particular quarterly or annual periods.

The Company provides for contingent liabilities based on ASC 450, *Contingencies,* when it is determined that a liability, inclusive of defense costs, is probable and reasonably estimable. The contingent liabilities recorded are primarily developed actuarially. Litigation is subject to many factors which are difficult to predict so there can be no assurance that in the event of a material unfavorable result in one or more claims, we will not incur material costs.

In re Towers Watson & Co. Stockholders Litigation

Five putative class action complaints challenging the Merger were filed in the Court of Chancery for the State of Delaware, captioned New Jersey Building Laborers' Statewide Annuity Fund v. Towers Watson & Co., et al., C.A. No. 11270-CB (filed on July 9, 2015), Stein v. Towers Watson & Co., et al., C.A. No. 11271-CB (filed on July 9, 2015), City of Atlanta Firefighters' Pension Fund v. Ganzi, et al., C.A. No. 11275-CB (filed on July 10, 2015), Cordell v. Haley, et al., C.A. No. 11358-CB (filed on July 31, 2015), and Mills v. Towers Watson & Co., et al., C.A. No. 11423-CB (filed on August 24, 2015). The Stein action was voluntarily dismissed on July 28, 2015. These complaints were filed by purported stockholders of Towers Watson on behalf of a putative class comprised of all Towers Watson stockholders. The complaints sought, among other things, to enjoin the Merger, and generally alleged that Towers Watson's directors breached their fiduciary duties to Towers Watson stockholders by agreeing to merge Towers Watson with Willis through an inadequate and unfair process, which led to inadequate and unfair consideration, and by agreeing to unfair deal protection devices. The complaints also alleged that Willis and the Merger Sub formed for purposes of consummating the Merger aided and abetted the alleged breaches of fiduciary duties by Towers Watson directors. On August 17, 2015, the court consolidated the New Jersey Building Laborers' Statewide Annuity Fund, City of Atlanta Firefighters' Pension Fund, and Cordell actions (the Mills action had not yet been filed) and any other actions then pending or thereafter filed arising out of the same issues of fact under the caption In re Towers Watson & Co. Stockholders Litigation, Consolidated C.A. No. 11270-CB. On September 9, 2015, the plaintiffs in the consolidated action and in Mills filed a consolidated amended complaint, which, among other things, added claims for alleged misstatements and omissions from a preliminary proxy statement and prospectus for the Merger dated August 27, 2015. On September 17, 2015, plaintiffs filed a motion for expedited proceedings and a motion for a preliminary injunction, which motions plaintiffs voluntarily withdrew on October 19, 2015. On December 14, 2015, the defendants filed motions to dismiss the consolidated amended complaint. On April 1, 2016, the court consolidated the Mills action into the consolidated action. On April 18, 2016, the court dismissed the consolidated action as moot, set a briefing schedule for plaintiffs' application for an award of attorneys' fees and reimbursement of expenses, and scheduled a hearing on plaintiffs' fee and expense application for June 28, 2016. On April 27, 2016, plaintiffs filed a petition for an award of attorneys' fees and expenses, requesting an aggregate fee and expense award of at least $1.7 million. Based on all of the information to date, the Company is currently unable to provide an estimate of the reasonably possible loss or range of loss. The defendants intend to vigorously oppose plaintiff's fee and expense application.

Merger-related Appraisal demands

Between November 12, 2015, and December 10, 2015, in connection with the then-proposed Merger, Towers Watson received demands for appraisal under Section 262 of the Delaware General Corporation Law on behalf of ten purported beneficial owners of an aggregate of approximately 2.4% of the shares of Towers Watson common stock outstanding at the time of the Merger. As of May 10, 2016, demands for appraisal purportedly relating to 2% of the shares of Towers Watson common stock that were outstanding at the time of the Merger remain outstanding and have not been withdrawn. Between March 3, 2016 and March 23, 2016, three appraisal petitions were filed in the Court of Chancery for the State of Delaware on behalf of three purported beneficial owners of an aggregate of 1,354,338 shares of Towers Watson common stock, captioned Rangeley Capital LLC v. Towers Watson & Co., C.A. No. 12063-CB, Merion Capital L.P. v. Towers Watson & Co., C.A. No. 12064-CB, and College Retirement Equities Fund v. Towers Watson & Co., C.A. No. 12126-CB. The appraisal petitions seek, among other things, a determination of the fair value of the appraisal petitioners' shares at the time of the Merger; an order that Towers Watson pay that value to the appraisal petitioners, together with interest at the statutory rate; and an award of costs, attorneys' fees, and other expenses. Towers Watson answered the appraisal petitions between March 24, 2016, and April 18, 2016. On May 9, 2016, the court consolidated the three pending appraisal proceedings under the caption In re Appraisal of Towers Watson & Co., Consolidated C.A. No. 12064-CB. Based on all of the information to date, the Company is currently unable to provide an estimate of the reasonably possible loss or range of loss. The Company intends to vigorously defend against the appraisal proceedings.

Stanford Financial Group

The Company has been named as a defendant in 13 similar lawsuits relating to the collapse of The Stanford Financial Group ('Stanford'), for which Willis of Colorado, Inc. acted as broker of record on certain lines of insurance. The complaints in these actions generally allege that the defendants actively and materially aided Stanford's alleged fraud by providing Stanford with certain letters regarding coverage that they knew would be used to help retain or attract actual or prospective Stanford client investors. The complaints further allege that these letters, which contain statements about Stanford and the insurance policies that the defendants placed for Stanford, contained untruths and omitted material facts and were drafted in this manner to help Stanford promote and sell its allegedly fraudulent certificates of deposit.

The 13 actions are as follows:

- *Troice, et al. v. Willis of Colorado, Inc., et al.*, C.A. No. 3:9-CV-1274-N, was filed on July 2, 2009 in the U.S. District Court for the Northern District of Texas against Willis Group Holdings plc, Willis of Colorado, Inc. and a Willis associate, among others. On April 1, 2011, plaintiffs filed the operative Third Amended Class Action Complaint individually and on behalf of a putative, worldwide class of Stanford investors, adding Willis Limited as a defendant and alleging claims under Texas statutory and common law and seeking damages in excess of $1 billion, punitive damages and costs. On May 2, 2011, the defendants filed motions to dismiss the Third Amended Class Action Complaint, arguing, *inter alia*, that the plaintiffs' claims are precluded by the Securities Litigation Uniform Standards Act of 1998 ('SLUSA').

  On May 10, 2011, the court presiding over the Stanford-related actions in the Northern District of Texas entered an order providing that it would consider the applicability of SLUSA to the Stanford-related actions based on the decision in a separate Stanford action not involving a Willis entity, Roland v. Green, Civil Action No. 3:10-CV-0224-N. On August 31, 2011, the court issued its decision in Roland, dismissing that action with prejudice under SLUSA.

  On October 27, 2011, the court in Troice entered an order (i) dismissing with prejudice those claims asserted in the Third Amended Class Action Complaint on a class basis on the grounds set forth in the Roland decision discussed above and (ii) dismissing without prejudice those claims asserted in the Third Amended Class Action Complaint on an individual basis. Also on October 27, 2011, the court entered a final judgment in the action.

  On October 28, 2011, the plaintiffs in Troice filed a notice of appeal to the U.S. Court of Appeals for the Fifth Circuit. Subsequently, Troice, Roland and a third action captioned Troice, et al. v. Proskauer Rose LLP, Civil Action No. 3:09-CV-01600-N, which also was dismissed on the grounds set forth in the Roland decision discussed above and on appeal to the U.S. Court of Appeals for the Fifth Circuit, were consolidated for purposes of briefing and oral argument. Following the completion of briefing and oral argument, on March 19, 2012, the Fifth Circuit reversed and remanded the actions. On April 2, 2012, the defendants-appellees filed petitions for rehearing en banc. On April 19, 2012, the petitions for rehearing en banc were denied. On July 18, 2012, defendants-appellees filed a petition for writ of certiorari with the United States Supreme Court regarding the Fifth Circuit's reversal in Troice. On January 18, 2013, the Supreme Court granted our petition. Opening briefs were filed on May 3, 2013 and the Supreme Court heard oral argument on October 7, 2013. On February 26, 2014, the Supreme Court affirmed the Fifth Circuit's decision.

  On March 19, 2014, the plaintiffs in Troice filed a Motion to Defer Resolution of Motions to Dismiss, to Compel Rule 26(f) Conference and For Entry of Scheduling Order.

  On March 25, 2014, the parties in Troice and the Janvey, et al. v. Willis of Colorado, Inc., et al. action discussed below stipulated to the consolidation of the two actions for pre-trial purposes under Rule 42(a) of the Federal Rules of Civil Procedure. On March 28, 2014, the Court 'so ordered' that stipulation and, thus, consolidated Troice and Janvey for pre-trial purposes under Rule 42(a).

  On September 16, 2014, the court (a) denied the plaintiffs' request to defer resolution of the defendants' motions to dismiss, but granted the plaintiffs' request to enter a scheduling order; (b) requested the submission of supplemental briefing by all parties on the defendants' motions to dismiss, which the parties submitted on September 30, 2014; and (c) entered an order setting a schedule for briefing and discovery regarding plaintiffs' motion for class certification, which schedule, among other things, provided for the submission of the plaintiffs' motion for class certification (following the completion of briefing and discovery) on April 20, 2015.

  On December 15, 2014, the court granted in part and denied in part the defendants' motions to dismiss. On January 30, 2015, the defendants except Willis Group Holdings plc answered the Third Amended Class Action Complaint.

  On April 20, 2015, the plaintiffs filed their motion for class certification, the defendants filed their opposition to plaintiffs' motion, and the plaintiffs filed their reply in further support of the motion. Pursuant to an agreed stipulation also filed with the court on April 20, 2015, the defendants on June 4, 2015 filed sur-replies in further opposition to the motion. The Court has not yet scheduled a hearing on the motion.

  On June 19, 2015, Willis Group Holdings plc filed a motion to dismiss the complaint for lack of personal jurisdiction. On November 17, 2015, Willis Group Holdings plc withdrew the motion.

On March 31, 2016, the parties in the Troice and Janvey actions entered into a settlement in principle that is described in more detail below.

- *Ranni v. Willis of Colorado, Inc., et al.*, C.A. No. 9-22085, was filed on July 17, 2009 against Willis Group Holdings plc and Willis of Colorado, Inc. in the U.S. District Court for the Southern District of Florida. The complaint was filed on behalf of a putative class of Venezuelan and other South American Stanford investors and alleges claims under Section 10(b) of the Securities Exchange Act of 1934 (and Rule 10b-5 thereunder) and Florida statutory and common law and seeks damages in an amount to be determined at trial. On October 6, 2009, *Ranni* was transferred, for consolidation or coordination with other Stanford-related actions (including *Troice*), to the Northern District of Texas by the U.S. Judicial Panel on Multidistrict Litigation (the 'JPML'). The defendants have not yet responded to the complaint in *Ranni*. On August 26, 2014, the plaintiff filed a notice of voluntary dismissal of the action without prejudice.

- *Canabal, et al. v. Willis of Colorado, Inc., et al.*, C.A. No. 3:9-CV-1474-D, was filed on August 6, 2009 against Willis Group Holdings plc, Willis of Colorado, Inc. and the same Willis associate named as a defendant in *Troice*, among others, also in the Northern District of Texas. The complaint was filed individually and on behalf of a putative class of Venezuelan Stanford investors, alleged claims under Texas statutory and common law and sought damages in excess of $1 billion, punitive damages, attorneys' fees and costs. On December 18, 2009, the parties in *Troice* and *Canabal* stipulated to the consolidation of those actions (under the *Troice* civil action number), and, on December 31, 2009, the plaintiffs in *Canabal* filed a notice of dismissal, dismissing the action without prejudice.

- *Rupert, et al. v. Winter, et al.*, Case No. 2009C115137, was filed on September 14, 2009 on behalf of 97 Stanford investors against Willis Group Holdings plc, Willis of Colorado, Inc. and the same Willis associate, among others, in Texas state court (Bexar County). The complaint alleges claims under the Securities Act of 1933, Texas and Colorado statutory law and Texas common law and seeks special, consequential and treble damages of more than $300 million, attorneys' fees and costs. On October 20, 2009, certain defendants, including Willis of Colorado, Inc., (i) removed *Rupert* to the U.S. District Court for the Western District of Texas, (ii) notified the JPML of the pendency of this related action and (iii) moved to stay the action pending a determination by the JPML as to whether it should be transferred to the Northern District of Texas for consolidation or coordination with the other Stanford-related actions. On April 1, 2010, the JPML issued a final transfer order for the transfer of *Rupert* to the Northern District of Texas. On January 24, 2012, the court remanded *Rupert* to Texas state court (Bexar County), but stayed the action until further order of the court. On August 13, 2012, the plaintiffs filed a motion to lift the stay, which motion was denied by the court on September 16, 2014. On October 10, 2014, the plaintiffs appealed the court's denial of their motion to lift the stay to the U.S. Court of Appeals for the Fifth Circuit. On January 5, 2015, the Fifth Circuit consolidated the appeal with the appeal in the *Rishmague, et ano. v. Winter, et al.* action discussed below, and the consolidated appeal, was fully briefed as of March 24, 2015. Oral argument on the consolidated appeal was held on September 2, 2015. On September 16, 2015, the Fifth Circuit affirmed. The defendants have not yet responded to the complaint in *Rupert*.

- *Casanova, et al. v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, was filed on September 16, 2010 on behalf of seven Stanford investors against Willis Group Holdings plc, Willis Limited, Willis of Colorado, Inc. and the same Willis associate, among others, also in the Northern District of Texas. The complaint alleges claims under Texas statutory and common law and seeks actual damages in excess of $5 million, punitive damages, attorneys' fees and costs. On February 13, 2015, the parties filed an Agreed Motion for Partial Dismissal pursuant to which they agreed to the dismissal of certain claims pursuant to the motion to dismiss decisions in the *Troice* action discussed above and the *Janvey* action discussed below. Also on February 13, 2015, the defendants except Willis Group Holdings plc answered the complaint in the *Casanova* action. On June 19, 2015, Willis Group Holdings plc filed a motion to dismiss the complaint for lack of personal jurisdiction. Plaintiffs have not opposed the motion.

- *Rishmague, et ano. v. Winter, et al.*, Case No. 2011CI2585, was filed on March 11, 2011 on behalf of two Stanford investors, individually and as representatives of certain trusts, against Willis Group Holdings plc, Willis of Colorado, Inc., Willis of Texas, Inc. and the same Willis associate, among others, in Texas state court (Bexar County). The complaint alleges claims under Texas and Colorado statutory law and Texas common law and seeks special, consequential and treble damages of more than $37 million and attorneys' fees and costs. On April 11, 2011, certain defendants, including Willis of Colorado, Inc., (i) removed *Rishmague* to the Western District of Texas, (ii) notified the JPML of the pendency of this related action and (iii) moved to stay the action pending a determination by the JPML as to whether it should be transferred to the Northern District of Texas for consolidation or coordination with the other Stanford-related actions. On August 8, 2011, the JPML issued a final transfer order for the transfer of *Rishmague* to the Northern District of Texas, where it is currently pending. On August 13, 2012, the plaintiffs joined with the plaintiffs in the *Rupert* action in their motion to lift the court's stay of the *Rupert* action. On September 9, 2014, the court remanded *Rishmague* to Texas state court (Bexar County), but stayed the action until further order of the court and denied the plaintiffs' motion to lift the stay. On October 10, 2014, the plaintiffs appealed the court's denial of their motion to lift the stay to the Fifth Circuit. On January 5, 2015, the Fifth Circuit consolidated the appeal with the appeal in the *Rupert* action, and the consolidated appeal was fully briefed as of March 24, 2015. Oral argument on the consolidated appeal was held on September 2, 2015. On September 16, 2015, the Fifth Circuit affirmed. The defendants have not yet responded to the complaint in *Rishmague*.

- *MacArthur v. Winter, et al.*, Case No. 2013-07840, was filed on February 8, 2013 on behalf of two Stanford investors against Willis Group Holdings plc, Willis of Colorado, Inc., Willis of Texas, Inc. and the same Willis associate, among others, in Texas state court (Harris County). The complaint alleges claims under Texas and Colorado statutory law and Texas common law and seeks actual, special, consequential and treble damages of approximately $4 million and attorneys' fees and costs. On March 29, 2013, Willis of Colorado, Inc. and Willis of Texas, Inc. (i) removed *MacArthur* to the U.S. District Court for the Southern District of Texas and (ii) notified the JPML of the pendency of this related action. On April 2, 2013, Willis of Colorado, Inc. and Willis of Texas, Inc. filed a motion in the Southern District of Texas to stay the action pending a determination by the JPML as to whether it should be transferred to the Northern District of Texas for consolidation or coordination with the other Stanford-related actions. Also on April 2, 2013, the court presiding over *MacArthur* in the Southern District of Texas transferred the action to the Northern District of Texas for consolidation or coordination with the other Stanford-related actions. On September 29, 2014, the parties stipulated to the remand (to Texas state court (Harris County)) and stay of *MacArthur* until further order of the court (in accordance with the court's September 9, 2014 decision in *Rishmague* (discussed above)), which stipulation was 'so ordered' by the court on October 14, 2014. The defendants have not yet responded to the complaint in MacArthur.

- *Florida suits:* On February 14, 2013, five lawsuits were filed against Willis Group Holdings plc, Willis Limited and Willis of Colorado, Inc. in Florida state court (Miami-Dade County) alleging violations of Florida common law. The five suits are: (1) *Barbar, et al. v. Willis Group Holdings Public Limited Company, et al.*, Case No. 13-05666CA27, filed on behalf of 35 Stanford investors seeking compensatory damages in excess of $30 million; (2) *de Gadala-Maria, et al. v. Willis Group Holdings Public Limited Company, et al.*, Case No. 13-05669CA30, filed on behalf of 64 Stanford investors seeking compensatory damages in excess of $83.5 million; (3) *Ranni, et ano. v. Willis Group Holdings Public Limited Company, et al.*, Case No. 13-05673CA06, filed on behalf of two Stanford investors seeking compensatory damages in excess of $3 million; (4) *Tisminesky, et al. v. Willis Group Holdings Public Limited Company, et al.*, Case No. 13-05676CA09, filed on behalf of 11 Stanford investors seeking compensatory damages in excess of $6.5 million; and (5) *Zacarias, et al. v. Willis Group Holdings Public Limited Company, et al.*, Case No. 13-05678CA11, filed on behalf of 10 Stanford investors seeking compensatory damages in excess of $12.5 million. On June 3, 2013, Willis of Colorado, Inc. removed all five cases to the Southern District of Florida and, on June 4, 2013, notified the JPML of the pendency of these related actions. On June 10, 2013, the court in *Tisminesky* issued an order *sua sponte* staying and administratively closing that action pending a determination by the JPML as to whether it should be transferred to the Northern District of Texas for consolidation and coordination with the other Stanford-related actions. On June 11, 2013, Willis of Colorado, Inc. moved to stay the other four actions pending the JPML's transfer decision. On June 20, 2013, the JPML issued a conditional transfer order for the transfer of the five actions to the Northern District of Texas, the transmittal of which was stayed for seven days to allow for any opposition to be filed. On June 28, 2013, with no opposition having been filed, the JPML lifted the stay, enabling the transfer to go forward.

  On September 30, 2014, the court denied the plaintiffs' motion to remand in *Zacarias*, and, on October 3, 2014, the court denied the plaintiffs' motions to remand in *Tisminesky* and *de Gadala Maria*. On December 3, 2014 and March 3, 2015, the court granted the plaintiffs' motions to remand in *Barbar* and *Ranni*, respectively, remanded both actions to Florida state court (Miami-Dade County) and stayed both actions until further order of the court. On January 2, 2015 and April 1, 2015, the plaintiffs in *Barbar* and *Ranni*, respectively, appealed the court's December 3, 2014 and March 3, 2015 decisions to the Fifth Circuit. On April 22, 2015 and July 22, 2015, respectively, the Fifth Circuit dismissed the *Barbar* and *Ranni* appeals *sua sponte* for lack of jurisdiction. We believe the dismissals were in error and that appeals are likely to be reinstated. The defendants have not yet responded to the complaints in *Ranni* or *Barbar*.

  On April 1, 2015, the defendants except Willis Group Holdings plc filed motions to dismiss the complaints in *Zacarias*, *Tisminesky* and *de Gadala-Maria*. On June 19, 2015, Willis Group Holdings plc filed motions to dismiss the complaints in *Zacarias*, *Tisminesky* and *de Gadala-Maria* for lack of personal jurisdiction. On July 15, 2015, the court dismissed the complaint in *Zacarias* in its entirety with leave to replead within 21 days. On July 21, 2015, the court dismissed the complaints in *Tisminesky* and *de Gadala-Maria* in their entirety with leave to replead within 21 days. On August 6, 2015, the plaintiffs in *Zacarias*, *Tisminesky* and *de Gadala-Maria* filed amended complaints (in which, among other things, Willis Group Holdings plc was no longer named as a defendant). On September 11, 2015, the defendants filed motions to dismiss the amended complaints. The motions await disposition by the court.

- *Janvey, et al. v. Willis of Colorado, Inc., et al.*, Case No. 3:13-CV-03980-D, was filed on October 1, 2013 also in the Northern District of Texas against Willis Group Holdings plc, Willis Limited, Willis North America Inc., Willis of Colorado, Inc. and the same Willis associate. The complaint was filed (i) by Ralph S. Janvey, in his capacity as Court-Appointed Receiver for the Stanford Receivership Estate, and the Official Stanford Investors Committee (the 'OSIC') against all defendants and (ii) on behalf of a putative, worldwide class of Stanford investors against Willis North America Inc. Plaintiffs Janvey and the OSIC allege claims under Texas common law and the court's Amended Order Appointing Receiver, and the putative class plaintiffs allege claims under Texas statutory and common law. Plaintiffs seek actual damages in excess of $1 billion, punitive damages and costs. As alleged by the Stanford Receiver, the total amount of collective losses allegedly sustained by all investors in Stanford certificates of deposit is approximately $4.6 billion.

  On November 15, 2013, plaintiffs in *Janvey* filed the operative First Amended Complaint, which added certain defendants unaffiliated with Willis. On February 28, 2014, the defendants filed motions to dismiss the First Amended Complaint, which motions, other than with respect to Willis Group Holding plc's motion to dismiss for lack of personal jurisdiction, were granted in part and denied in part by the court on December 5, 2014. On December 22, 2014, Willis filed a motion to amend the court's December 5 order to certify an interlocutory appeal to the Fifth Circuit, and, on December 23, 2014, Willis filed a motion to amend and, to the extent necessary, reconsider the court's December 5 order. On January 16, 2015, the defendants answered the First Amended Complaint. On January 28, 2015, the court denied Willis's motion to amend the court's December 5 order to certify an interlocutory appeal to the Fifth Circuit. On February 4, 2015, the court granted Willis's motion to amend and, to the extent necessary, reconsider the December 5 order.

  As discussed above, on March 25, 2014, the parties in *Troice* and *Janvey* stipulated to the consolidation of the two actions for pre-trial purposes under Rule 42(a) of the Federal Rules of Civil Procedure. On March 28, 2014, the Court 'so ordered' that stipulation and, thus, consolidated *Troice* and *Janvey* for pre-trial purposes under Rule 42(a).

  On January 26, 2015, the court entered an order setting a schedule for briefing and discovery regarding the plaintiffs' motion for class certification, which schedule, among other things, provided for the submission of the plaintiffs' motion for class certification (following the completion of briefing and discovery) on July 20, 2015. By letter dated March 4, 2015, the parties requested that the court consolidate the scheduling orders entered in *Troice* and *Janvey* to provide for a class certification submission date of April 20, 2015 in both cases. On March 6, 2015, the court entered an order consolidating the scheduling orders in *Troice* and *Janvey*, providing for a class certification submission date of April 20, 2015 in both cases, and vacating the July 20, 2015 class certification submission date in the original *Janvey* scheduling order.

  On November 17, 2015, Willis Group Holdings plc withdrew its motion to dismiss for lack of personal jurisdiction.

  On March 31, 2016, the parties in the Troice and Janvey actions entered into a settlement in principle that is described in more detail below.

The plaintiffs in *Janvey* and *Troice* and the other actions above seek overlapping damages, representing either the entirety or a portion of the total alleged collective losses incurred by investors in Stanford certificates of deposit, notwithstanding the fact that Legacy Willis acted as broker of record for only a portion of time that Stanford issued certificates of deposit. In the fourth quarter of 2015, the Company recognized a $70 million litigation provision for loss contingencies relating to the Stanford matters based on its ongoing review of a variety of factors as required by accounting standards.

On March 31, 2016, the Company entered into a settlement in principle for $120 million relating to this litigation, and we have therefore increased our provisions by $50 million. Further details on this settlement in principle are given below.

The settlement is contingent on a number of conditions, including court approval of the settlement and a bar order prohibiting any continued or future litigation against Willis related to Stanford, which may not be given. Therefore, the ultimate resolution of these matters may differ from the amount provided for. The Company continues to dispute the allegations and, to the extent litigation proceeds, to defend the lawsuits vigorously.

*Settlement-in-Principle***.** On March 31, 2016, the Company entered into a settlement in principle, as reflected in a Settlement Term Sheet, relating to the Stanford litigation matter. The Company has agreed to the Settlement Term Sheet to eliminate the distraction, burden, expense and uncertainty of further litigation. In particular, if the settlement and the related bar orders described below are approved by the Court and become effective, the Company (a newly-combined firm) would be able to conduct itself with the bar orders' protection from the continued overhang of matters alleged to have occurred approximately a decade ago. Further, the Settlement Term Sheet provides that the parties understand and agree that there is no admission of liability or wrongdoing by the Company. The Company expressly denies any liability or wrongdoing with respect to the matters alleged in the Stanford litigation. Specifically, the parties to the Settlement Term Sheet are Ralph S. Janvey (in his capacity as the Court-appointed receiver (the 'Receiver') for The Stanford Financial Group and its affiliated entities in receivership (collectively, 'Stanford')), the Official Stanford Investors Committee, Samuel Troice, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferreiro and Promotora Villa Marina, C.A. (collectively, 'Plaintiffs'), on the one hand, and Willis Towers Watson Public Limited Company (formerly Willis Group Holdings Public Limited Company), Willis Limited, Willis North America Inc. and Willis of Colorado, Inc. (collectively, 'Defendants'), on the other hand.

Under the terms of the Settlement Term Sheet, the parties have agreed in principle to settle and dismiss the *Janvey* and *Troice* actions (collectively, the 'Actions') and all current or future claims arising from or related to Stanford. If the settlement, including the bar orders described below, is approved by the Court and is not subject to further appeal, Willis North America Inc. will make a one-time cash payment of $120 million to the Receiver to be distributed to all Stanford investors who have claims recognized by the Receiver pursuant to the distribution plan in place at the time the payment is made. The Company expects the Actions to be stayed pending final approval of the settlement agreement and bar orders. The timing of any final decision is subject to the discretion of the Court and any appeal, and the Court may decide not to approve the settlement.

The Settlement Term Sheet also provides the parties' agreement to seek the Court's entry of bar orders prohibiting any continued or future litigation against the Defendants and their related parties of claims relating to Stanford, whether asserted to date or not. The terms of the bar orders therefore would prohibit all Stanford-related litigation described above, and not just the Actions, including any pending matters and any actions that may be brought in the future. Final Court approval of these bar orders is a condition of the settlement. The settlement is also subject to the execution of a definitive settlement agreement and other related documentation, notice to Stanford's investor claimants, and approval by U.S. District Court for the Northern District of Texas.

City of Houston

On August 1, 2014, the City of Houston ('plaintiff') filed suit against Legacy Towers Watson in the United States District Court for the Southern District of Texas, Houston Division. On March 8, 2016, plaintiff filed its First Amended Complaint.

In the amended complaint, plaintiff alleges various deficiencies in pension actuarial work-product and advice stated to have been provided by Legacy Towers Watson's predecessor firm, Towers Perrin, in its capacity as principal actuary to the Houston Firefighters' Relief and Retirement Fund (the 'Fund'). Towers Perrin is stated to have acted in this capacity between 'the early 1980s until 2002'.

In particular, the amended complaint alleges 'misrepresentations and miscalculations' in valuation reports allegedly issued by Towers Perrin from 2000 through 2002 upon which plaintiff claims to have relied. Plaintiff asserts that Towers Perrin assigned a new team of actuaries to the Fund in 2002 'to correct Towers' own earlier mistakes' and that the new team 'altered' certain calculations which 'increased the actuarial accrued liability by $163 million.' Plaintiff claims that the reports indicated that the City's minimum contribution percentages to the Fund would remain in place through at least 2018; and that existing benefits under the Fund could be increased, and new benefits could be added, without increasing plaintiff's financial burden, and without increasing plaintiff's rate of annual contributions to the Fund. The amended complaint alleges that plaintiff relied on these reports when supporting a new benefit package for the Fund. These reports, and other advice, are alleged, among other things, to have been negligent, to have misrepresented the present and future financial condition of the Fund and the contributions required to be made by plaintiff to support those benefits. Plaintiff asserts that, but for Towers Perrin's alleged negligence and misrepresentations, plaintiff would not have supported the benefit increase, and that such increased benefits would not and could not have been approved or enacted. It is further asserted that Towers Perrin's alleged 'negligence and misrepresentations damaged the City to the tune of tens of millions of dollars in annual contributions.'

Plaintiff seeks the award of punitive damages, actual damages, exemplary damages, special damages, attorney's fees and expenses, costs of suit, pre- and post- judgment interest at the maximum legal rate, and other unspecified legal and equitable relief. Plaintiff has not yet quantified fully its asserted damages.

On October 10, 2014, Legacy Towers Watson filed a motion to dismiss plaintiff's entire complaint on the basis that the complaint fails to state a claim upon which relief can be granted. On November 21, 2014, the City filed its response in opposition to Legacy Towers Watson's motion to dismiss. On September 23, 2015, Legacy Towers Watson's motion to dismiss was denied by the United States District Court for the Southern District of Texas, Houston Division. The court entered a scheduling order setting trial for May 30, 2017.

Given the stage of the proceedings, the Company is currently unable to provide an estimate of the reasonably possible loss or range of loss. The Company disputes the allegations, and intends to defend the lawsuit vigorously.

British Coal Staff Superannuation Scheme

On September 4, 2014, Towers Watson Limited ('TWL'), a wholly-owned subsidiary of Legacy Towers Watson, received a Letter of Claim (the 'Demand Letter') on behalf of Coal Staff Superannuation Scheme Trustees Limited (the 'Trustee'), trustee of the British Coal Staff Superannuation Scheme (the 'Scheme'). The Demand Letter was sent under the Professional Negligence Pre-Action Protocol, a pre-action dispute resolution procedure which applies in England and Wales.

In the Demand Letter, it is asserted that the Trustee has a claim against TWL in respect of allegedly negligent investment consulting advice provided to it by Watson Wyatt Limited, in the United Kingdom, in particular with regard to a currency hedge that was implemented in connection with the Scheme's investment of £250 million in a Bluebay local currency emerging market debt fund in August 2008 (the 'Investment'). It is alleged that the currency hedge has caused a substantial loss to the Scheme, compensatory damages for which losses are quantified at £47.5 million, for the period August 2008 to October 2012.

TWL sent a Letter of Response on December 23, 2014.

On November 11, 2015, the Trustee issued a claim form in the English High Court of Justice, Queen's Bench Division, Commercial Court, in which TWL is named defendant. The Trustee asserts that, in breach of retainer, or of a duty of care alleged to have been owed under contract or at common law, TWL acted negligently and/or provided negligent advice in connection with the Investment and/or in relation to the monitoring of the performance of the Investment. The Trustee asserts that, but for the alleged breaches, the Scheme would have achieved a return on the Investment that was approximately £47.5 million greater than the return on the Investment which it ultimately achieved, in the period between August 2008 and 28 September 2012. The claim form was not served on TWL within the validity period.

Based on all of the information to date, and given the stage of the matter, TWL is currently unable to provide an estimate of the reasonably possible loss or range of loss. TWL disputes the allegations, and intends to defend the matter vigorously.

Meriter Health Services

On January 6, 2015, Meriter Health Services, Inc. ('Meriter'), plan sponsor of the Meriter Health Services Employee Retirement Plan (the 'Plan') filed a complaint in Wisconsin state court against Towers Watson Delaware Inc. ('TWDE'), a wholly-owned subsidiary of the Company, and against its former lawyers, individual actuaries, and insurers.

In the Third Amended Complaint, served on April 12, 2016, Meriter alleges that Towers, Perrin, Forster & Crosby, Inc. ('TPFC') and Davis, Conder, Enderle & Sloan, Inc. ('DCES'), and other entities and individuals, including Meriter's former lawyers, acted negligently concerning the benefits consulting advice provided to Meriter, including TPFC and the lawyers' involvement in the Plan design and drafting of the Plan document in 1987 by TPFC, and DCES and the lawyers' Plan review, Plan redesign, Plan amendment, and drafting of ERISA section 204(h) notices in the early 2000s. Additionally, Meriter asserts that TPFC, DCES, and the individual actuary defendants breached alleged fiduciary duties to advise Meriter regarding the competency of Meriter's then ERISA counsel. Meriter also has asserted causes of action for contribution, indemnity, and equitable subrogation related to amounts paid to settle a class action lawsuit related to the Plan that was filed by Plan participants against Meriter in 2010, alleging a number of ERISA violations and related claims. Meriter settled that lawsuit in 2015 for $82 million. In its initial disclosures, Meriter indicated that it seeks damages in the amount of $135 million, which include amounts it claims to have paid to settle and defend the class action litigation, and amounts it claims to have incurred as a result of "improper plan design." Meriter seeks to recover these alleged damages from TWDE and the other defendants.

On January 12, 2016, TWDE and the other defendants filed a motion for partial summary judgment seeking dismissal of Meriter's negligence and breach of fiduciary duty claims. On April 18, 2016, TWDE and the other defendants filed a motion to dismiss the contribution, indemnification, and equitable subrogation claims. On May 4, 2016, the parties appeared for oral argument on the motion for partial summary judgment, which the court granted in part and denied in part. The court dismissed the fiduciary duty claims, but not the negligence claims. The court also scheduled oral argument on the motion to dismiss for June 22, 2016. Based on all of the information to date, and given the stage of the matter, TWDE is currently unable to provide an estimate of the reasonably possible loss or range of loss. TWDE disputes the allegations, and intends to defend the matter vigorously.

Note 13 — Supplementary Information for Select Balance Sheet Accounts

There are variances of greater than 10% between our December 31, 2015 and March 31, 2016 Balance Sheets. All variances with the exception of fiduciary assets and liabilities are primarily due to our Merger with Towers Watson. The fair values recorded and their location on our balance sheet is described in Note 3 — Merger, Acquisitions and Divestitures to these financial statements. The increase in fiduciary assets and liabilities as of March 31, 2016 is primarily due to the acquisition of Gras Savoye, timing issues around specific fiduciary receivables and payables as well as a result of the cyclical nature of our business. Additional details of specific accounts are detailed below:

Accounts receivable, net consists of the following:

	March 31, 2016	December 31, 2015
Billed, net of allowance for doubtful debts of $34 million and $22 million	$ 1,640	$ 1,051
Accrued and unbilled, at estimated net realizable value	628	207
Accounts receivable, net	$ 2,268	$ 1,258

Prepaid and other current assets consist of the following:

	March 31, 2016	December 31, 2015
Prepayments and accrued income	$ 142	$ 86
Derivatives and investments	29	29
Deferred compensation plan assets	20	20
Retention incentives	14	14
Corporate income and other taxes	72	66
Other current assets	49	40
Total prepaid other current assets	$ 326	$ 255

Other non-current assets consist of the following:

	March 31, 2016	December 31, 2015
Prepayments and accrued income	$ 28	$ 23
Deferred compensation plan assets	102	102
Deferred tax assets	44	76
Accounts receivable, net	28	30
Other investments	53	42
Other non-current assets	93	25
Total other non-current assets	$ 348	$ 298

Other current liabilities consist of the following:

	March 31, 2016	December 31, 2015
Accounts payable	$ 114	$ 75
Income and other taxes payable	136	45
Contingent and deferred consideration on acquisition	69	68
Payroll related liabilities	219	82
Derivatives	50	31
Third party commissions	180	177
Other current liabilities	204	125
Total other current liabilities	$ 972	$ 603

Other non-current liabilities consist of the following:

	March 31, 2016	December 31, 2015
Incentives from lessors	$ 173	$ 175
Deferred compensation plan liability	102	102
Contingent and deferred consideration on acquisition	151	156
Income taxes payable	57	20
Derivatives	33	27
Other non-current liabilities	89	53
Total other non-current liabilities	$ 605	$ 533

Note 14 — Accumulated Other Comprehensive Income/(Loss)

Changes in accumulated other comprehensive income/(loss), net of non-controlling interests, and net of tax are provided in the following table. The difference between the amounts presented in this table and the amounts presented in the condensed consolidated statements of comprehensive income are the corresponding components attributable to non-controlling interests, which are not material for further disclosure. Amounts related to available-for-sale securities are immaterial.

	Foreign currency translation (i)	Gains and losses on cash flow hedges (i)	Defined pension and post-retirement benefit costs (ii)	Total
As of December 31, 2014	$ (191)	$ 18	$ (893)	$ (1,066)
Other comprehensive income/(loss) before reclassifications	(105)	(11)	222	106
Amounts reclassified from accumulated other comprehensive income (net of income tax of $2)	—	—	8	8
Net current-period other comprehensive income/(loss)	(105)	(11)	230	114
As of March 31, 2015	$ (296)	$ 7	$ (663)	$ (952)
As of December 31, 2015	$ (314)	$ (10)	$ (713)	$ (1,037)
Other comprehensive income/(loss) before reclassifications	4	(19)	(6)	(21)
Amounts reclassified from accumulated other comprehensive income (net of income tax of $3)	—	(3)	8	5
Net current-period other comprehensive income/(loss)	4	(22)	2	(16)
As of March 31, 2016	$ (310)	$ (32)	$ (711)	$ (1,053)

i Reclassification adjustments from accumulated other comprehensive income are included in other expense, net for foreign currency translation and gains and losses on cash flow hedges. See Note 8 — Derivative Financial Instruments for additional details regarding the reclassification adjustments for the hedge settlements.

ii Reclassification adjustments from accumulated other comprehensive income are included in the computation of net periodic pension cost (see Note 11 — Retirement Benefits) which is included in salaries and benefits in the accompanying condensed consolidated statements of operations.

Note 15 — Earnings Per Share

Basic and diluted earnings per share are calculated by dividing net income attributable to Willis Towers Watson by the average number of ordinary shares outstanding during each period. The computation of diluted earnings per share reflects the potential dilution that could occur if dilutive securities and other contracts to issue shares were exercised or converted into shares or resulted in the issuance of shares that then shared in the net income of the Company.

At March 31, 2016 and 2015, there were 1.5 million and 1.9 million time-based share options; 1.3 million and 1.2 million performance based options; 1.2 million and 1.2 million restricted share units outstanding, respectively. The number of options and share units for 2015 has been retroactively adjusted to reflect the reverse stock split effected on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

Basic and diluted earnings per share are as follows:

	Three Months Ended March 31,	
	2016	2015
Net income attributable to Willis Towers Watson	$ 238	$ 210
Basic average number of shares outstanding [i]	135	68
Dilutive effect of potentially issuable shares [i]	1	1
Diluted average number of shares outstanding [i]	136	69
Basic earnings per share [i]	$ 1.76	$ 3.09
Dilutive effect of potentially issuable shares [i]	(0.01)	(0.05)
Diluted earnings per share [i]	$ 1.75	$ 3.04

---

i. Shares outstanding, potentially issuable shares, basic and diluted earnings per share, and the dilutive effect of potentially issuable shares, for the three months ended March 31, 2015 have been retroactively adjusted to reflect the reverse stock split effected on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

Options to purchase 0.7 million and 0.5 million shares were not included in the computation of the dilutive effect of stock options for the three months ended March 31, 2016 and 2015, respectively, because the effect was anti-dilutive. The number of options for 2015 has been retroactively adjusted to reflect the reverse stock split on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

Note 16 — Subsequent Events

On April 8, 2016, the Company agreed to settle in principle litigation related to restrictive covenants on certain departures from the Fine Art Jewellery and Specie team in the U.K. during 2015. On April 28, 2016, the party to this matter as part of this agreement paid to the Company, £28 million ($41 million) by way of settlement, and £2.75 million ($4 million) on account of legal fees incurred.

Note 17 — Financial Information for Parent Guarantor, Other Guarantor Subsidiaries and Non-Guarantor Subsidiaries

Willis North America Inc. (‘Willis North America’) had $148 million senior notes outstanding that were issued on July 1, 2005 that were subsequently repaid on July 1, 2015 and has $394 million of senior notes issued on March 28, 2007 and $187 million of senior notes issued on September 29, 2009.

All direct obligations under the senior notes are jointly and severally, irrevocably and fully and unconditionally guaranteed by Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, TA I Limited, Trinity Acquisition plc (formerly Trinity Acquisition Limited), Willis Group Limited and additionally, effective from March 9, 2016, Willis Towers Watson Sub Holdings Limited and WTW Bermuda Holdings Ltd., collectively the ‘Other Guarantors’, and with Willis Towers Watson, the ‘Guarantor Companies’.

The debt securities that were issued by Willis North America and guaranteed by the entities described above, and for which the disclosures set forth below relate and are required under applicable SEC rules, were issued under an effective registration statement.

Presented below is condensed consolidating financial information for:

(i) Willis Towers Watson, which is a guarantor, on a parent company only basis;

(ii) the Other Guarantors, which are all 100 percent directly or indirectly owned subsidiaries of the parent and are all direct or indirect parents of the issuer;

(iii) the Issuer, Willis North America;

(iv) Other, which are the non-guarantor subsidiaries, on a combined basis;

(v) Consolidating adjustments; and

(vi) the Consolidated Company.

The equity method has been used for investments in subsidiaries in the condensed consolidating balance sheets as of March 31, 2016 of Willis Towers Watson, the Other Guarantors and the Issuer.

The entities included in the Other Guarantors column as of March 31, 2016 are Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, TA I Limited, WTW Bermuda Holdings Ltd., Trinity Acquisition plc (formerly Trinity Acquisition Limited) and Willis Group Limited.

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Revenues						
Commissions, fees and consulting revenue	$ —	$ —	$ 7	$ 2,212	$ —	$ 2,219
Interest and other income	—	—	—	15	—	15
Total revenues	—	—	7	2,227	—	2,234
Costs of providing services						
Salaries and benefits	—	—	(14)	(1,182)	—	(1,196)
Other operating expenses	(1)	(35)	(58)	(337)	—	(431)
Depreciation	—	(1)	(4)	(38)	—	(43)
Amortization	—	—	—	(161)	—	(161)
Restructuring costs	—	(4)	(9)	(12)	—	(25)
Integration expenses	(1)	(12)	(6)	(33)	—	(52)
Total costs of providing services	(2)	(52)	(91)	(1,763)	—	(1,908)
(Loss) Income from operations	(2)	(52)	(84)	464	—	326
Income from Group undertakings	—	121	54	30	(205)	—
Expenses due to Group undertakings	—	(14)	(43)	(148)	205	—
Interest expense	(11)	(17)	(10)	(8)	—	(46)
Other expense, net	(1)	—	—	(17)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(14)	38	(83)	321	—	262
Provision for income taxes	—	13	28	(59)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(14)	51	(55)	262	—	244
Interest in earnings of associates, net of tax	—	—	—	1	—	1
Equity account for subsidiaries	252	199	14	—	(465)	—
NET INCOME (LOSS)	238	250	(41)	263	(465)	245
Income attributable to non-controlling interests	—	—	—	(7)	—	(7)
NET INCOME (LOSS) ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	$ 250	$ (41)	$ 256	$ (465)	$ 238

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 222	$ 232	$ (58)	$ 241	$ (406)	$ 231
Comprehensive income/(loss) attributable to non-controlling interest	—	—	—	(9)	—	(9)
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 222	$ 232	$ (58)	$ 232	$ (406)	$ 222

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Revenues						
Commissions, fees and consulting revenue	$ —	$ —	$ 4	$ 1,077	$ —	$ 1,081
Interest and other income	—	—	—	6	—	6
Total revenues	—	—	4	1,083	—	1,087
Costs of providing services						
Salaries and benefits	—	—	(20)	(547)	—	(567)
Other operating expenses	(9)	(14)	(2)	(135)	—	(160)
Depreciation	—	(1)	(4)	(17)	—	(22)
Amortization	—	—	—	(14)	—	(14)
Restructuring costs	—	(14)	(5)	(12)	—	(31)
Integration expenses	—	—	—	—	—	—
Total costs of providing services	(9)	(29)	(31)	(725)	—	(794)
(Loss) Income from operations	(9)	(29)	(27)	358	—	293
Income from Group undertakings	—	54	56	25	(135)	—
Expenses due to Group undertakings	—	(8)	(44)	(83)	135	—
Interest expense	(11)	(9)	(11)	(2)	—	(33)
Other expense, net	(12)	6	—	(1)	1	(6)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(32)	14	(26)	297	1	254
Provision for income taxes	—	6	8	(70)	—	(56)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(32)	20	(18)	227	1	198
Interest in earnings of associates, net of tax	—	2	—	14	—	16
Equity account for subsidiaries	242	215	66	—	(523)	—
NET INCOME	210	237	48	241	(522)	214
Income attributable to non-controlling interests	—	—	—	(4)	—	(4)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 210	$ 237	$ 48	$ 237	$ (522)	$ 210

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 324	$ 354	$ 51	$ 370	$ (778)	$ 321
Comprehensive income/(loss) attributable to non-controlling interest	—	—	—	3	—	3
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 324	$ 354	$ 51	$ 373	$ (778)	$ 324

Unaudited Condensed Consolidated Balance Sheet

	As of March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 2	$ —	$ —	$ 952	$ —	$ 954
Fiduciary assets	—	—	—	12,031	—	12,031
Accounts receivable, net	—	—	6	2,262	—	2,268
Prepaid and other current assets	—	57	22	270	(23)	326
Amounts due from group undertakings	7,721	5,644	910	1,765	(16,040)	—
Total current assets	7,723	5,701	938	17,280	(16,063)	15,579
Investments in subsidiaries	3,993	8,527	6,002	—	(18,522)	—
Fixed assets, net	—	27	35	728	—	790
Goodwill	—	—	—	10,477	—	10,477
Other intangible assets, net	—	—	—	5,086	—	5,086
Pension benefits assets	—	—	—	749	—	749
Other non-current assets	—	4	54	290	—	348
Non-current amounts due from group undertakings	—	918	798	—	(1,716)	—
Total non-current assets	3,993	9,476	6,889	17,330	(20,238)	17,450
TOTAL ASSETS	$ 11,716	$ 15,177	$ 7,827	$ 34,610	$ (36,301)	$ 33,029
LIABILITIES AND EQUITY						
Fiduciary liabilities	$ —	$ —	$ —	$ 12,031	$ —	$ 12,031
Deferred revenue and accrued expenses	1	21	17	1,070	—	1,109
Short-term debt and current portion of long-term debt	—	638	394	112	—	1,144
Other current liabilities	69	46	16	864	(23)	972
Amounts due to group undertakings	—	8,754	1,717	5,569	(16,040)	—
Total current liabilities	70	9,459	2,144	19,646	(16,063)	15,256
Long-term debt	495	1,853	187	232	—	2,767
Liability for pension benefits	—	—	—	1,210	—	1,210
Deferred tax liabilities	—	2	—	1,232	—	1,234
Provision for liabilities	—	—	120	480	—	600
Other non-current liabilities	—	25	15	565	—	605
Amounts due to group undertakings	—	—	518	1,198	(1,716)	—
Total non-current liabilities	495	1,880	840	4,917	(1,716)	6,416
TOTAL LIABILITIES	565	11,339	2,984	24,563	(17,779)	21,672
REDEEMABLE NONCONTROLLING INTEREST	—	—	—	53	—	53
EQUITY						
Total Willis Towers Watson shareholders’ equity	11,151	3,838	4,843	9,841	(18,522)	11,151
Noncontrolling interests	—	—	—	153	—	153
Total equity	11,151	3,838	4,843	9,994	(18,522)	11,304
TOTAL LIABILITIES AND EQUITY	$ 11,716	$ 15,177	$ 7,827	$ 34,610	$ (36,301)	$ 33,029

Unaudited Condensed Consolidated Balance Sheet

	As of December 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 3	$ 2	$ —	$ 527	$ —	$ 532
Fiduciary assets	—	—	—	10,458	—	10,458
Accounts receivable, net	—	—	7	1,251	—	1,258
Prepaid and other current assets	1	49	18	194	(7)	255
Amounts due from group undertakings	3,423	1,684	822	1,259	(7,188)	—
Total current assets	3,427	1,735	847	13,689	(7,195)	12,503
Investments in subsidiaries	—	3,208	832	—	(4,040)	
Fixed assets, net	—	23	35	505	—	563
Goodwill	—	—	—	3,737	—	3,737
Other intangible assets, net	—	—	—	1,115	—	1,115
Pension benefits assets	—	—	—	623	—	623
Other non-current assets	—	8	2	288	—	298
Non-current amounts due from group undertakings	—	518	785	—	(1,303)	—
Total non-current assets	—	3,757	1,654	6,268	(5,343)	6,336
TOTAL ASSETS	$ 3,427	$ 5,492	$ 2,501	$ 19,957	$ (12,538)	$ 18,839
LIABILITIES AND EQUITY						
Fiduciary liabilities	$ —	$ —	$ —	$ 10,458	$ —	$ 10,458
Deferred revenue and accrued expenses	1	13	55	683	—	752
Short-term debt and current portion of long-term debt	300	609	—	79	—	988
Other current liabilities	15	38	23	534	(7)	603
Amounts due to group undertakings	—	4,141	1,545	1,502	(7,188)	—
Total current liabilities	316	4,801	1,623	13,256	(7,195)	12,801
Long-term debt	495	1,203	580	—	—	2,278
Liability for pension benefits	—	—	—	279	—	279
Deferred tax liabilities	—	1	—	239	—	240
Provision for liabilities	—	—	—	295	—	295
Investments in subsidiaries	387	—	—	—	(387)	—
Other non-current liabilities	—	21	15	497	—	533
Non-current amounts due to group undertakings	—	—	518	785	(1,303)	—
Total non-current liabilities	882	1,225	1,113	2,095	(1,690)	3,625
TOTAL LIABILITIES	1,198	6,026	2,736	15,351	(8,885)	16,426
REDEEMABLE NONCONTROLLING INTEREST	—	—	—	53	—	53
EQUITY						
Total Willis Towers Watson shareholders’ equity	2,229	(534)	(235)	4,422	(3,653)	2,229
Noncontrolling interests	—	—	—	131	—	131
Total equity	2,229	(534)	(235)	4,553	(3,653)	2,360
TOTAL LIABILITIES AND EQUITY	$ 3,427	$ 5,492	$ 2,501	$ 19,957	$ (12,538)	$ 18,839

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
NET CASH (USED IN) FROM OPERATING ACTIVITIES	$ (4)	$ (47)	$ (191)	$ 360	$ —	$ 118
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES						
Additions to fixed assets and software for internal use	—	(5)	(4)	(39)	—	(48)
Capitalized software costs	—	—	—	(18)	—	(18)
Acquisitions of operations, net of cash acquired	—	—	—	469	—	469
Redemptions of held-to-maturity investments	—	—	—	11	—	11
Sales and redemptions of available for sale securities	—	—	—	9	—	9
Other, net	—	—	—	(6)	—	(6)
Proceeds from intercompany investing activities	—	—	—	9	(9)	—
Repayments of intercompany investing activities	(4,308)	(4,227)	—	(560)	9,095	—
Reduction in investment in subsidiaries	4,600	3,600	—	—	(8,200)	—
Additional investment in subsidiaries	—	(4,600)	—	(3,600)	8,200	—
Net cash from (used in) investing activities	$ 292	$ (5,232)	$ (4)	$ (3,725)	$ 9,086	$ 417
CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES						
Net payments on revolving credit facility	—	(338)	—	—	—	(338)
Senior notes issued	—	997	—	—	—	997
Proceeds from issue of other debt	—	400	—	—	—	400
Repayments of debt	(300)	(406)	—	(475)	—	(1,181)
Proceeds from issuance of shares and excess tax benefit	11	—	—	—	—	11
Acquisitions of and dividends paid to noncontrolling interests	—	—	—	(4)	—	(4)
Proceeds from intercompany financing activities	—	4,633	195	4,267	(9,095)	—
Repayments of intercompany financing activities	—	(9)	—	—	9	—
Net cash (used in) from financing activities	$ (289)	$ 5,277	$ 195	$ 3,788	$ (9,086)	$ (115)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1)	(2)	—	423	—	420
Effect of exchange rate changes on cash and cash equivalents	—	—	—	2	—	2
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3	2	—	527	—	532
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2	$ —	$ —	$ 952	$ —	$ 954

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
NET CASH (USED IN) FROM OPERATING ACTIVITIES	$ (20)	$ 13	$ (47)	$ (10)	$ —	$ (64)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES						
Additions to fixed assets and software for internal use	—	(3)	(1)	(13)	—	(17)
Acquisitions of operations, net of cash acquired	—	—	—	(8)	—	(8)
Other, net	—	—	—	17	—	17
Proceeds from intercompany investing activities	51	—	48	—	(99)	—
Repayments of intercompany investing activities	—	(11)	—	(26)	37	—
Net cash from (used in) investing activities	$ 51	$ (14)	$ 47	$ (30)	$ (62)	$ (8)
CASH FLOWS USED IN FINANCING ACTIVITIES						
Debt issuance costs	—	—	—	(1)	—	(1)
Repayments of debt	—	(4)	—	—	—	(4)
Repurchase of shares	(15)	—	—	—	—	(15)
Proceeds from issuance of shares and excess tax benefit	35	—	—	3	—	38
Dividends paid	(54)	—	—	—	—	(54)
Acquisitions of and dividends paid to noncontrolling interests	—	—	—	(3)	—	(3)
Proceeds from intercompany financing activities	—	26	—	11	(37)	—
Repayments of intercompany financing activities	—	(23)	—	(76)	99	—
Net cash used in financing activities	$ (34)	$ (1)	$ —	$ (66)	$ 62	$ (39)
DECREASE IN CASH AND CASH EQUIVALENTS	(3)	(2)	—	(106)	—	(111)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(21)	—	(21)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	9	2	—	624	—	635
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 6	$ —	$ —	$ 497	$ —	$ 503

Note 18 — Financial Information for Parent Issuer, Guarantor Subsidiaries and Non-Guarantor Subsidiaries

On March 17, 2011, the Company issued senior notes totaling $800 million in a registered public offering. On March 15, 2016, $300 million of these senior notes was repaid leaving $500 million outstanding. These debt securities were issued by Willis Towers Watson ('WTW Debt Securities') and are guaranteed by certain of the Company's subsidiaries. Therefore, the Company is providing the condensed consolidating financial information below. The following wholly owned subsidiaries (directly or indirectly) fully and unconditionally guarantee the WTW Debt Securities on a joint and several basis: Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, TA I Limited, Trinity Acquisition plc (formerly Trinity Acquisition Limited), Willis Group Limited, Willis North America, and additionally, effective from March 9, 2016, Willis Towers Watson Sub Holdings Limited and WTW Bermuda Holdings Ltd. (the 'Guarantors').

The guarantor structure described above differs from the guarantor structure associated with the senior notes issued by Willis North America (the 'Willis North America Debt Securities') (and for which condensed consolidating financial information is presented in Note 17) in that Willis Towers Watson is the Parent Issuer and Willis North America is a subsidiary guarantor.

Presented below is condensed consolidating financial information for:

(i) Willis Towers Watson, which is the Parent Issuer;

(ii) the Guarantors, which are all 100 percent directly or indirectly owned subsidiaries of the parent;

(iii) Other, which are the non-guarantor subsidiaries, on a combined basis;

(iv) Consolidating adjustments; and

(v) the Consolidated Company.

The equity method has been used for investments in subsidiaries in the condensed consolidating balance sheets as of March 31, 2016 of Willis Towers Watson and the Guarantors.

The entities included in the Other Guarantors column as of March 31, 2016 are Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, TA I Limited, WTW Bermuda Holdings Ltd., Trinity Acquisition plc (formerly Trinity Acquisition Limited), Willis Group Limited and Willis North America Inc.

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2016				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
Revenues					
Commissions, fees and consulting revenue	$ —	$ 7	$ 2,212	$ —	$ 2,219
Interest and other income	—	—	15	—	15
Total revenues	—	7	2,227	—	2,234
Costs of providing services					
Salaries and benefits	—	(14)	(1,182)	—	(1,196)
Other operating expenses	(1)	(93)	(337)	—	(431)
Depreciation	—	(5)	(38)	—	(43)
Amortization	—	—	(161)	—	(161)
Restructuring costs	—	(13)	(12)	—	(25)
Integration expenses	(1)	(18)	(33)	—	(52)
Total costs of providing services	(2)	(143)	(1,763)	—	(1,908)
(Loss) Income from operations	(2)	(136)	464	—	326
Income from Group undertakings	—	147	30	(177)	—
Expenses due to Group undertakings	—	(29)	(148)	177	—
Interest expense	(11)	(27)	(8)	—	(46)
Other expense, net	(1)	—	(17)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(14)	(45)	321	—	262
Provision for income taxes	—	41	(59)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(14)	(4)	262	—	244
Interest in earnings of associates, net of tax	—	—	1	—	1
Equity account for subsidiaries	252	254	—	(506)	—
NET INCOME	238	250	263	(506)	245
Income attributable to non-controlling interests	—	—	(7)	—	(7)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	$ 250	$ 256	$ (506)	$ 238

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2016				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 222	$ 232	$ 241	$ (464)	$ 231
Comprehensive income/(loss) attributable to non-controlling interest	—	—	(9)	—	(9)
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 222	$ 232	$ 232	$ (464)	$ 222

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2015				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
Revenues					
Commissions, fees and consulting revenue	$ —	$ 4	$ 1,077	$ —	$ 1,081
Interest and other income	—	—	6	—	6
Total revenues	—	4	1,083	—	1,087
Costs of providing services					
Salaries and benefits	—	(20)	(547)	—	(567)
Other operating expenses	(9)	(16)	(135)	—	(160)
Depreciation	—	(5)	(17)	—	(22)
Amortization	—	—	(14)	—	(14)
Restructuring costs	—	(19)	(12)	—	(31)
Integration expenses	—	—	—	—	—
Total costs of providing services	(9)	(60)	(725)	—	(794)
(Loss) Income from operations	(9)	(56)	358	—	293
Income from Group undertakings	—	83	25	(108)	—
Expenses due to Group undertakings	—	(25)	(83)	108	—
Interest expense	(11)	(20)	(2)	—	(33)
Other expense, net	(12)	6	(1)	1	(6)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(32)	(12)	297	1	254
Provision for income taxes	—	14	(70)	—	(56)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(32)	2	227	1	198
Interest in earnings of associates, net of tax	—	2	14	—	16
Equity account for subsidiaries	242	233	—	(475)	—
NET INCOME	210	237	241	(474)	214
Income attributable to non-controlling interests	—	—	(4)	—	(4)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 210	$ 237	$ 237	$ (474)	$ 210

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2015				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 324	$ 354	$ 370	$ (727)	$ 321
Comprehensive income/(loss) attributable to non-controlling interest	—	—	3	—	3
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 324	$ 354	$ 373	$ (727)	$ 324

Unaudited Condensed Consolidated Balance Sheet

	As of March 31, 2016				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
ASSETS					
Cash and cash equivalents	$ 2	$ —	$ 952	$ —	$ 954
Fiduciary assets	—	—	12,031	—	12,031
Accounts receivable, net	—	6	2,262	—	2,268
Prepaid and other current assets	—	79	270	(23)	326
Amounts due from group undertakings	7,721	5,294	1,765	(14,780)	—
Total current assets	7,723	5,379	17,280	(14,803)	15,579
Investments in subsidiaries	3,993	9,686	—	(13,679)	—
Fixed assets, net	—	62	728	—	790
Goodwill	—	—	10,477	—	10,477
Other intangible assets, net	—	—	5,086	—	5,086
Pension benefits assets	—	—	749	—	749
Other non-current assets	—	58	290	—	348
Non-current amounts due from group undertakings	—	1,198	—	(1,198)	—
Total non-current assets	3,993	11,004	17,330	(14,877)	17,450
TOTAL ASSETS	$ 11,716	$ 16,383	$ 34,610	$ (29,680)	$ 33,029
LIABILITIES AND EQUITY					
Fiduciary liabilities	$ —	$ —	$ 12,031	$ —	$ 12,031
Deferred revenue and accrued expenses	1	38	1,070	—	1,109
Short-term debt and current portion of long-term debt	—	1,032	112	—	1,144
Other current liabilities	69	62	864	(23)	972
Amounts due to group undertakings	—	9,211	5,569	(14,780)	—
Total current liabilities	70	10,343	19,646	(14,803)	15,256
Long-term debt	495	2,040	232	—	2,767
Liability for pension benefits	—	—	1,210	—	1,210
Deferred tax liabilities	—	2	1,232	—	1,234
Provision for liabilities	—	120	480	—	600
Other non-current liabilities	—	40	565	—	605
Non-current amounts due to group undertakings	—	—	1,198	(1,198)	—
Total non-current liabilities	495	2,202	4,917	(1,198)	6,416
TOTAL LIABILITIES	565	12,545	24,563	(16,001)	21,672
REDEEMABLE NONCONTROLLING INTEREST	—	—	53	—	53
EQUITY					
Total Willis Towers Watson shareholders' equity	11,151	3,838	9,841	(13,679)	11,151
Noncontrolling interests	—	—	153	—	153
Total equity	11,151	3,838	9,994	(13,679)	11,304
TOTAL LIABILITIES AND EQUITY	$ 11,716	$ 16,383	$ 34,610	$ (29,680)	$ 33,029

Unaudited Condensed Consolidated Balance Sheet

	As of December 31, 2015				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
ASSETS					
Cash and cash equivalents	$ 3	$ 2	$ 527	$ —	$ 532
Fiduciary assets	—	—	10,458	—	10,458
Accounts receivable, net	—	7	1,251	—	1,258
Prepaid and other current assets	1	67	194	(7)	255
Amounts due from group undertakings	3,423	1,257	1,259	(5,939)	—
Total current assets	3,427	1,333	13,689	(5,946)	12,503
Investments in subsidiaries	—	4,275	—	(4,275)	—
Fixed assets, net	—	58	505	—	563
Goodwill	—	—	3,737	—	3,737
Other intangible assets, net	—	—	1,115	—	1,115
Pension benefits assets	—	—	623	—	623
Other non-current assets	—	10	288	—	298
Non-current amounts due from group undertakings	—	785	—	(785)	—
Total non-current assets	—	5,128	6,268	(5,060)	6,336
TOTAL ASSETS	$ 3,427	$ 6,461	$ 19,957	$ (11,006)	$ 18,839
LIABILITIES AND EQUITY					
Fiduciary liabilities	$ —	$ —	$ 10,458	$ —	$ 10,458
Deferred revenue and accrued expenses	1	68	683	—	752
Short-term debt and current portion of long-term debt	300	609	79	—	988
Other current liabilities	15	61	534	(7)	603
Amounts due to group undertakings	—	4,437	1,502	(5,939)	—
Total current liabilities	316	5,175	13,256	(5,946)	12,801
Investments in subsidiaries	387	—	—	(387)	—
Long-term debt	495	1,783	—	—	2,278
Liability for pension benefits	—	—	279	—	279
Deferred tax liabilities	—	1	239	—	240
Provision for liabilities	—	—	295	—	295
Other non-current liabilities	—	36	497	—	533
Non-current amounts due to group undertakings	—	—	785	(785)	—
Total non-current liabilities	882	1,820	2,095	(1,172)	3,625
TOTAL LIABILITIES	1,198	6,995	15,351	(7,118)	16,426
REDEEMABLE NONCONTROLLING INTEREST	—	—	53	—	53
EQUITY					
Total Willis Towers Watson shareholders' equity	2,229	(534)	4,422	(3,888)	2,229
Noncontrolling interests	—	—	131	—	131
Total equity	2,229	(534)	4,553	(3,888)	2,360
TOTAL LIABILITIES AND EQUITY	$ 3,427	$ 6,461	$ 19,957	$ (11,006)	$ 18,839

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2016				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
NET CASH (USED IN) FROM OPERATING ACTIVITIES	$ (4)	$ (238)	$ 360	$ —	$ 118
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Additions to fixed assets and software for internal use	—	(9)	(39)	—	(48)
Capitalized software costs	—	—	(18)	—	(18)
Acquisitions of operations, net of cash acquired	—	—	469	—	469
Redemptions of held-to-maturity investments	—	—	11	—	11
Sales and redemptions of available for sale securities	—	—	9	—	9
Other, net	—	—	(6)	—	(6)
Proceeds from intercompany investing activities	—	—	9	(9)	—
Repayments of intercompany investing activities	(4,308)	(4,227)	(560)	9,095	—
Reduction in investment in subsidiaries	4,600	3,600	—	(8,200)	—
Additional investment in subsidiaries	—	(4,600)	(3,600)	8,200	—
Net cash from (used in) investing activities	$ 292	$ (5,236)	$ (3,725)	$ 9,086	$ 417
CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES					
Net payments on revolving credit facility	—	(338)	—	—	(338)
Senior notes issued	—	997	—	—	997
Proceeds from issue of other debt	—	400	—	—	400
Repayments of debt	(300)	(406)	(475)	—	(1,181)
Proceeds from issuance of shares and excess tax benefit	11	—	—	—	11
Acquisitions of and dividends paid to noncontrolling interests	—	—	(4)	—	(4)
Proceeds from intercompany financing activities	—	4,828	4,267	(9,095)	—
Repayments of intercompany financing activities	—	(9)	—	9	—
Net cash (used in) from financing activities	$ (289)	$ 5,472	$ 3,788	$ (9,086)	$ (115)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1)	(2)	423	—	420
Effect of exchange rate changes on cash and cash equivalents	—	—	2	—	2
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3	2	527	—	532
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2	$ —	$ 952	$ —	$ 954

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2015				
	Willis Towers Watson — the Parent Issuer	The Guarantors	Other	Consolidating adjustments	Consolidated
NET CASH USED IN OPERATING ACTIVITIES	$ (20)	$ (34)	$ (10)	$ —	$ (64)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Additions to fixed assets and software for internal use	—	(4)	(13)	—	(17)
Acquisitions of operations, net of cash acquired	—	—	(8)	—	(8)
Other, net	—	—	17	—	17
Proceeds from intercompany investing activities	51	48	—	(99)	—
Repayments of intercompany investing activities	—	(11)	(26)	37	—
Net cash from (used in) investing activities	$ 51	$ 33	$ (30)	$ (62)	$ (8)
CASH FLOWS USED IN FINANCING ACTIVITIES					
Debt issuance costs	—	—	(1)	—	(1)
Repayments of debt	—	(4)	—	—	(4)
Repurchase of shares	(15)	—	—	—	(15)
Proceeds from issuance of shares and excess tax benefit	35	—	3	—	38
Dividends paid	(54)	—	—	—	(54)
Acquisitions of and dividends paid to noncontrolling interests	—	—	(3)	—	(3)
Proceeds from intercompany financing activities	—	26	11	(37)	—
Repayments of intercompany financing activities	—	(23)	(76)	99	—
Net cash used in financing activities	$ (34)	$ (1)	$ (66)	$ 62	$ (39)
DECREASE IN CASH AND CASH EQUIVALENTS	(3)	(2)	(106)	—	(111)
Effect of exchange rate changes on cash and cash equivalents	—	—	(21)	—	(21)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	9	2	624	—	635
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 6	$ —	$ 497	$ —	$ 503

Note 19 — Financial Information for Issuer, Parent Guarantor, Other Guarantor Subsidiaries and Non-Guarantor Subsidiaries

Trinity Acquisition plc (formerly Trinity Acquisition Limited) has $1.5 billion senior notes outstanding of which $525 million were issued on August 15, 2013 and $1.0 billion on March 15, 2016.

All direct obligations under the senior notes were jointly and severally, irrevocably and fully and unconditionally guaranteed by Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, TA I Limited, Willis Group Limited and Willis North America Inc, and additionally, effective from March 9, 2016 , Willis Towers Watson Sub Holdings Limited and WTW Bermuda Holdings Ltd., collectively the 'Other Guarantors', and with Willis Towers Watson, the 'Guarantor Companies'.

The guarantor structure described above differs from the guarantor structure associated with the senior notes issued by the Company and Willis North America (the 'Willis North America Debt Securities') in that Trinity Acquisition plc (formerly Trinity Acquisition Limited) is the issuer and not a subsidiary guarantor, and Willis North America Inc. is a subsidiary guarantor.

Presented below is condensed consolidating financial information for:

(i) Willis Towers Watson, which is a guarantor, on a parent company only basis;

(ii) the Other Guarantors, which are all wholly owned subsidiaries (directly or indirectly) of the parent. Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V, Willis Investment U.K. Holdings Limited, TA I Limited and WTW Bermuda Holdings Ltd. are all direct or indirect parents of the issuer and Willis Group Limited and Willis North America Inc., are direct or indirect wholly owned subsidiaries or the issuer;

(iii) Trinity Acquisition plc (formerly Trinity Acquisition Limited), which is the issuer and is a 100 percent indirectly owned subsidiary of the parent;

(iv) Other, which are the non-guarantor subsidiaries, on a combined basis;

(v) Consolidating adjustments; and

(vi) the Consolidated Company.

The equity method has been used for investments in subsidiaries in the condensed consolidating balance sheets as of March 31, 2016 of Willis Towers Watson, the Other Guarantors and the Issuer.

The entities included in the Other Guarantors column as of March 31, 2016 are Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment U.K. Holdings Limited, Willis North America Inc.,TA I Limited, WTW Bermuda Holdings Ltd. and Willis Group Limited.

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Revenues						
Commissions, fees and consulting revenue	$ —	$ 7	$ —	$ 2,212	$ —	$ 2,219
Interest and other income	—	—	—	15	—	15
Total revenues	—	7	—	2,227	—	2,234
Costs of providing services						
Salaries and benefits	—	(14)	—	(1,182)	—	(1,196)
Other operating expenses	(1)	(93)	—	(337)	—	(431)
Depreciation	—	(5)	—	(38)	—	(43)
Amortization	—	—	—	(161)	—	(161)
Restructuring costs	—	(13)	—	(12)	—	(25)
Integration expenses	(1)	(18)	—	(33)	—	(52)
Total costs of providing services	(2)	(143)	—	(1,763)	—	(1,908)
(Loss) Income from operations	(2)	(136)	—	464	—	326
Income from Group undertakings	—	146	31	30	(207)	—
Expenses due to Group undertakings	—	(52)	(7)	(148)	207	—
Interest expense	(11)	(9)	(18)	(8)	—	(46)
Other expense, net	(1)	—	—	(17)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(14)	(51)	6	321	—	262
Provision for income taxes	—	42	(1)	(59)	—	(18)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(14)	(9)	5	262	—	244
Interest in earnings of associates, net of tax	—	—	—	1	—	1
Equity account for subsidiaries	252	259	174	—	(685)	—
NET INCOME	238	250	179	263	(685)	245
Income attributable to non-controlling interests	—	—	—	(7)	—	(7)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	$ 250	$ 179	$ 256	$ (685)	$ 238

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 222	$ 232	$ 161	$ 241	$ (625)	$ 231
Comprehensive income/(loss) attributable to non-controlling interest	—	—	—	(9)	—	(9)
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 222	$ 232	$ 161	$ 232	$ (625)	$ 222

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Revenues						
Commissions, fees and consulting revenue	$ —	$ 4	$ —	$ 1,077	$ —	$ 1,081
Interest and other income	—	—	—	6	—	6
Total revenues	—	4	—	1,083	—	1,087
Costs of providing services						
Salaries and benefits	—	(20)	—	(547)	—	(567)
Other operating expenses	(9)	(16)	—	(135)	—	(160)
Depreciation	—	(5)	—	(17)	—	(22)
Amortization	—	—	—	(14)	—	(14)
Restructuring costs	—	(19)	—	(12)	—	(31)
Integration expenses	—	—	—	—	—	—
Total costs of providing services	(9)	(60)	—	(725)	—	(794)
(Loss) Income from operations	(9)	(56)	—	358	—	293
Income from Group undertakings	—	90	22	25	(137)	—
Expenses due to Group undertakings	—	(47)	(7)	(83)	137	—
Interest expense	(11)	(11)	(9)	(2)	—	(33)
Other expense, net	(12)	6	—	(1)	1	(6)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	(32)	(18)	6	297	1	254
Provision for income taxes	—	15	(1)	(70)	—	(56)
(LOSS) INCOME FROM CONTINUING OPERATIONS BEFORE INTEREST IN EARNINGS OF ASSOCIATES	(32)	(3)	5	227	1	198
Interest in earnings of associates, net of tax	—	2	—	14	—	16
Equity account for subsidiaries	242	238	209	—	(689)	—
NET INCOME	210	237	214	241	(688)	214
Income attributable to non-controlling interests	—	—	—	(4)	—	(4)
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 210	$ 237	$ 214	$ 237	$ (688)	$ 210

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
Comprehensive income/(loss) before non-controlling interests	$ 324	$ 354	$ 347	$ 370	$ (1,074)	$ 321
Comprehensive income/(loss) attributable to non-controlling interest	—	—	—	3	—	3
Comprehensive income/(loss) (attributable to Willis Towers Watson)	$ 324	$ 354	$ 347	$ 373	$ (1,074)	$ 324

Unaudited Condensed Consolidated Balance Sheet

	As of March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 2	$ —	$ —	$ 952	$ —	$ 954
Fiduciary assets	—	—	—	12,031	—	12,031
Accounts receivable, net	—	6	—	2,262	—	2,268
Prepaid and other current assets	—	85	1	270	(30)	326
Amounts due from group undertakings	7,721	4,709	1,817	1,765	(16,012)	—
Total current assets	7,723	4,800	1,818	17,280	(16,042)	15,579
Investments in subsidiaries	3,993	9,486	8,386	—	(21,865)	—
Fixed assets, net	—	62	—	728	—	790
Goodwill	—	—	—	10,477	—	10,477
Other intangible assets, net	—	—	—	5,086	—	5,086
Pension benefits assets	—	—	—	749	—	749
Other non-current assets	—	58	—	290	—	348
Non-current amounts due from group undertakings	—	798	918	—	(1,716)	—
Total non-current assets	3,993	10,404	9,304	17,330	(23,581)	17,450
TOTAL ASSETS	$ 11,716	$ 15,204	$ 11,122	$ 34,610	$ (39,623)	$ 33,029
LIABILITIES AND EQUITY						
Fiduciary liabilities	$ —	$ —	$ —	$ 12,031	$ —	$ 12,031
Deferred revenue and accrued expenses	1	35	3	1,070	—	1,109
Short-term debt and current portion of long-term debt	—	394	638	112	—	1,144
Other current liabilities	69	57	12	864	(30)	972
Amounts due to group undertakings	—	10,013	430	5,569	(16,012)	—
Total current liabilities	70	10,499	1,083	19,646	(16,042)	15,256
Long-term debt	495	187	1,853	232	—	2,767
Liability for pension benefits	—	—	—	1,210	—	1,210
Deferred tax liabilities	—	2	—	1,232	—	1,234
Provision for liabilities	—	120	—	480	—	600
Other non-current liabilities	—	40	—	565	—	605
Non-current amounts due to group undertakings	—	518	—	1,198	(1,716)	—
Total non-current liabilities	495	867	1,853	4,917	(1,716)	6,416
TOTAL LIABILITIES	565	11,366	2,936	24,563	(17,758)	21,672
REDEEMABLE NONCONTROLLING INTEREST	—	—	—	53	—	53
EQUITY						
Total Willis Towers Watson shareholders' equity	11,151	3,838	8,186	9,841	(21,865)	11,151
Noncontrolling interests	—	—	—	153	—	153
Total equity	11,151	3,838	8,186	9,994	(21,865)	11,304
TOTAL LIABILITIES AND EQUITY	$ 11,716	$ 15,204	$ 11,122	$ 34,610	$ (39,623)	$ 33,029

Unaudited Condensed Consolidated Balance Sheet

	As of December 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
ASSETS						
Cash and cash equivalents	$ 3	$ 2	$ —	$ 527	$ —	$ 532
Fiduciary assets	—	—	—	10,458	—	10,458
Accounts receivable, net	—	7	—	1,251	—	1,258
Prepaid and other current assets	1	72	—	194	(12)	255
Amounts due from group undertakings	3,423	951	1,538	1,259	(7,171)	—
Total current assets	3,427	1,032	1,538	13,689	(7,183)	12,503
Investments in subsidiaries	—	4,069	3,092	—	(7,161)	—
Fixed assets, net	—	58	—	505	—	563
Goodwill	—	—	—	3,737	—	3,737
Other intangible assets, net	—	—	—	1,115	—	1,115
Pension benefits assets	—	—	—	623	—	623
Other non-current assets	—	9	1	288	—	298
Non-current amounts due from group undertakings	—	785	518	—	(1,303)	—
Total non-current assets	—	4,921	3,611	6,268	(8,464)	6,336
TOTAL ASSETS	$ 3,427	$ 5,953	$ 5,149	$ 19,957	$ (15,647)	$ 18,839
LIABILITIES AND EQUITY						
Fiduciary liabilities	$ —	$ —	$ —	$ 10,458	$ —	$ 10,458
Deferred revenue and accrued expenses	1	68	—	683	—	752
Short-term debt and current portion of long-term debt	300	—	609	79	—	988
Other current liabilities	15	50	16	534	(12)	603
Amounts due to group undertakings	—	5,234	435	1,502	(7,171)	—
Total current liabilities	316	5,352	1,060	13,256	(7,183)	12,801
Investment in subsidiaries	387	—	—	—	(387)	—
Long-term debt	495	580	1,203	—	—	2,278
Liability for pension benefits	—	—	—	279	—	279
Deferred tax liabilities	—	1	—	239	—	240
Provision for liabilities	—	—	—	295	—	295
Other non-current liabilities	—	36	—	497	—	533
Non-current amounts due to group undertakings	—	518	—	785	(1,303)	—
Total non-current liabilities	882	1,135	1,203	2,095	(1,690)	3,625
TOTAL LIABILITIES	1,198	6,487	2,263	15,351	(8,873)	16,426
REDEEMABLE NONCONTROLLING INTEREST	—	—	—	53	—	53
EQUITY						
Total Willis Towers Watson shareholders’ equity	2,229	(534)	2,886	4,422	(6,774)	2,229
Noncontrolling interests	—	—	—	131	—	131
Total equity	2,229	(534)	2,886	4,553	(6,774)	2,360
TOTAL LIABILITIES AND EQUITY	$ 3,427	$ 5,953	$ 5,149	$ 19,957	$ (15,647)	$ 18,839

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2016					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
NET CASH (USED IN) FROM OPERATING ACTIVITIES	$ (4)	$ (211)	$ (27)	$ 360	$ —	$ 118
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES						
Additions to fixed assets and software for internal use	—	(9)	—	(39)	—	(48)
Capitalized software costs	—	—	—	(18)	—	(18)
Acquisitions of operations, net of cash acquired	—	—	—	469	—	469
Redemptions of held-to-maturity investments	—	—	—	11	—	11
Sales and redemptions of available for sale securities	—	—	—	9	—	9
Other, net	—	—	—	(6)	—	(6)
Proceeds from intercompany investing activities	—	—	—	9	(9)	—
Repayments of intercompany investing activities	(4,308)	(3,600)	(627)	(560)	9,095	—
Reduction in investment in subsidiaries	4,600	3,600	—	—	(8,200)	—
Additional investment in subsidiaries	—	(4,600)	—	(3,600)	8,200	—
Net cash from (used in) investing activities	$ 292	$ (4,609)	$ (627)	$ (3,725)	$ 9,086	$ 417
CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES						
Net payments on revolving credit facility	—	—	(338)	—	—	(338)
Senior notes issued	—	—	997	—	—	997
Proceeds from issue of other debt	—	—	400	—	—	400
Repayments of debt	(300)	—	(406)	(475)	—	(1,181)
Proceeds from issuance of shares and excess tax benefit	11	—	—	—	—	11
Acquisitions of and dividends paid to noncontrolling interests	—	—	—	(4)	—	(4)
Proceeds from intercompany financing activities	—	4,827	1	4,267	(9,095)	—
Repayments of intercompany financing activities	—	(9)	—	—	9	—
Net cash (used in) from financing activities	$ (289)	$ 4,818	$ 654	$ 3,788	$ (9,086)	$ (115)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1)	(2)	—	423	—	420
Effect of exchange rate changes on cash and cash equivalents	—	—	—	2	—	2
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	3	2	—	527	—	532
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2	$ —	$ —	$ 952	$ —	$ 954

Unaudited Condensed Consolidated Statement of Cash Flows

	Three Months Ended March 31, 2015					
	Willis Towers Watson	The Other Guarantors	The Issuer	Other	Consolidating adjustments	Consolidated
NET CASH (USED IN) FROM OPERATING ACTIVITIES	$ (20)	$ (35)	$ 1	$ (10)	$ —	$ (64)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES						
Additions to fixed assets and software for internal use	—	(4)	—	(13)	—	(17)
Acquisitions of operations, net of cash acquired	—	—	—	(8)	—	(8)
Other, net	—	—	—	17	—	17
Proceeds from intercompany investing activities	51	48	—	—	(99)	—
Repayments of intercompany investing activities	—	(11)	—	(26)	37	—
Net cash from (used in) investing activities	$ 51	$ 33	$ —	$ (30)	$ (62)	$ (8)
CASH FLOWS USED IN FINANCING ACTIVITIES						
Debt issuance costs	—	—	—	(1)	—	(1)
Repayments of debt	—	—	(4)	—	—	(4)
Repurchase of shares	(15)	—	—	—	—	(15)
Proceeds from issuance of shares and excess tax benefit	35	—	—	3	—	38
Dividends paid	(54)	—	—	—	—	(54)
Acquisitions of and dividends paid to noncontrolling interests	—	—	—	(3)	—	(3)
Proceeds from intercompany financing activities	—	23	3	11	(37)	—
Repayments of intercompany financing activities	—	(23)	—	(76)	99	—
Net cash used in financing activities	$ (34)	$ —	$ (1)	$ (66)	$ 62	$ (39)
DECREASE IN CASH AND CASH EQUIVALENTS	(3)	(2)	—	(106)	—	(111)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	(21)	—	(21)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	9	2	—	624	—	635
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 6	$ —	$ —	$ 497	$ —	$ 503

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion includes references to non-GAAP financial measures as defined in the rules of the Securities and Exchange Commission ('SEC'). We present such non-GAAP financial measures, specifically constant currency and organic non-GAAP financial measures, as we believe such information is of interest to the investment community because it provides additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis, and these provide a measure against which our businesses may be assessed in the future.

Please see 'Non-U.S. GAAP financial measures' below for further discussion of our constant currency and organic non-GAAP financial measures.

Please see 'Disclaimer Regarding Forward-looking Statements' for certain cautionary information regarding forward-looking statements and a list of factors that could cause actual results to differ materially from those predicted in those statements.

Executive Overview

Business Overview

Willis Towers Watson is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has approximately 39,000 employees in more than 120 countries. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. We believe our unique perspective allows us to see the critical intersections between talent, assets and ideas - the dynamic formula that drives business performance.

We bring together professionals from around the world - experts in their areas of specialty - to deliver the perspectives that give organizations a clear path forward. We do this by offering risk management, insurance broking, consulting, technology and solutions and private exchanges.

In our capacity as a consultant, technology and solutions provider, and private exchange company, we help our clients enhance business performance by improving their ability to attract, retain and motivate qualified employees. We focus on delivering consulting services that help organizations anticipate, identify and capitalize on emerging opportunities in human capital management as well as investment advice to help our clients develop disciplined and efficient strategies to meet their investment goals. We operate the largest private Medicare exchange in the United States. Through this exchange, we help our clients move to a more sustainable economic model by capping and controlling the costs associated with retiree healthcare benefits.

In our capacity as risk advisor and insurance broker, we act as an intermediary between our clients and insurance carriers by advising our clients on their risk management requirements, helping clients determine the best means of managing risk, and negotiating and placing insurance with insurance carriers through our global distribution network. We also offer clients a broad range of services to help them to identify and control their risks. These services range from strategic risk consulting (including providing actuarial analysis), to a variety of due diligence services, to the provision of practical on-site risk control services (such as health and safety or property loss control consulting) as well as analytical and advisory services (such as hazard modeling and reinsurance optimization studies). We assist clients in planning how to manage incidents or crises when they occur. These services include contingency planning, security audits and product tampering plans. We are not an insurance company and therefore we do not underwrite insurable risks for our own account.

We derive the majority of our revenue from commissions and fees for broking and consulting services. No single client represented a significant concentration of our consolidated revenues for any of the periods presented.

Market Conditions

Due to the cyclical nature of the insurance market and the impact of other market conditions on insurance premiums, commission revenues may vary widely between accounting periods. A period of low or declining premium rates, generally known as a 'soft' or 'softening' market, generally leads to downward pressure on commission revenues and can have a material adverse impact on our commission revenues and operating margin. A 'hard' or 'firming' market, during which premium rates rise, generally has a favorable impact on our commission revenues and operating margin. Rates, however, vary by geography, industry and client segment. As a result, and due to the global and diverse nature of our business, we view rates in the aggregate.

Market conditions in our broking industry are generally defined by factors such as the strength of the economies in the various geographic regions in which we serve around the world, insurance rate movements, and insurance and reinsurance buying patterns of our clients.

During the first three months of 2016 we have noted that the complex commercial insurance market is slowing the pricing declines most buyers have enjoyed for several renewal cycles and is raising the likelihood that companies will experience some pricing increases in various commercial lines of insurance. Overall, ample capacity in the global insurance marketplace continues to buoy market conditions. However, increased underwriting scrutiny combined with potential challenges stemming from the changing carrier landscape is driving movement in some lines of business.

The market for our consulting, technology and solutions, and private exchange services is subject to change as a result of economic, regulatory and legislative changes, technological developments, and increased competition from established and new competitors. Regulatory and legislative actions, along with continuously evolving technological developments, will likely have the greatest impact on the overall market for our exchange products. We believe the primary factors in selecting a human resources or risk management consulting firm include reputation, the ability to provide measurable increases to shareholder value and return on investment, global scale, quality of service and the ability to tailor services to clients' unique needs. With regard to the market for exchanges, we believe that clients base their decisions on a variety of factors that include the ability of the provider to deliver measurable cost savings for clients, a strong reputation for efficient execution, a provider's capability in delivering a broad number of configurations to serve various population segments and financing options, and an innovative service delivery model and platform. See Item 1A - Risk Factors in our Annual Report on Form 10-K filed with the SEC on February 29, 2016 for a discussion of risks that may affect our ability to compete.

Business Strategy

Willis Towers Watson sees that a unified approach to people and risk can be a path to growth for our clients. Our integrated teams bring together our understanding of risk strategies and market analytics. This helps clients around the world to achieve their objectives.

We operate in attractive markets - both growing and mature - with a diversified platform across geographies, industries, segments and lines of business. We aim to create and become the premier advisory, broking and solutions company of choice globally. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. We will also help organizations improve performance through effective people, risk and financial management by focusing on providing human capital and financial consulting services.

We believe we can achieve this by:

- Delivering a powerful client proposition with an integrated global platform. Our highly complementary offerings provide comprehensive advice, analytics, specialty capabilities and solutions covering benefits, exchange solutions, brokerage and advisory, risk and capital management, and talent and rewards;
- Leveraging our combined distribution strength and global footprint to enhance market penetration and provide a platform for further innovation; and
- Underpinning this growth through continuous operational improvement initiatives that help make us more effective and efficient and drive cost synergies. We do this by:
    - continuing to modernize the way we run our business to better serve our clients, enable the skills of our staff, and lower our costs of doing business; we do this through an operational improvement program that is making changes to our processes, our IT, our real estate and locations of our workforce; and
    - targeting and delivering identified, highly achievable cost savings as a direct consequence of the merger of Willis and Towers Watson.

We care as much about how we work as we do about the impact that we make. This means commitment to our aligned cultures and shared values and behaviors of our legacy companies, a framework that guides how we run our business and serve clients.

Through these strategies we aim to accelerate revenue, cash flow, EBITDA and earnings growth and generate compelling returns for investors, by delivering tangible revenue growth and capitalizing on the identified cost synergies.

Merger, Acquisitions and Divestitures

Merger with Towers Watson

On January 4, 2016, pursuant to the Agreement and Plan of Merger, dated June 29, 2015, as amended on November 19, 2015, between Willis, Towers Watson, and Citadel Merger Sub, Inc., a wholly-owned subsidiary of Willis formed for the purpose of facilitating this transaction (‘Merger Sub’), Merger Sub merged with and into Towers Watson, with Towers Watson continuing as the surviving corporation and a wholly-owned subsidiary of Willis.

At the effective time of the Merger (the ‘Effective Time’), each issued and outstanding share of Towers Watson common stock (the ‘Towers Watson shares’), was converted into the right to receive 2.6490 validly issued, fully paid and nonassessable ordinary shares of Willis (the ‘Willis ordinary shares’), $0.000115 nominal value per share, other than any Towers Watson shares owned by Towers Watson, Willis or Merger Sub at the Effective Time and the Towers Watson shares held by stockholders who are entitled to and who properly exercised dissenter’s rights under Delaware law.

Immediately following the Merger, Willis effected (i) a consolidation (i.e., a reverse stock split under Irish law) of Willis ordinary shares whereby every 2.6490 Willis ordinary shares were consolidated into one Willis ordinary share $0.000304635 nominal value per share and (ii) an amendment to its Constitution and other organizational documents to change its name from Willis Group Holdings Public Limited Company to Willis Towers Watson Public Limited Company.

We are integrating Legacy Willis and Legacy Towers Watson and creating a unified platform for global growth, including positioning the Company to leverage our mutual distribution strength to enhance market penetration, expand our global footprint and create a strong platform for further innovation.

Until we are integrated, we will continue to manage our business through the Legacy Company platforms. For the three months ended March 31, 2016, we had eight reportable operating segments: Willis International; Willis North America; Willis Capital, Wholesale & Reinsurance (‘CWR’); Willis GB; Towers Watson Benefits; Towers Watson Exchange Solutions; Towers Watson Risk and Financial Services; and Towers Watson Talent and Rewards.

During the second quarter of 2016, we will begin managing our business and reporting our segmental results across four integrated reportable operating segments: Corporate Risk and Broking; Exchange Solutions; Human Capital and Benefits; and Investment, Risk and Reinsurance.

As Reported Financial Information

The table below sets forth our condensed consolidated statements of operations and data as a percentage of revenue for the periods indicated.

Condensed Consolidated Statements of Operations
(Millions of U.S. dollars, except per share data)
(Unaudited)

	Three Months Ended March 31,			
	2016		2015	
Total revenues	$ 2,234	100%	$ 1,087	100%
Costs of providing services				
Salaries and benefits	1,196	54%	567	52%
Other operating expenses	431	19%	160	15%
Depreciation	43	2%	22	2%
Amortization	161	7%	14	1%
Restructuring costs	25	1%	31	3%
Integration expenses	52	2%	—	—%
Total costs of providing services	1,908		794	
Income from operations	326	15%	293	27%
Interest expense	46	2%	33	3%
Other expense, net	18	1%	6	1%
Provision for income taxes	18	1%	56	5%
Interest in earnings of associates, net of tax	1	—%	16	1%
Income attributable to non-controlling interests	(7)		(4)	
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	11%	$ 210	19%
Diluted earnings per share	$ 1.75		$ 3.04	

Revenue for the three months ended March 31, 2016 was $2.2 billion, compared to $1.1 billion for the three months ended March 31, 2015, an increase of $1.1 billion, or 105%. This growth in revenue was driven primarily by our Merger with Towers Watson and our acquisitions of Gras Savoye and Miller.

Our revenues can be materially impacted by changes in currency conversions, which can fluctuate significantly over the course of a calendar year. For the three months ended March 31, 2016, currency translation decreased our consolidated revenue by $34 million on our as reported revenue. The primary currencies driving the change were the Pound sterling and the Euro.

The components of the change in revenue generated for the three months ended March 31, 2016 and 2015 are as follows:

	Three Months Ended March 31,			Components of Revenue Change			
	2016	2015	As Reported Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Revenue	$ 2,234	$ 1,087	105%	(3)%	108%	109%	(1)%

Definitions of Constant Currency Change and Organic Change are included in the section entitled Non-U.S. GAAP Financial Measures in this Form 10-Q.

Total costs of providing services for the three months ended March 31, 2016 were $1.9 billion compared to $794 million for the three months ended March 31, 2015. The growth in expenses was primarily driven by the Merger and our acquisitions of Gras Savoye and Miller.

Restructuring costs for the three months ended March 31, 2016 and 2015 were $25 million and $31 million, respectively. The reduction in costs comprised a $7 million reduction in termination benefits offset by a $1 million increase in professional services and other costs. See our discussion in the Operational Improvement Program section for additional details about these expenses.

Integration expenses include fees and charges associated with our mergers and acquisitions and principally consist of integration consultants, contract termination fees, as well as legal, accounting, marketing, and information technology integration expenses. These costs also include retention and severance costs and the write-off of software development as a direct consequence of the Merger.

Integration expenses for the three months ended March 31, 2016 were $52 million. These expenses primarily related to the Merger and to the integration of Gras Savoye. As a percentage of revenue, integration expenses were 2% for the three months ended March 31, 2016.

Consolidated income from operations for the three months ended March 31, 2016 was $326 million, compared to $293 million for the three months ended March 31, 2015, an increase of $33 million, or 11%. This growth in income from operations was primarily driven by the Merger and our acquisition of Gras Savoye, partially offset by the $50 million increase in the provision in relation to Stanford Financial Group litigation.

Net income attributable to Willis Towers Watson for the first quarter of 2016 was $238 million, an increase of $28 million compared to $210 million for the first quarter of 2015. This change for the first quarter of 2016 was primarily driven by the Merger and our acquisition of Gras Savoye, partially offset by the $30 million post-tax effect of the increase in the provision in relation to Stanford Group litigation.

Supplementary Pro Forma Financial Information

To assist the reader in understanding our comparative analysis, we have included discussion and analysis of pro forma financial information for Willis Towers Watson as if the Towers Watson Merger had occurred on January 1, 2015. The pro forma financial information for the three months ended March 31, 2015 combines: (i) the historical consolidated statement of operations of Willis for the three months ended March 31, 2015, and (ii) the historical consolidated statement of operations of Towers Watson for the three months ended March 31, 2015.

The pro forma financial information is only for Willis and Towers Watson and does not include Gras Savoye, Miller or other merger or acquisition activity.

Pro forma financial information is for illustrative purposes only, and is based on adjustments that are preliminary and based upon available information and certain assumptions that Willis Towers Watson management believes are reasonable under the circumstances, as described in Pro Forma Adjustments below. The pro forma financial information has not been adjusted to give effect to certain expected financial benefits of the Merger, such as revenue synergies, tax savings and cost synergies, or the anticipated costs to achieve these benefits, including the cost of integration activities. The pro forma financial information does not purport to represent what the actual consolidated results of operations of Willis Towers Watson would have been had the Merger occurred on the date indicated, nor is it necessarily indicative of future consolidated results of operations. The actual results of operations will differ, potentially significantly, from the pro forma amounts reflected herein due to a variety of factors, including access to additional information, changes in value not currently identified and changes in operating results following the date of the unaudited pro forma financial information.

Pro Forma Condensed Consolidated Statements of Operations
(Millions of U.S. dollars, except per share data)

	Three Months Ended March 31,									
	2016		2015							
	Willis Towers Watson		Historical Willis		Historical Towers Watson	Pro Forma Adjustments		Pro Forma Willis Towers Watson		
Total revenues	$ 2,234	100%	$ 1,087		$ 922	$ 3	a, b	$ 2,012	100%	
Costs of providing services										
Salaries and benefits	1,196	54%	567		544	(7)	c, d	1,104	55%	
Other operating expenses	431	19%	160		171	(1)	a, b, e	330	16%	
Depreciation	43	2%	22		26	(10)	f	38	2%	
Amortization	161	7%	14		15	111	g	140	7%	
Restructuring costs	25	1%	31		—	—		31	2%	
Integration expenses	52	2%	—		—	—		—	—%	
Total costs of providing services	1,908	85%	794		756	93		1,643	82%	
Income from operations	326	15%	293		166	(90)		369	18%	
Interest expense	46	2%	33		2	3	h	38	2%	
Other expense, net	18	1%	6		1	4	b	11	1%	
Provision for income taxes	18	1%	56		59	(34)	i	81	4%	
Add interest in earnings of associates, net of tax	1	—%	16		—	—		16	1%	
Net Income	245	11%	214		104	(63)		255	13%	
Income attributable to non-controlling interests	(7)	—%	(4)		—	—		(4)	—%	
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	11%	$ 210		$ 104	$ (63)		$ 251	12%	
Basic earnings per share (i)	$ 1.76		$ 3.09	(i)	$ 1.50			$ 1.83		j, k
Diluted earnings per share (i)	$ 1.75		$ 3.04	(i)	$ 1.49			$ 1.82		j, k

i. Basic and Diluted earnings per share for the historical Willis, for the three months ended March 31, 2015 have been retroactively adjusted to reflect the reverse stock split on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

Pro Forma Adjustments

The unaudited pro forma financial information reflects the following adjustments:

a. *Intercompany trading*. Adjustments to eliminate trading between Willis and Towers Watson of $1 million for the three months ended March 31, 2015.

b. *Conforming reclassifications and adjustments*. Certain reclassifications have been made to amounts in the Towers Watson historical statement of operations to conform to Willis' presentation, including reclassifying certain contra revenue accounts and Towers Watson's professional and subcontracted services, occupancy and general and administrative expenses within the relevant Willis captions.

c. *Pension amortization.* Adjustments to remove the net periodic benefit costs of $6 million for the three months ended March 31, 2015 associated with the amortization of net actuarial losses and prior service credits/costs for Towers Watson's pension plans.

d. *Share-based compensation.* Adjustments to recognize Towers Watson share-based payments in accordance with Willis accounting policies of $1 million for the three months ended March 31, 2015.

e. *Rent.* Adjustment to eliminate $1 million of historical rent expense for the three months ended March 31, 2015 offset by amortization of our favorable and unfavorable lease agreements.

f. *Depreciation.* Adjustment related to depreciation on internally developed software of $13 million partially offset by an increase of $3 million for the three months ended March 31, 2015 due to a preliminary increase for leasehold improvements, furniture and fixtures and computer hardware and software.

g. *Amortization.* Historical amortization expense of $15 million was removed and amortization expense of $126 million has been recorded to reflect the preliminary estimated fair values of Towers Watson's identifiable intangible assets and related amortization that management has determined based on estimates and assumptions that it considers to be reasonable. Additional information related to the intangible assets and related amortization is detailed in Note 3 — Merger, Acquisitions and Divestitures and Note 7 — Goodwill and Intangible Assets.

h. *Interest Expense.* Net adjustments to interest expense include additional interest and amortization of related deferred debt issuance costs of $3 million was recorded for the three months ended March 31, 2015 related to borrowing under a $340 million term loan as part of the funding for the pre-Merger special dividend on December 29, 2015 and the 1-year term loan to pay off Towers Watson existing debt at the time of the Merger.

i. *Income taxes.* Adjustments to record the income tax impact of the pro forma adjustments. The income tax expense was calculated based on the U.S. and foreign statutory rates applicable to adjustments made. Where applicable, a U.S. statutory rate of 40% was used. Pro forma adjustments for income tax purposes have been determined without regard to potential tax planning strategies that may result from the Merger of Towers Watson with Willis.

j. *Willis ordinary shares issuance.* Approximately 184 million Willis ordinary shares (prior to the reverse stock split) were issued to Towers Watson stockholders as the Merger Consideration in connection with the Merger, based on Towers Watson shares of common stock outstanding as of January 4, 2016, at a per share price of $47.18, which was the closing price on that date, for a total value of approximately $8.7 billion.

k. *Earnings per share.* The pro forma consolidated basic and diluted earnings per share for the three months ended March 31, 2015 is calculated as follows:

		Three Months Ended March 31, 2015
		(Millions, except per share data)
Willis historic average basic shares in issue		68
Shares issued for Towers Watson [i]		69
Willis historic average basic shares in issue		137
Dilutive effect of securities		1
Diluted weighted average shares outstanding		138
Pro forma net income attributable to Willis Towers Watson	$	251
Basic earnings per share	$	1.83
Diluted earnings per share	$	1.82

i. Shares issued for Towers Watson based on approximately 69 million Towers Watson shares outstanding at January 4, 2016 and the Exchange Ratio.

Consolidated Revenue

Total revenues for the three months ended March 31, 2016 was $2.2 billion, compared to $2.0 billion for the pro forma total revenues for the three months ended March 31, 2015, an increase of $222 million, or 11%. Of the increase in total revenues, 15% was primarily due to the acquisitions of Gras Savoye and Miller, which was partially offset by adverse foreign exchange movements of 3%.

Our results can be materially impacted by changes in currency conversions, which can fluctuate significantly over the course of a calendar year. For the three months ended March 31, 2016, currency translation decreased our consolidated revenue by $53 million on a constant currency basis from the pro forma three months ended March 31, 2015. The primary currencies driving the change were the Pound sterling, the Euro and the Canadian Dollar.

The components of the change in revenue generated for the three months ended March 31, 2016 and pro forma revenue for the three months ended March 31, 2015 are as follows:

	Three Months Ended March 31, 2016	Pro Forma 2015	Pro Forma Change	Components of Revenue Change: Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Revenue	$ 2,234	$ 2,012	11%	(3)%	14%	15%	(1)%

The organic change presented above includes the reduction to revenue for the three months ended March 31, 2016 related to the fair value adjustment for deferred revenue made during purchase accounting for the Merger. If this revenue had not been reduced, the constant currency change would have been an increase of 16% and the organic change would have been an increase of 1%.

Definitions of Constant Currency Change and Organic Change are included in the section entitled non-U.S. GAAP Financial Measures in this Form 10-Q.

Segment Revenue Analysis

We are integrating Willis and Towers Watson (together, the 'Legacy Companies') and creating a unified platform for global growth, including to position the Company to leverage the Legacy Companies' mutual distribution strength to enhance market penetration, expand our global footprint and create a strong platform for further innovation. During the second quarter of 2016, we will begin managing our business and reporting our segmental results across four integrated reportable operating segments: Corporate Risk and Broking; Exchange Solutions; Human Capital and Benefits; and Investment, Risk and Reinsurance. Until we are integrated, we will continue to manage our business through the Legacy Company platforms. For the three months ended March 31, 2016, we had eight reportable operating segments: Willis International; Willis North America; Willis Capital, Wholesale & Reinsurance ('CWR'); Willis GB; Towers Watson Benefits; Towers Watson Exchange Solutions; Towers Watson Risk and Financial Services; and Towers Watson Talent and Rewards.

Segment revenue excludes amounts that were directly incurred on behalf of our clients and reimbursed by them (reimbursed expenses); however, these amounts are included in consolidated revenue.

Willis International

The Willis International business comprises our retail and specialty operations in Western Europe, Central and Eastern Europe, Asia, Australasia, the Middle East, South Africa, and Latin America. The services provided are tailored to the characteristics of each market and vary across offices, but generally include direct risk management and insurance brokerage and employee benefits brokerage and consulting. The following table sets out the components of Willis International's commissions and fees for the three months ended March 31, 2016 and March 31, 2015, and the components of the change in commissions and fees for the three months ended March 31, 2016.

	Three Months Ended March 31, 2016	2015	As Reported Change	Components of Revenue Change: Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Commissions and fees	$ 481	$ 287	68%	(16)%	84%	89%	(5)%

Willis International commissions and fees for the three months ended March 31, 2016 was $481 million, compared to $287 million for the three months ended March 31, 2015, an increase of $194 million, or 68%. The reported increase was largely driven by the acquisition of Gras Savoye, which added $234 million of commissions and fees in the quarter. The organic revenue decline was driven by the cancellation adjustment relating to one large natural resources project, the timing of certain business, and a decline in the Asia market. This cancellation was not related to the economic environment of the energy sector, but was political in nature. These declines were partially offset by strong growth in Latin America.

Willis North America

The Willis North America business provides risk management, insurance brokerage, related risk services and employee benefits brokerage and consulting to a wide array of industry and client segments in the United States and Canada. The following table sets out the components of Willis North America's commissions and fees for the three months ended March 31, 2016 and March 31, 2015, and the components of the change in commissions and fees for the three months ended March 31, 2016.

	Three Months Ended March 31,		Components of Revenue Change				
	2016	2015	As Reported Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Commissions and fees	$ 368	$ 356	3%	—%	3%	(1)%	4%

Willis North America commissions and fees for the three months ended March 31, 2016 was $368 million, compared to $356 million for the three months ended March 31, 2015, an increase of $12 million, or 3%. The reported increase came from all major regions, particularly in the Northeast, driven primarily by the Construction, Financial Institutions and FINEX lines partially offset by the divestiture of several small books of business. The Human Capital Practice produced mid-single digit organic growth as compared to the first quarter of 2015.

Willis Capital, Wholesale and Reinsurance

Willis CWR includes: Willis Re; Willis Capital Markets & Advisory; our Wholesale business and Portfolio and Underwriting services. The following table sets out the components of Willis CWR's commissions and fees for the three months ended March 31, 2016 and March 31, 2015, and the components of the change in commissions and fees for the three months ended March 31, 2016.

	Three Months Ended March 31,		Components of Revenue Change				
	2016	2015	As Reported Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Commissions and fees	$ 331	$ 296	12%	(2)%	14%	17%	(3)%

Willis CWR commissions and fees for the three months ended March 31, 2016 was $331 million, compared to $296 million for the three months ended March 31, 2015, an increase of $35 million, or 12%. The reported increase was largely driven by the recent acquisition of Miller Insurance Services, which added $49 million of commissions and fees in the quarter, while the organic decline was primarily related to the departure of a team of associates in the Fine Arts, Jewellery and Specie business as well as the timing of certain businesses.

Willis GB

Willis GB, our Great Britain-based specialty and retail business, comprises the following business units: Property & Casualty; Financial Lines; Transport; and Retail Networks. The following table sets out the components of Willis GB's commissions and fees for the three months ended March 31, 2016 and March 31, 2015, and the components of the change in commissions and fees for the three months ended March 31, 2016.

	Three Months Ended March 31,		Components of Revenue Change				
	2016	2015	As Reported Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Commissions and fees	$ 139	$ 142	(2)%	(2)%	—%	2%	(2)%

Willis GB commissions and fees for the three months ended March 31, 2016 was $139 million, compared to $142 million for the three months ended March 31, 2015, a decrease of $3 million, or 2%. Organic growth across each business (Financial Lines, Transport and Property & Casualty) was more than offset by the same cancellation adjustment of the natural resources project, as noted in the Willis International segment.

Towers Watson Benefits

The Towers Watson Benefits segment provides benefits consulting and administration services for large defined benefit and defined contribution plans, including consulting on plan design, funding and risk management strategies. The segment also provides plan management consulting across the full spectrum of health and group benefit programs, pension outsourcing services, and helps multinational companies address the challenges of operating in the global marketplace by providing expertise with international human capital management and benefits and compensation advice for corporate headquarters and their overseas subsidiaries.

A significant portion of the revenue in this segment is from recurring work, driven in large part by the heavily regulated nature of employee benefits plans and our clients' annual needs for these services. Revenue for the Retirement business is typically seasonal, as most of our work pertains to calendar-year-end reporting and compliance related to the completion of pension plan valuations; thus, the first first quarter of our fiscal year is typically the strongest quarter.

The following table sets out the components of Towers Watson Benefits' revenues for the three months ended March 31, 2016 and pro forma revenue for the three months ended March 31, 2015, and the components of the change in revenue for the three months ended March 31, 2016.

	Three Months Ended March 31, 2016	Pro Forma 2015		Components of Revenue Change			
	(in millions)		Pro Forma Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
Revenues	$ 486	$ 496	(2)%	(3)%	1%	—%	1%

Benefits revenue for the three months ended March 31, 2016 was $486 million, compared to $496 million for the pro forma three months ended March 31, 2015, a decrease of $10 million, or 2%. Retirement had a 2% constant currency revenue decline, primarily due to an increase in deferred revenues related to pension administration implementations and lower bulk lump sum work, as compared to the first quarter of 2015. Health and Group Benefits had 8% constant currency revenue growth, due to increased product revenue. Technology and Administration Solutions had 8% constant currency revenue growth with growth across all regions due to new clients and increased project activity.

Towers Watson Exchange Solutions

The Towers Watson Exchange Solutions segment provides primary medical and ancillary benefit exchange services to retirees and pre-65 individuals through its proprietary 'group to individual' technology platform, which tightly integrates patented call routing technology, an efficient quoting enrollment engine, a custom-developed Customer Relationship Management ('CRM') system and comprehensive insurance carrier connectivity. This business also can deliver group benefit exchanges serving the active employees of virtually any employer across the United States. We use Software as a Service ('SaaS')-based technology and related services to deliver consumer-driven health care and reimbursement accounts, including health savings accounts ('HSAs'), health reimbursement arrangements ('HRAs') and other consumer-directed accounts.

A significant portion of the revenue in this segment is recurring in nature, driven by either the commissions from the policies we sell or from long-term service contracts with our clients that typically range from three to five years. Revenue across this segment is seasonal, driven by the fact that we typically increase our membership levels significantly effective January 1, after calendar year-end benefits elections. This results in revenues that are higher in the first half of the calendar year than the second half of the calendar year.

The following table sets out the components of Towers Watson Exchange Solutions' revenues for the three months ended March 31, 2016 and pro forma revenue for the three months ended March 31, 2015, and the components of the change in revenue for the three months ended March 31, 2016.

	Three Months Ended March 31, 2016	Pro Forma 2015		Components of Revenue Change			
	(in millions)		Pro Forma Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
Revenues	$ 152	$ 97	57%	—%	57%	9%	48%

Exchange Solutions revenue for the three months ended March 31, 2016 was $152 million, compared to $97 million for the pro forma three months ended March 31, 2015, an increase of $55 million, or 57%. Retiree and Access Exchanges revenue increased by 47%, primarily as a result of the record annual 2016 enrollment season. Our Exchange Other revenues increased by 73%, primarily due to Health and Welfare administration adding new clients. As of March 31, 2016, we had approximately 1.6 million covered lives in OneExchange.

Towers Watson Risk and Financial Services

The Towers Watson Risk and Financial Services segment serves the insurance industry as well as corporate clients with respect to their insurance and risk management needs. This segment also helps our clients manage investment complexity, establish their risk tolerance and improve governance.

The segment has a strong base of recurring revenue, driven by long-term client relationships in retainer investment consulting assignments, software solutions, consulting services on financial reporting, and actuarial opinions on property/casualty loss reserves. Some of these relationships have been in place for more than 20 years. A portion of the revenue is related to project work, which is more heavily dependent on the overall level of discretionary spending by clients. This work is favorably influenced by strong client relationships, particularly related to M&A consulting. Major revenue growth drivers include changes in regulations, the level of M&A activity in the insurance industry, and growth in pension and other asset pools.

The following table sets out the components of Towers Watson Risk and Financial Services' revenues for the three months ended March 31, 2016 and pro forma revenue for the three months ended March 31, 2015, and the components of the change in revenue for the three months ended March 31, 2016.

	Three Months Ended March 31,			Components of Revenue Change			
	2016	Pro Forma 2015					
	(in millions)		Pro Forma Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
Revenues	$ 144	$ 156	(8)%	(4)%	(4)%	1%	(5)%

Risk and Financial Services revenue for the three months ended March 31, 2016 was $144 million, compared to $156 million for the pro forma three months ended March 31, 2015, a decrease of $12 million, or 8%. Risk Consulting and Software had a constant currency revenue decline of 5%, primarily due to softness in market demand in the Americas and EMEA. Investment constant currency revenues decreased by 2%, compared to low-single digits growth in the first quarter of 2015 driven by declines in EMEA.

Towers Watson Talent and Rewards

The Towers Watson Talent and Rewards Segment advises clients' management and boards of directors on all aspects of executive pay programs, including base pay, annual bonuses, long-term incentives, perquisites and other benefits. The segment also offers a broad array of advisory services focused on designing and implementing Rewards and Talent Management programs and processes. These solutions help companies attract and deploy talent, engage them over time, manage and reward their performance, develop their skills, provide them with relevant career paths, communicate with them and manage organizational change initiatives. Additionally, this segment provides benchmarking data, employee surveys and HR software to help companies administer and manage their talent management and reward programs.

Revenue for the Talent and Rewards segment has become more seasonal in nature, with a meaningful amount of heightened activity in the second half of the calendar year during the annual compensation, benefits and survey cycles. Major revenue growth drivers in this group include demand for workforce productivity improvements and labor cost reductions, focus on high performance culture, globalization of the workforce, changes in regulations and benefits programs, M&A activity, the demand for universal metrics related to workforce engagement and the opportunity to leverage technology to manage annual talent management and reward processes.

The following table sets out the components of Towers Watson Talent and Rewards' revenues for the three months ended March 31, 2016 and pro forma revenue for the three months ended March 31, 2015, and the components of the change in revenue for the three months ended March 31, 2016.

	Three Months Ended March 31,			Components of Revenue Change			
	2016	Pro Forma 2015					
	(in millions)		Pro Forma Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
Revenues	$ 124	$ 140	(11)%	(2)%	(9)%	(3)%	(6)%

Talent and Rewards revenue for the three months ended March 31, 2016 was $124 million, compared to $140 million for the pro forma three months ended March 31, 2015, a decrease of $16 million, or 11%, including the sale of the Human Resource Service Delivery business, which took place in the third quarter of 2015. Constant currency revenue growth was 15% in the first quarter of 2015 and therefore represents a strong comparable across all lines of business. The decline is due to a decrease in the number of transactions in the global market.

Additional Pro Forma Consolidated Analysis

Salaries and Benefits

Salaries and benefits were $1.2 billion for the first quarter of 2016, an increase of $92 million, or 8%, compared to $1.1 billion in the first quarter of pro forma 2015. The increase was primarily driven by salaries and benefits relating to 2015 acquisitions (net of divestitures), including $84 million salaries and benefits relating to Gras Savoye and Miller.

Other Operating Expenses

Other operating expenses include occupancy, legal, marketing, licenses, royalties, supplies, technology, printing and telephone costs, as well as insurance, including premiums on excess insurance and losses on professional liability claims, non-client-reimbursed travel by associates, publications, professional subscriptions and development, recruitment, other professional fees and irrecoverable value added and sales taxes.

Other operating expenses for the first quarter of 2016 were $431 million, compared to $330 million for the first quarter of pro forma 2015, an increase of $101 million or 31%. The increase was primarily driven by $49 million other operating expenses relating to Legacy Willis acquisitions (net of divestitures) and the $50 million increase in the provision in relation to the Stanford litigation**.**

Depreciation

Depreciation includes depreciation of fixed assets. Depreciation was $43 million for the first quarter of 2016, an increase of $5 million, or 13%, compared to $38 million for the first quarter of pro forma 2015. The increase included $2 million of depreciation relating to Legacy Willis acquisitions (net of divestitures) and also included normal capital expenditures.

Amortization

Amortization includes amortization of intangible assets and internally developed software. We acquired approximately $676 million in intangible assets in our acquisitions of Miller and Gras Savoye during the second and fourth quarters of 2015, respectively, and approximately $4.1 billion in intangible assets in our Merger with Towers Watson during the first quarter of 2016. These intangible assets are amortized over their expected lives which range from 1 to 25 years. See Note 3 — Merger, Acquisitions and Divestitures and Note 7 — Goodwill and Intangible Assets for additional information about our intangible assets. Amortization was $161 million for the first quarter of 2016, an increase of $21 million, or 15%, compared to $140 million for the first quarter of pro forma 2015. The increase was primarily related to Legacy Willis acquisitions (net of divestitures) which added $22 million of expense in the current quarter.

Consolidated Income from Operations

Consolidated income from operations for the three months ended March 31, 2016 was $326 million, compared to pro forma consolidated income from operations of $369 million for the three months ended March 31, 2015, a decrease of $43 million, or 12%.

Provision for Income Tax

Provision for income tax for the three months ended March 31, 2016 was $18 million, compared to pro forma provision for income tax of $81 million for the three months ended March 31, 2015, a decrease of $63 million, or 78%. This decrease in provision for income tax was driven primarily by deductible transaction and integration costs and additional interest expense on debt incurred in connection with the Merger. Furthermore, the effect of the $50 million increase in the provision related to the Stanford Financial Group litigation reduced the provision for income tax by approximately $20 million.

Other Expense, Net

Other expense, net includes other gains and losses, including gains and losses on foreign currency transactions.

Other expense, net for the three months ended March 31, 2016 was $18 million, compared to pro forma other expense, net of $11 million for the three months ended March 31, 2015, an increase of $7 million, primarily related to a $3 million decrease in net gains related to the disposal of certain Legacy Willis businesses and a $10 million increase in losses from foreign exchange, partially offset by $4 million pro forma reclassifications made to amounts in the Towers Watson historical statement of operations to conform to Willis’ presentation.

Net Income (attributable to Willis Towers Watson)

Net income attributable to Willis Towers Watson for the three months ended March 31, 2016 was $238 million, a decrease of $13 million compared to $251 million for the first quarter of pro forma 2015. The decrease in net income attributable to Willis Towers Watson for the first quarter of 2016 was primarily driven by the $43 million decrease in income from operations, a $15 million increase in interest and other expense and a $15 million decrease in interest in earnings of associates (as we now consolidate Gras Savoye), partially offset by the $63 million decrease in provision for income tax.

Operational Improvement Program

Overview

In April 2014, Legacy Willis announced an operational improvement program that would allow it to continue to strengthen its client service, realize operational efficiencies, and invest in new capabilities for growth.

The main elements of the program include the following:

- movement of more than 3,500 support roles from higher cost locations to Willis facilities in lower cost locations, bringing the ratio of employees in higher cost versus lower cost near-shore and off-shore centers from approximately 80:20 to approximately 60:40;
- net workforce reductions in support positions;
- lease consolidation in real estate and reductions in ratios of seats per employee and square footage of floor space per employee; and
- information technology systems simplification and rationalization.

The program began in the second quarter of 2014 and is expected to be complete by the end of 2017. We are expecting to deliver $325 million of annual cost savings by the end of 2017.

The estimated phasing of future cost savings is as follows: up to approximately $150 million in 2016, and up to approximately $250 million in 2017. The estimated cost savings are before any potential reinvestment for future growth.

To achieve these savings, the Company expects to incur restructuring charges amounting to approximately $440 million through the end of 2017 with approximately $140 million expected for 2016 and the balance expected to be incurred in 2017.

Total spend, actual savings, and timing may vary positively or negatively from these estimates due to changes in the scope, underlying assumptions, or execution risk of the restructuring plan throughout its duration. The program cumulative expected savings exclude merger-related savings.

First quarter 2016 update

In the first quarter of 2016, the Company recognized restructuring costs of $25 million related to the Operational Improvement Program.

The $25 million restructuring costs incurred included:

- $8 million in Willis International, comprising $2 million of termination benefits and $6 million of professional services and other program costs;
- $8 million in Willis North America, comprising $1 million of termination benefits and $7 million of professional services and other program costs;
- $1 million in Willis CWR, $3 million in Willis GB, and $5 million in Corporate and other, each comprising professional services and other program costs.

We generated $41 million of savings in the first quarter of 2016, $39 million from actions taken in 2014 and 2015 and $2 million from actions taken in 2016.

Liquidity and Capital Resources

Executive Summary

Our principal sources of liquidity are funds generated by operating activities, available cash and cash equivalents and amounts available under revolving credit facilities.

Based on our balance sheets, combined cash flows, current market conditions and information available to us at this time, including a potential refinancing of additional debt financing in 2016, we believe that Willis Towers Watson has sufficient liquidity, which includes our undrawn revolving credit facilities, to meet our cash needs for the next twelve months, including investing in the business for growth, creating value through the integration of Willis, Towers Watson and Gras Savoye, making scheduled debt repayments, and making contemplated dividend payments.

As a result of the Merger, we changed our assertion on a portion of certain acquired Towers Watson foreign subsidiaries' unremitted earnings and recorded a deferred tax liability through goodwill. We continue to assert that the historical cumulative earnings of our other subsidiaries are reinvested indefinitely and we do not provide deferred tax liabilities on these amounts. Should the Company repatriate any portion of our cash, it might be required to accrue and pay additional taxes. The Company has no current plans and does not anticipate repatriating cash other than for certain Legacy Towers Watson foreign subsidiaries. However, if additional funds are needed for the Company's operations, strategic acquisitions, or capital expenditures, the Company may need to repatriate cash. One of the potential sources of cash may be through settlement of inter-company loans or return of capital distributions in a tax efficient manner.

Consistent with our liquidity position, management considers various alternative strategic uses of cash reserves. As part of the integration of Willis, Towers Watson and Gras Savoye, the Company restructured some of its debt financing in March 2016 and will continue to consider its debt financing in the remainder of 2016, dependent on market and other conditions at the time.

During the three months ended March 31, 2016, we issued $1 billion of senior notes ($450 million due 2021 and $550 million due 2026), essentially to refinance the $300 million senior notes due 2016, to refinance $400 million of debt assumed as part of the Merger and to make further repayment on the revolving credit facility.

Assets and liabilities associated with non-U.S. entities have been translated into U.S. dollars as of March 31, 2016 at U.S. dollar rates that fluctuate compared to historical periods. As a result, cash flows derived from changes in the consolidated balance sheets include the impact of the change in foreign exchange translation rates.

Events that could change the historical cash flow dynamics discussed above include significant changes in operating results, potential future acquisitions or divestitures, material changes in geographic sources of cash, unexpected adverse impacts from litigation or future pension funding during periods of severe downturn in the capital markets.

Cash and Short-term Investments

Our cash and cash equivalents at March 31, 2016 totaled $954 million, compared to $532 million at December 31, 2015. The increase in cash from December 31, 2015 to March 31, 2016 was primarily due to cash acquired in the Merger with Towers Watson.

Additionally, $667 million was available to draw under our $800 million revolving credit facility, compared with $333 million at December 31, 2015, and $420 million was available to draw for special purposes under other credit facilities.

Included within cash and cash equivalents at March 31, 2016 is a proportion held for regulatory capital adequacy requirements, including $82 million held within our regulated U.K. entities for regulatory capital adequacy requirements.

Summarized Condensed Consolidated Cash Flows

The following table presents the summarized consolidated cash flow information for the three months ended March 31, 2016 and 2015:

	Three Months Ended March 31,	
	2016	**2015**
	(in millions)	
Net cash from/(used in):		
Operating activities	$ 118	$ (64)
Investing activities	417	(8)
Financing activities	(115)	(39)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	420	(111)
Effect of exchange rate changes on cash and cash equivalents	2	(21)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	532	635
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 954	$ 503

Cash Flows From/(Used In) Operating Activities.

Cash flows from operating activities were $118 million for the three months ended March 31, 2016, compared to cash flows used in operating activities of $64 million for the three months ended March 31, 2015.

The $118 million cash provided by operating activities comprises net income of $245 million, adjusted for $164 million of non-cash adjustments to reconcile net income to cash provided by operating activities net of $291 million of negative working capital movements.

The non-cash adjustments primarily include depreciation, amortization, net defined benefit pension credits, share based compensation, and provisions for deferred income taxes.

The $291 million negative movement in working capital includes $499 million payment of cash incentives and $40 million of contributions into our defined benefit pension schemes. Additionally, there was a $161 million increase in accounts receivable as revenue recognized in the three months ended March 31, 2016 was greater than cash collection. The negative movements were partially offset by the non-cash adjustment related to provision increases including the $50 million recognized in respect of the Stanford matter.

The $182 million increase in cash from operations in the first quarter of 2016 compared to the first quarter of 2015 was primarily due to the cash from operations from the Merger with Towers Watson and the acquisitions of Gras Savoye and Miller.

Cash Flows From/(Used In) Investing Activities.

Cash flows from investing activities for the three months ended March 31, 2016 were $417 million, largely driven by $476 million of cash acquired as a result of our Merger with Towers Watson, which was a non-cash transaction as it was consummated through the issuance of shares. We also redeemed certain investments resulting in cash inflows of $20 million, which were offset by fixed asset purchase and capitalized costs of developing internal and external software totaling $66 million.

Cash flows used in investing activities of $8 million for the three months ended March 31, 2015 were driven by capital expenditures of $17 million and cash payments of $8 million for deferred consideration related to acquisitions made in prior years. This was partially offset by proceeds from the disposal of operations of $13 million.

Cash Flows Used In Financing Activities.

Cash flows used in financing activities for the three months ended March 31, 2016 were $115 million. The primary drivers during the period were as follows:

- debt issuance of $1.4 billion representing $450 million of 3.500% senior notes due 2021 (‘2021 Notes’), $550 million of 4.400% senior notes due 2026 (‘2026 Notes’) ($445 million and $543 million, respectively, (net of debt issuance costs) and a $400 million drawdown on the 1-year term loan facility;

- repayments of debt totaling $1.5 billion which were principally funded by the 2021 Notes and 2026 Notes and represented:
  - the $300 million repayment of the 4.125% senior notes due 2016;
  - a $400 million repayment of Legacy Towers Watson debt assumed at the date of the Merger under change of control clauses;
  - the repayment of the $400 million drawdown on the 1-year term loan facility;
  - mandatory debt repayments of $28 million on term loans;
  - a $79 million repayment of short-term borrowing under a bank overdraft arrangement, net of $26 million new borrowing; and
  - drawings of $876 million and repayments of $1.2 billion for net repayments of $338 million on the revolving credit facility.

No dividend was paid in the three months ended March 31, 2016 as the fourth quarter 2015 dividend was accelerated and paid during December 2015, prior to completion of the Merger.

Cash flows used in financing activities for the three months ended March 31, 2015 were $39 million, primarily due to cash dividends paid of $54 million, repurchase of shares of $15 million, and $4 million of mandatory repayments on term loans. This was partially offset by cash receipts of $35 million from the issue of shares and $3 million excess tax benefits from share-based payment arrangements.

Indebtedness

Total debt, total equity, and the capitalization ratio at March 31, 2016 and December 31, 2015 were as follows (millions, except percentages):

	March 31, 2016	December 31, 2015
	(in millions)	
Long-term debt	$ 2,767	$ 2,278
Short-term debt and current portion of long-term debt	1,144	988
Total debt	$ 3,911	$ 3,266
Total Willis Towers Watson shareholders’ equity	$ 11,151	$ 2,229
Capitalization ratio	26.0%	59.4%

At March 31, 2016, mandatory debt repayments over the next twelve months include $620 million (€544 million) on our 1-year term loan, $394 million senior notes due 2017, scheduled repayments of $85 million on our term loan maturing in 2019, scheduled repayments of $23 million on our 7-year term loan and $26 million short-term borrowings under a bank overdraft arrangement.

On March 22, 2016, we issued $450 million of 3.500% senior notes due 2021 and $550 million of 4.400% senior notes due 2026. We used the net proceeds from this offering to: repay $300 million under our $800 million revolving credit facility (which was drawn to repay our 4.125% senior notes on March 15, 2016); repay the $400 million second tranche under our 1-year term loan facility; pay down further amounts outstanding under our $800 million revolving credit facility; and pay related accrued interest.

Fiduciary Funds

As an intermediary, we hold funds generally in a fiduciary capacity for the account of third parties, typically as the result of premiums received from clients that are in transit to insurers and claims due to clients that are in transit from insurers. We report premiums, which are held on account of, or due from, clients as assets with a corresponding liability due to the insurers. Claims held by, or due to, us which are due to clients are also shown as both assets and liabilities.

Fiduciary funds are generally required to be kept in regulated bank accounts subject to guidelines which emphasize capital preservation and liquidity; such funds are not available to service the Company’s debt or for other corporate purposes. Notwithstanding the legal relationships with clients and insurers, the Company is entitled to retain investment income earned on fiduciary funds in accordance with industry custom and practice and, in some cases, as supported by agreements with insureds.

At March 31, 2016 and December 31, 2015, we had fiduciary funds of $2.8 billion and $2.3 billion, respectively.

Share Buyback Program

During the three months ended March 31, 2016, there were no share buybacks. The Company will consider buying back shares in the open market or through privately negotiated transactions, depending on market conditions. The maximum number of shares that may be purchased under the existing share buyback program based on the closing price of our Ordinary Shares on March 31, 2016 of $118.66 was 4,458,034.

Capital Commitments

Capital expenditures for fixed assets and software for internal use and capitalized software costs were $66 million for the first three months of 2016. Anticipated commitments of capital funds for fixed assets and capitalized software costs are estimated to be around $260 million for the remainder of 2016. We expect cash from operations to adequately provide for these cash needs. There have been no material changes to our capital commitments since December 31, 2015, except as discussed in Note 12 — Commitments and Contingencies.

Dividends

There were no cash dividends paid during the three months ended March 31, 2016 as dividends usually paid this quarter were accelerated to December 2015. Cash dividends of $54 million were paid during the three months ended March 31, 2015. In April 2016, Willis Towers Watson declared a quarterly cash dividend of $0.48 per share, consistent with our annual rate of $1.92 per share.

Off-Balance Sheet Arrangements and Contractual Obligations

Operating Leases. We lease office space and furniture under operating lease agreements with terms typically ranging from three to twenty years. We have determined that there is not a large concentration of leases that will expire in any one fiscal year. Consequently, management anticipates that any increase in future rent expense on leases will be mainly market-driven. We also lease cars and selected computer equipment under operating lease agreements. For acquired operating leases, intangible assets or liabilities have been recognized for the difference between the contractual cash obligations and the estimated market rates at the time of acquisition. These intangibles are amortized to rent expense but do not affect our contractual cash obligations. There have been no material changes to our operating lease obligations since December 31, 2015, except as discussed in Note 12 — Commitments and Contingencies.

Contractual Obligations. Material changes to our contractual obligations since December 31, 2015 are discussed in Note 9 — Debt, Note 11 — Retirement Benefits, and Note 12 — Commitments and Contingencies.

Non-U.S. GAAP Financial Measures

Effective from January 1, 2016, we have made changes to the Non-U.S. GAAP financial measures that we use to provide additional meaningful methods of evaluating the Company's financial performance and have replaced our underlying and organic measures with those described below.

These changes have been made as both a direct consequence of the Merger and to simplify and better align these measures with how we internally assess core performance and benchmark our operating results versus competitors.

In order to assist readers of our financial statements in understanding the core operating results that Willis Towers Watson's management uses to evaluate the business and for financial planning, we present non-U.S. GAAP measures. Willis Towers Watson's management began using the following measures from the effective date of the Merger: (1) Adjusted Revenues, (2) Constant Currency Change, (3) Organic Change, (4) Adjusted Operating Income, (5) Adjusted EBITDA, (6) Adjusted Net Income, (7) Adjusted Diluted Earnings Per Share, (8) Adjusted Income Before Taxes, (9) Adjusted Income Taxes/Rate and (10) Free Cash Flow. The Company believes these measures are relevant and provide useful information widely used by analysts, investors and other interested parties in our industry to provide a baseline for evaluating and comparing our operating results.

These measures are different than those reported in our Form 10-K for the year ended December 31, 2015 and filed with the SEC on February 29, 2016. Historical Non-U.S. GAAP measures have been recalculated using Management's new metrics for the three months ended March 31, 2015 and are not necessarily the same figures reported in our previous filings.

These non-U.S. GAAP measures are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies. Non-U.S. GAAP measures should be considered in addition to, and not as a substitute for, the information contained within our financial statements.

The pro forma financial information is only for Willis and Towers Watson and does not include Gras Savoye, Miller or other merger or acquisition activity.

Adjusted Revenues

We consider Adjusted Revenues to be an important financial measure, which is used to internally evaluate and assess our core operations and to benchmark our operating results against our competitors.

Adjusted Revenues is defined as Total revenues adjusted for the fair value adjustment for deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of these transactions. GAAP accounting requires the elimination of this revenue.

A reconciliation of Total revenues to Adjusted Revenues is as follows:

	March 31, 2016	March 31, 2015		
	Willis Towers Watson	Historical Willis	Pro Forma Towers Watson	Pro Forma Willis Towers Watson
		(in millions)		
Total revenues	$ 2,234	$ 1,087	$ 925	$ 2,012
Fair value adjustment for deferred revenue	32	—	—	—
Adjusted Revenues	$ 2,266	$ 1,087	$ 925	$ 2,012

Constant Currency Change and Organic Change

We evaluate our revenue on an as reported, constant currency and organic basis. We believe providing constant currency and organic information provides valuable supplemental information regarding our results, consistent with how we evaluate our performance internally.

- *Constant Currency Change* - Represents the year over year change in revenues excluding the impact of foreign currency fluctuations. To calculate this impact, the prior year local currency results are first translated using the current year monthly average exchange rates. The change is calculated by comparing the adjusted prior year revenues to the current year as reported revenues for the same period.

- *Organic Change* - The organic presentation excludes both the impact of fluctuations in foreign currency exchange rates, as described above, as well as the impact of acquisitions and divestitures.

The constant currency and organic change results, and a reconciliation from the as reported results for consolidated revenues are included in the As Reported Financial Information section within this Form 10-Q. These results are also reported by segment and line of business in the Segment Revenue Analysis tables presented within this Form 10-Q.

A reconciliation of pro forma revenue change to constant currency and organic change is as follows:

	Three Months Ended March 31,			Components of Revenue Change			
		Pro Forma					
	2016	2015	Pro Forma Change	Currency Impact	Constant Currency Change	Acquisitions/Divestitures	Organic Change
	(in millions)						
Total revenues	$ 2,234	$ 2,012	11%	(3)%	14%	15%	(1)%
Fair value adjustment for deferred revenue	32	—					
Adjusted Revenues	$ 2,266	$ 2,012	13%	(3)%	16%	15%	1%

Adjusted Operating Income

We consider Adjusted Operating Income to be an important financial measure, which is used to internally evaluate and assess our core operations and to benchmark our operating results against our competitors.

Adjusted Operating Income is defined as Income from Operations adjusted for amortization, integration expenses, the fair value adjustment for deferred revenue, restructuring costs and non-recurring items.

A reconciliation of Income from Operations to Adjusted Operating Income is as follows:

	March 31, 2016	March 31, 2015		
	Willis Towers Watson	Historical Willis	Pro Forma Towers Watson (i)	Pro Forma Willis Towers Watson
	(in millions, except share and per share amounts)			
Income from operations	$ 326	$ 293	$ 76	$ 369
Adjusted for certain items:				
Amortization	161	14	126	140
Restructuring costs	25	31	—	31
Integration expenses	52	—	—	—
Provision for the Stanford litigation	50	—	—	—
Fair value adjustment for deferred revenue	32	—	—	—
Adjusted Operating Income	$ 646	$ 338	$ 202	$ 540

i. Includes pro forma adjustments made in the Supplementary Pro Forma Financial Information section in this Form 10-Q

Adjusted Operating Income for the first quarter of 2016 was $646 million, compared to proforma $540 million for the first quarter of 2015.

The increase in Adjusted Operating Income for the first quarter of 2016 was primarily driven by our acquisition of Gras Savoye.

Adjusted EBITDA

We consider Adjusted EBITDA to be an important financial measure, which is used to internally evaluate and assess our core operations, to benchmark our operating results against our competitors, and to evaluate and measure our performance based compensation plans.

Adjusted EBITDA is defined as Net Income adjusted for provision for income taxes, interest expense, depreciation and amortization, restructuring costs, integration expenses, the fair value adjustment for deferred revenue and non-recurring items.

A reconciliation of net income to Adjusted EBITDA is as follows:

	March 31, 2016	March 31, 2015		
	Willis Towers Watson	Historical Willis	Pro Forma Towers Watson (i)	Pro Forma Willis Towers Watson
	(in millions)			
NET INCOME	$ 245	$ 214	$ 41	$ 255
Provision for income taxes	18	56	25	81
Interest expense	46	33	5	38
Depreciation	43	22	16	38
Amortization	161	14	126	140
Restructuring costs	25	31	—	31
Integration expenses	52	—	—	—
Provision for the Stanford litigation	50	—	—	—
Fair value adjustment for deferred revenue	32	—	—	—
Gain on disposal of operations	(1)	(4)	—	(4)
Adjusted EBITDA	$ 671	$ 366	$ 213	$ 579

____

i. Includes pro forma adjustments made in the Supplementary Pro Forma Financial Information section in this Form 10-Q

Adjusted EBITDA for the first quarter of 2016 was $671 million, compared to proforma $579 million for the first quarter of 2015.

The increase in Adjusted EBITDA for the first quarter of 2016 was primarily driven by our acquisition of Gras Savoye.

Adjusted Net Income and Adjusted Diluted Earnings Per Share

Adjusted Net Income is defined as Net Income Attributable to Willis Towers Watson adjusted for tax effected items of amortization, integration expenses, the fair value adjustment of deferred revenue, restructuring costs and non-recurring items. This measure is used solely for the purpose of calculating adjusted diluted earnings per share.

Adjusted Diluted Earnings Per Share is another measure which excludes the impact of acquisition related expenses that is used to internally evaluate and assess our core operations and to benchmark our operating results against our competitors.

Adjusted Diluted Earnings Per Share is defined as Adjusted Net Income divided by the weighted average shares of common stock, diluted.

A reconciliation of net income attributable to Willis Towers Watson to adjusted diluted earnings per share is as follows:

	March 31, 2016	March 31, 2015
	Willis Towers Watson	Historical Willis
	(in millions, except per share amounts)	
NET INCOME ATTRIBUTABLE TO WILLIS TOWERS WATSON	$ 238	$ 210
Adjusted for certain items [i]:		
Amortization	109	11
Restructuring costs	19	22
Integration expenses	42	—
Provision for the Stanford litigation	31	—
Fair value adjustment for deferred revenue	26	—
Gain on disposal of operations	(1)	(2)
Adjusted Net Income	$ 464	$ 241
Weighted average shares of common stock — diluted [ii]	136	69
Diluted earnings per share [ii]	$ 1.75	$ 3.04
Adjusted for certain items:		
Amortization	0.80	0.16
Restructuring costs	0.14	0.32
Integration expenses	0.31	—
Provision for the Stanford litigation	0.23	—
Fair value adjustment for deferred revenue	0.19	—
Gain on disposal of operations	(0.01)	(0.03)
Adjusted Diluted Earnings Per Share	$ 3.41	$ 3.49

i. The adjustments to net income and diluted earnings per share of certain items are net of tax. In calculating the net of tax amounts for the three months ended March 31, 2016, the effective tax rate was based on the statutory tax rate applicable to the item being adjusted for in the jurisdiction from which each adjustment arises.

ii. Shares of common stock and diluted earnings per share for the three months ended March 31, 2015 have been retroactively adjusted to reflect the reverse stock split on January 4, 2016. See Note 3 — Merger, Acquisitions and Divestitures for further details.

Adjusted Income Before Taxes and Adjusted Income Taxes/Rate

Adjusted Income Before Taxes is defined as Income from continuing operations before income taxes and interest in earnings of associates adjusted for amortization, integration expenses, the fair value adjustment of deferred revenue, restructuring costs and non-recurring items. Adjusted income before taxes is used solely for the purpose of calculating the adjusted income tax rate.

Adjusted Income Taxes/Rate is defined as Provision for income taxes adjusted for taxes on certain items of amortization, integration expenses, the fair value adjustment of deferred revenue, restructuring costs and non-recurring items. Adjusted income taxes is used solely for the purpose of calculating the adjusted income tax rate.

A reconciliation of income from continuing operations before income taxes and interest in earnings of associates to adjusted income and provision for income taxes to adjusted income taxes is as follows:

	March 31, 2016
	Willis Towers Watson
	(in millions, except tax rates)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND INTEREST IN EARNINGS OF ASSOCIATES	$ 262
Adjusted for certain items:	
Amortization	161
Restructuring costs	25
Integration expenses	52
Provision for the Stanford litigation	50
Fair value adjustment for deferred revenue	32
Gain on disposal of operations	(1)
Adjusted Income before taxes	$ 581
Provision for income taxes	$ 18
Tax effect on certain items listed above	94
Adjusted income taxes	$ 112
GAAP tax rate	7%
Adjusted income tax rate	19%

Free Cash Flow

Free Cash Flow is used to evaluate our core operating performance, and is defined as cash flows from operating activities less cash used to purchase fixed assets and software for internal use.

A reconciliation of cash flows from operating activities to Free Cash Flow is as follows:

	March 31, 2016	March 31, 2015
	Willis Towers Watson	Historical Willis
	(in millions)	
Cash flows from (used in) operating activities	$ 118	$ (64)
Less: Additions to fixed assets and software for internal use	(48)	(17)
Free Cash Flow	$ 70	$ (81)

Critical Accounting Policies and Estimates

The accounting estimates or assumptions that management considers to be the most important to the presentation of our financial condition or operating performance are discussed in the Company's Annual Report of Form 10-K filed with the Securities and Exchange Commission. Management has identified the following additional information as critical to understanding our estimates recorded during the three months ended March 31, 2016, primarily related to our Merger with Towers Watson.

Pension Assumptions

On January 4, 2016, in connection with our Merger with Towers Watson, we acquired additional defined benefit and post-retirement welfare plans ('PRW'). We acquired total plan assets of approximately $3.7 billion and projected benefit obligations of approximately $4.6 billion. The funded status for each of the acquired plans has been included in the preliminary values of identifiable assets acquired, and liabilities assumed in Note 3 — Merger, Acquisitions and Divestitures, and represents $67 million of pension assets recorded in pension benefit assets and $941 million of pension liabilities recorded in pension and postretirement liabilities.

Significant plans acquired are described below:

United States

Legacy Towers Watson U.S. defined benefit pension plan – Employees hired prior to December 31, 2010 earned benefits under their legacy plan formulas, which were frozen on December 31, 2011. Beginning January 1, 2012, all Legacy Towers Watson employees, including named executive officers, accrue qualified and non-qualified benefits under a new stable value pension design.

United Kingdom

Legacy Towers Watson U.K. defined benefit pension plan – Benefit accruals earned under a Legacy Watson Wyatt defined benefit plan (predominantly pension benefits) ceased on February 28, 2015, although benefits earned prior to January 1, 2008 retain a link to salary until the employee leaves the Company. Benefit accruals earned under a Legacy Towers Perrin defined benefit plan (predominantly lump sum benefits) were frozen on March 31, 2008. All associates now accrue defined contribution benefits.

Other

In addition to the Legacy Towers Watson U.S. and U.K. defined benefit pension plans, we acquired smaller defined benefit pension plans in Canada, Germany, Ireland and the Netherlands.

Post-retirement Welfare Plan

Legacy Towers Watson Post-retirement Benefits – We provide certain health care and life insurance benefits for retired employees. The principal plans cover associates in the U.S. and Canada who have met certain eligibility requirements. Our principal post-retirement benefit plans are primarily unfunded. Retiree medical benefits provided under our U.S. post-retirement benefit plans were closed to new hires effective January 1, 2011. Life insurance benefits under the plans were frozen with respect to service, eligibility and amounts as of January 1, 2012 for active employees.

The determination of the Company's obligations and annual expense under the plans is based on a number of assumptions that, given the longevity of the plans, are long-term in focus. A change in one or a combination of these assumptions could have a material impact on our pension benefit obligation ('PBO') and related cost. Any difference between actual and assumed results is amortized into pension cost over the average remaining service period of participating associates. Willis Towers Watson considers several factors prior to the start of each fiscal year when determining the appropriate annual assumptions, including economic forecasts, relevant benchmarks, historical trends, portfolio composition and peer company comparisons.

Funding is based on actuarially determined contributions and is limited to amounts that are currently deductible for tax purposes. Since funding calculations are based on different measurements than those used for accounting purposes, pension contributions are not equal to net periodic pension cost.

The assumptions used to determine PBO as of January 4, 2016 and net periodic benefit cost or income for the Legacy Towers Watson Plans for the period from January 5, 2016 through December 31, 2016 are as follows:

	U.S.	U.K.	Other	PRW
Discount rate - PBO	4.23%	3.72%	3.32%	4.20%
Discount rate - service cost	4.06%	N/A	3.58%	4.12%
Discount rate - interest cost on PBO	3.55%	3.43%	3.03%	3.30%
Discount rate - interest cost on service cost	3.24%	N/A	3.30%	3.53%
Expected long-term return on plan assets	7.75%	5.25%	6.19%	2.00%
Rate of compensation increase	4.25%	3.00%	2.23%	N/A

The Legacy Towers Watson discount rates related to its PBO and costs were selected using spot rates along a high quality corporate bond yield curve from the respective countries for the same periods.

The expected rates of return assumptions for all plans were supported by an analysis of the weighted-average yield expected to be achieved with the anticipated makeup of investments.

Economic factors and conditions often affect multiple assumptions simultaneously and the effects of changes in key assumptions are not necessarily linear.

The differences in the discount rate and compensation level assumption used for various plans detailed above is attributed to the differing interest rate environments associated with the currencies and economies to which the plans are subject. The differences in the expected return on assets are primarily driven by the respective asset allocation in each plan, coupled with the return expectations for assets in the respective currencies.

Please see our critical accounting policies in our Annual Report on Form 10-K for information related to the Legacy Willis pension plans.

Recent Accounting Pronouncements

Information regarding new accounting standards and their impact on the financial statements is set forth in Note 2 — Basis of Presentation and Significant Accounting Policies of this Form 10-Q.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have considered changes in our exposure to market risks during the three months ended March 31, 2016, including additional exposures to market risks as a consequence of the Merger, and we have determined that there have been no material changes to our exposure to market risks from those described in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, as filed with the SEC on February 29, 2016.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of March 31, 2016, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined by Exchange Act Rule 13a-15(e). Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in ensuring that the information required to be included in the Company's periodic SEC filings is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosure. The scope of management's assessment of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March

31, 2016 includes all of the Company’s consolidated operations except for those disclosure controls and procedures of Gras Savoye and Miller that are subsumed by internal control over financial reporting. The Company acquired Gras Savoye on December 29, 2015 and Miller on May 31, 2015. Gras Savoye and Miller are included in our 2015 consolidated financial statements and represented approximately 10% and 4% of our total assets as of December 31, 2015, respectively, and 0% and 2% of our total revenues for the year ended December 31, 2015, respectively.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Acquisitions

We excluded Gras Savoye and Miller operations from the scope of our annual assessment of internal control over financial reporting for the year ended December 31, 2015 in accordance with Securities and Exchange Commission guidance and we are in the process of integrating the operations of these acquired businesses within our control structure.

Limitations on the Effectiveness of Controls

Management, including the CEO and CFO, does not expect that our disclosure controls and procedures will necessarily prevent all errors and all fraud. However, management does expect that the control system provides reasonable assurance that its objectives will be met. A control system, no matter how well designed and operated, cannot provide absolute assurance that the control system’s objectives will be met. In addition, the design of such internal controls must take into account the costs of designing and maintaining such a control system. Certain inherent limitations exist in control systems to make absolute assurances difficult, including the realities that judgments in decision-making can be faulty, that breakdowns can occur because of a simple error or mistake, and that individuals can circumvent controls. The design of any control system is based in part upon existing business conditions and risk assessments. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in business conditions or deterioration in the degree of compliance with policies or procedures. As a result, they may require change or revision. Because of the inherent limitations in a control system, misstatements due to error or fraud may occur and may not be detected. Nevertheless, the disclosure controls and procedures are designed to provide reasonable assurance of achieving their stated objectives, and the CEO and CFO have concluded that the disclosure controls and procedures are effective at a reasonable assurance level.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are a party to various lawsuits, arbitrations or mediations that arise in the ordinary course of business. The disclosure called for by Part II, Item 1, regarding our legal proceedings is incorporated by reference herein from Note 12 — Commitments and Contingencies - Legal Proceedings of the notes to the condensed consolidated financial statements in this Form 10-Q for the quarter ended March 31, 2016.

ITEM 1A. RISK FACTORS

There are no material changes from risk factors as previously disclosed in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 29, 2016. We urge you to read the risk factors contained in our Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) Issuer Purchases of Equity Securities

The Company is authorized to buy back shares, by way of redemption, and will consider whether to do so from time to time, based on many factors, including market conditions. The Company did not buy back any shares during the three months ended March 31, 2016. Approximately $529 million remains on the current open-ended repurchase authority. The maximum number of shares that may be purchased based on the closing price of our Ordinary Shares on March 31, 2016 of $118.66 was 4,458,034.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

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

On December 29, 2015, Legacy Willis acquired a majority stake in Gras Savoye, a French insurance broker. Since January 1, 2015, Gras Savoye has acted as the broker for the Iranian Embassy in Paris, placing health insurance with a local insurance company for the diplomatic staff and handling the related claims administration. The policy renewed automatically on January 1, 2016 for another year. Premium payments are made quarterly, and a premium payment of €59,712 was received by Gras Savoye on February 24, 2016. Gras Savoye will retain a commission of €10,064 from this payment. Health benefits of approximately €5,335 were paid to beneficiaries during the first quarter of 2016. It is anticipated that Gras Savoye will continue these activities to the extent permitted under applicable law for the remainder of 2016.

ITEM 6. EXHIBITS

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
3.1	Memorandum and Articles of Association of Willis Towers Watson Public Limited Company (incorporated herein by reference to Exhibit 3.1 to the Company's Registration Statement on Form 8-A filed on January 5, 2016 (SEC File No. 001-16503))
3.2	Certificate of Incorporation of Willis Group Holdings Public Limited Company (incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed on January 4, 2010 (SEC File No. 001-16503))
4.1	Seventh Supplemental Indenture, dated as of March 9, 2016, to the Indenture, dated as of July 1, 2005 (incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Company on March 10, 2016 (SEC File No. 001-16503))
4.2	Second Supplemental Indenture, dated as of March 9, 2016, to the Indenture, dated as of March 17, 2011 (incorporated by reference to Exhibit 4.2 to the Form 8-K filed by the Company on March 10, 2016 (SEC File No. 001-16503))
4.3	Second Supplemental Indenture, dated as of March 9, 2016, to the Indenture, dated as of August 15, 2013 (incorporated by reference to Exhibit 4.3 to the Form 8-K filed by the Company on March 10, 2016 (SEC File No. 001-16503))
4.4	Form of Indenture among Willis Towers Watson Public Limited Company, as issuer, Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, TA I Limited, WTW Bermuda Holdings Ltd., Trinity Acquisition plc, Willis Group Limited and Willis North America Inc., as guarantors, and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.3 to the Registration Statement on Form S-3 filed by the Company on March 11, 2016 (SEC File No. 001-16503))
4.5	Form of Indenture among Willis North America Inc., as issuer, Willis Towers Watson Public Limited Company, Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, TA I Limited, WTW Bermuda Holdings Ltd., Trinity Acquisition plc and Willis Group Limited, as guarantors, and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-3 filed by the Company on March 11, 2016 (SEC File No. 001-16503))
4.6	Third Supplemental Indenture, dated as of March 22, 2016, among Trinity Acquisition plc, as issuer, Willis Towers Watson Public Limited Company, Willis Towers Watson Sub Holdings Limited, Willis Netherlands Holdings B.V., Willis Investment UK Holdings Limited, TA I Limited, WTW Bermuda Holdings Ltd., Willis Group Limited and Willis North America Inc., as guarantors, and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Form 8-K filed by the Company on March 22, 2016 (SEC File No. 001-16503))
10.1	Third Amendment to Revolving Note and Cash Subordination Agreement, dated as of April 27, 2016, among Willis Securities, Inc., SunTrust Bank, as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Company on April 28, 2016 (SEC File No. 001-16503))
10.2	Employment Agreement, dated as of March 1, 2016, by and between Willis Towers Watson Public Limited Company and John J. Haley (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Company on March 1, 2016 (SEC File No. 001-16503))†
10.3	Offer Letter, dated July 23, 2013, and Contract of Employment, dated as of September 3, 2013, by and between Willis Limited, a subsidiary of Willis Towers Watson Public Limited Company, and David Shalders†*
10.4	Amendment, dated April 30, 2014, to the Contract of Employment, dated as of September 3, 2013, by and between Willis Limited, a subsidiary of Willis Towers Watson Public Limited Company, and David Shalders†*
10.5	Amendment, dated as of June 29, 2015, to Contract of Employment, dated as of September 3, 2013, by and between Willis Limited, a subsidiary of Willis Towers Watson Public Limited Company, and David Shalders†*
10.6	Offer Letter, dated November 9, 2014, and Contract of Employment, dated as of November 9, 2014, by and between Willis Limited, a subsidiary of Willis Towers Watson Public Limited Company, and Nicolas Aubert†*
10.7	Amendment, dated as of June 29, 2015, to Contract of Employment, dated as of November 9, 2014, by and between Willis Limited, a subsidiary of Willis Towers Watson Public Limited Company, and Nicolas Aubert†*

10.8	Transition Letter Agreement, dated as of January 4, 2016, by and between Willis Group Holdings Public Limited Company and John Greene (incorporated by reference to Exhibit 10.73 to the Form 10-K filed by the Company on February 29, 2016 (SEC File No. 001-16503))†
10.9	Form of Deed of Indemnity of Willis Towers Watson Public Limited Company (incorporated by reference to Exhibit 10.1 to the Form 8-K filed by the Company on January 5, 2016 (SEC File No. 001-16503))†
10.10	Form of Indemnification Agreement of Willis North America Inc. (incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Company on January 5, 2016 (SEC File No. 001-16503))†
10.11	Restricted Share Unit Award Agreement, dated as of February 26, 2016, by and between Willis Towers Watson Public Limited Company and John J. Haley (incorporated by reference to Exhibit 10.2 to the Form 8-K filed by the Company on March 1, 2016 (SEC File No. 001-16503))†
10.12	Form of Time-Based Restricted Share Unit Award Agreement under the Willis Group Holdings Public Limited Company 2012 Equity Incentive Plan, dated as of November 9, 2015 by and between John Greene / Timothy Wright / Todd Jones / Nicolas Aubert / David Shalders and Willis Group Holdings Public Limited Company (incorporated by reference to Exhibit 10.74 to the Company's Form 10-K filed on February 29, 2016 (SEC File No. 001-16503))†
10.13	Form of Performance-Based Restricted Share Unit Award Agreement under the Willis Group Holdings Public Limited Company 2012 Equity Incentive Plan, dated as of November 9, 2015 by and between Timothy Wright / Todd Jones / Nicolas Aubert / David Shalders and Willis Group Holdings Public Limited Company (incorporated by reference to Exhibit 10.75 to the Company's Form 10-K filed on February 29, 2016 (SEC File No. 001-16503))†
10.14	Form of Time-Based Share Option Agreement under the Willis Group Holdings Public Limited Company 2012 Equity Incentive Plan, dated as of November 9, 2015 by and between John Greene / Timothy Wright / Todd Jones / Nicolas Aubert / David Shalders and Willis Group Holdings Public Limited Company (incorporated by reference to Exhibit 10.76 to the Company's Form 10-K filed on February 29, 2016 (SEC File No. 001-16503))†
10.15	Willis Towers Watson Public Limited Company Compensation Policy and Share Ownership Guidelines for Non-Employee Directors (as amended)†*
31.1	Certification of the Registrant's Chief Executive Officer, John J. Haley, pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.*
31.2	Certification of the Registrant's Chief Financial Officer, Roger F. Millay, pursuant to Rule 13a-14 of the Securities Exchange Act of 1934.*
32.1	Certification of the Registrant's Chief Executive Officer, John J. Haley, and Chief Financial Officer, Roger F. Millay, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

---

* Filed or furnished herewith.

† Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Willis Towers Watson Public Limited Company
(Registrant)

/s/ John J. Haley		May 10, 2016
Name:	John J. Haley	Date
Title:	Chief Executive Officer	
/s/ Roger F. Millay		May 10, 2016
Name:	Roger F. Millay	Date
Title:	Chief Financial Officer	
/s/ Susan D. Davies		May 10, 2016
Name:	Susan D. Davies	Date
Title:	Principal Accounting Officer and Controller	

EXHIBIT 10.3

23 July 2013

Mr David Shalders
23 Montague Road
Richmond
Surrey
TW106QW

Dear David

Further to your recent interview, I am very pleased to offer you the opportunity to join the Willis team in the role of Group Operations & Technology Director at grade 14, reporting to Dominic Casserley. This position is within the Global Corporate Division of Willis Limited (the "Company") and is based at our London office. We are looking forward to you joining Willis on a date to be agreed.

Your employment with the Company is based on the terms set out below, together with the attached Schedule and the enclosed Contract of Employment (the "Contract") all of which should be read in conjunction with the Associate Handbook and Global Policy Manual.

This offer is subject to our receipt of the appropriate documentation and satisfactory completion of our pre-employment checks.

Please find enclosed a New Associate Pack which contains information relevant to the start of your employment including a number of forms for you to complete. **These forms, together with the documents requested in this letter, must be returned at least 10 working days prior to your expected start date**. If you are unable to sign and return both copies of the Contract within this period, please contact me to discuss.

Please note; this offer remains valid for acceptance for 10 working days from the date of this letter, or until your expected start date, whichever is the sooner.

In addition to the main terms and conditions contained in the Contract the following terms will also apply to your employment:

Contract:

This offer is for a permanent position. Please see the enclosed Contract for further details.

Remuneration:

Your base salary is £450,000 per annum which will be paid by monthly instalments in arrears on the last working day of each month. Salary reviews are at the discretion of the Company and may be based on various factors including, but not limited to your individual performance as well as Company performance.

The Willis Annual Incentive Plan:

Under the 2013 AIP you are eligible to receive a target payment of 125% of base salary. The target payment will be pro-rated if you join the Company part way through the year. Any payment is subject to the usual tax and National Insurance deductions and will only be paid if you are employed and not serving notice of termination of employment (whether given or received) at the time payment is normally made (in March 2014).

The Company reserves the right, in recognition of your future loyalty, to pay all or a portion of any AIP payment in the form of cash, restricted cash with claw back provisions, restricted stock, stock options or other long term incentive instrument.

Long Term Incentive Program:

Following commencement of your employment and subject to the approval of the Compensation Committee of the Board of Directors of Willis Group Holdings Public Limited Company ("WGH") and/or its Share Award Committee, as applicable, the Company will (i) recommend that you be invited to join a Long Term Incentive Program ("LTIP") and (ii) propose a LTIP target equity grant award equal to seven hundred and fifty thousand US Dollars. For the year 2013 the LTIP award will be 50% of target. If and to the extent approved and granted, any LTIP award to you will be subject to the usual terms and conditions of (i) the LTIP (which generally include specified performance conditions and vesting schedules, appropriate to an associate's position) and (ii) the Company's applicable share plans, any and all of which may be amended from time to time.

Any equity grant award shall rest in the sole discretion of the Compensation Committee of the Board of Directors of Willis Group Holdings Public Limited Company (WGH) and/or its Share Award Committee, as applicable. Being offered an LTIP equity grant award in a given year will not obligate the Company to offer or provide any equity grant award in any subsequent year. The detailed terms and conditions of any LTIP award will be provided to you under separate cover and, as applicable, you will need to sign and return acceptance forms in connection with those agreements. If you do not sign and return the acceptance forms within the prescribed time limit, the Company retains the discretion to cancel such LTIP Award.

Medical Requirements:

After two years' service at grade 14 or above, you may be required to have the first of your annual medical examinations at the Company's expense. The Company's Occupational Health Department will contact you at the appropriate time.

Documents for Return:

I hope that you will formally accept this offer of employment on the terms set out in the various documents. I would be grateful if you could confirm your intended start date upon returning these documents, which must be returned at least 10 working days prior to your expected start date to Willis Group, HR Dept, Friars Street, Ipswich IP1 1TA. If you are unable to complete the documentation within this period, please contact me to discuss.

Please note: We suggest that you return these documents via Recorded Delivery in order to ensure safe and traceable receipt.

- The Company must be in receipt of the following mandatory forms prior to your start date:
  - Written confirmation of your acceptance of our offer
  - Both contracts, signed and dated
  - Willis Application for Employment Form
  - Personal Information & Bank Details Form
  - Expression of Wishes - Associate Application Form
  - Friends Life Expression of Wishes Form
- Failure to supply the mandatory documentation prior to your first day will result in your start date with the Company being delayed.

- Your P45 must be forwarded to us as soon as it becomes available.
- The Company also requires completion of medical details. Please complete the online Medical Questionnaire via the link to the Company's Occupational Health advisers, Rood Lane:
  - https://www.roodlane.co.uk/placement/willis/
  - Your replies to this questionnaire will be treated in confidence and are requested for the purpose of the Equality Act 2010.

Requirements On Your First Day:

On your first day please arrive at the London office at 9.30am and report to reception ready for your induction. Please note that it is imperative that you bring with you the following documentation. **Failure to do so will result in your start date with the Company being delayed.**

- Evidence of your entitlement to work in the UK. The evidence required is your passport and any supporting documentation you may have. The Company is required under the Immigration Act to see and photocopy this documentation before you commence work. If you do not have a passport, please contact me as soon as possible to discuss alternative document combinations acceptable to the Home Office, so that we can agree these before your first day.
- Certificates relating to the highest academic qualification and to all professional qualifications quoted on your application form, in your CV or verbally during the selection process. It is a requirement of our regulatory body that we obtain this evidence to demonstrate that you are competent to be employed in the capacity offered. Certificates will be returned to you, once a copy has been taken.

Finally, I would inform you that it is Company policy that all prospective and new employees fully observe their duties and obligations to previous and current employers and other third parties under contracts of employment and/or other agreements. In particular, the Company does not condone the removal, copying or retaining of confidential information of any former employer and any such conduct may result in disciplinary action. The Company also expects prospective and new employees to observe valid restrictive covenants whilst they remain in effect. If you have any concerns or doubts as to your obligations you should seek legal advice.

If you have any queries regarding the offer, please do not hesitate to contact me on the above direct line. I wish you a long and successful career with Willis.

Yours sincerely

Helen Stagg
HR Coordinator
GlobalHR

SCHEDULE:

This offer and your continuing employment are subject to:

Associate Responsibilities:

- Your acceptance of the conditions contained in this letter and the enclosed Contract of Employment.
- All representations, whether oral or in writing, made by you when applying for this position about your qualifications, experience and other material matters being true and correct and that you have not deliberately failed to disclose any matter that may have influenced the Company's decision to employ you.
- You providing the Company with evidence of your continuing entitlement to work in the UK whenever it is requested that you do so. The evidence required is your valid passport and any original supporting documentation you may have. The Company is required under the Immigration Act to see and photocopy specific documentation before you commence work and when applicable, at regular intervals during your employment.
- The Company receiving no information of an adverse nature regarding your character and past conduct which could affect your suitability for employment. The Company's activities are regulated by the Financial Conduct Authority (FCA) and consequently the Company adopts systems and controls that conform to FCA requirements. By accepting this offer of employment and by completing and returning the enclosed Application for Employment form you expressly authorise the Company to make enquiries about you.
- Receipt of references satisfactory to the Company and satisfactory completion of all ancillary checks. We will approach the referees indicated on your application form on receipt of your acceptance of this offer unless you advise us to the contrary.

Training:

- You providing the Company with evidence of all relevant professional qualifications and the highest academic qualification that you have quoted on your application form, in your CV or verbally during the selection process .It is both Company policy and a requirement of our regulatory body that we obtain evidence of your competence to be employed in the capacity offered and for this reason the Company reserves the right to invoke the Disciplinary Procedure if you do not fulfill this requirement.
- You passing the Company's Respect in the Workplace training module within 3 months of the start of your employment and other Insurance Essentials Training modules relevant to your role within 6 months. Please note that these training modules are Company specific and must be completed by all Associates. Details of the programs and how to access the system will be provided when you commence employment. You will be provided with appropriate support to pass these modules.

CONTRACT OF EMPLOYMENT

Item	Content
	Contract of Employment
1.	Definitions
2.	Date This Employment Begins
3.	Date Continuous Employment Begins
4.	Current Job Title
5.	Location
6.	Base Salary
7.	Hours of Work
8.	Employment Obligations
9.	Duty of Confidence
10.	Errors and Omissions
11.	Copyright, Inventions & Patents
12.	Pension Scheme
13.	Absence from Work
14.	Right to Search
15.	Medical Examination
16.	Holidays
17.	Employee Benefits
18.	Termination of Employment
19.	Termination Without Cause
20.	Post Termination Obligations
21.	Company Procedures
22.	Regulatory Requirements
23.	Data Protection
24.	Amendments
25.	Collective Agreements
26.	Governing Law

CONTRACT OF EMPLOYMENT:

The information contained in this document includes the requirement of a statement of the terms and conditions of your employment in accordance with the Employment Rights Act 1996.

This Contract is made on *(for HR completion only)* ......4 November 2013 and is between

NAME: DAVID PETER SHALDERS

and

COMPANY: WILLIS LIMITED

This Contract of Employment should be read in conjunction with your offer letter. In the event of any conflict between the content of this Contract and the offer letter, the content of this Contract shall take precedence. You are also referred to the Willis Global Policy Manual and the Associate Handbook. Whilst the Global Policy Manual and Associate Handbook do not have contractual status they are indicative of Company Policy and Procedure. The Company reserves the right to vary its various Policies and Procedures from time to time.

1. DEFINITIONS:

For the purposes of this Contract the following definitions shall apply:

"Business" means the business of a type carried on by the Company or by any other company in the Group at the date your employment terminates, including but not limited to the placing or broking of insurance or reinsurance world-wide and ancillary services, the provision of risk management or risk transfer advice or due diligence on mergers and acquisitions.

"Cause" means for the purposes of Clause 19 of this Contract of Employment: (i) your gross and/or chronic neglect of your duties; or (ii) your conviction in a Court or Tribunal of competent jurisdiction of an offence involving moral turpitude; or (iii) dishonesty, embezzlement, fraud or other material willful misconduct by you inco!ll1ection with your employment; or (iv) the issue of any final instruction or order for your removal as an associate of the Company and/or Officer of the Company by any Court, Tribunal or regulatory authority of competent jurisdiction; or (v) your violation of any obligation of confidence and/or fiduciary duty and/or duty of loyalty and/or any other material obligation owed by you to the Company as set out in this Contract of Employment or other agreement with the Company or as implied at common law; or.(vi) any material breach by you of the Company's Code of Ethics; or (vii) your failure to maintain any insurance or other license or permission necessary for the proper performance of the duties of your position.

For the avoidance of doubt Cause shall not include an immaterial, isolated instance of ordinary negligence or failure to act, whether due to an error in judgment or otherwise, if you have exercised substantial efforts in good faith to perform the duties reasonably assigned or appropriate to your position.

"FCA" means the Financial Conduct Authority.

"Global Policy Manual" means the Global Policy Manual of Willis Group Holdings Public Limited Company.

"Group" means the Company and any parent undertaking and/or associated undertaking of the Company.

"Client" means any person, firm, company or other organisation who or which as at the date your employment terminates or at any time during the 12 months prior to that date:

a. Gives or is in the habit of giving instructions directly or through an Intermediary to the Company or any other company in the Group concerning the Business; or

b. Is supplied or is in the habit of being supplied directly by the Company or any company in the Group or indirectly through an Intermediary with services relating to the Business; or

c. Is an insured or reassured or an Intermediary having influence over the introduction or facilitation of securing of the Business with the Company or any other company in the Group.

"Intermediary" means any person, firm or company by or through or with whom or which the Business is introduced and/or facilitated on behalf of an insured or reassured whether or not such intermediary derives any financial benefit from the arrangement.

"Prospective Client" means any person, firm, company or other organisation engaged in negotiations (which have not yet finally been concluded) with the Company or with any other company in the Group in the 12 month period up to the date your employment terminates for the supply of services by the Company or any other company in the Group in relation to the Business.

2. DATE THIS EMPLOYMENT BEGINS:

Your Employment begins on *4 November 2013*

3. DATE CONTINUOUS EMPLOYMENT BEGINS:

Your continuous employment begins from *4 November 2013*

Employment prior to this date with any previous employer does not count as part of your continuous employment with the Company. This date is not necessarily the date used to determine your entitlement to certain benefits.

4. CURRENT JOB TITLE:

Your job title is Group Operations & Technology Director.

You may be transferred to any other job in the Group which in the reasonable opinion of the Company would be suitable. In the event of such transfer your terms and conditions would be no less favourable than those set out in this Contract.

5. LOCATION:

Your location is London.

You may be transferred to any other location in the Group. Your agreement to such a transfer will be sought unless in the reasonable opinion of the Company, the transfer does not necessitate you having to move home address.

6. BASE SALARY:

Your base salary is £450,000 per annum.

Your contractual salary will be your base salary less any sacrifice arrangements you have made.

Your contractual salary will be paid monthly in arrears by direct transfer to your bank account. Your base salary will be reviewed annually although such review does not imply any right to an increase in salary.

You authorise the Company to deduct from your remuneration, and to set off against any monies due to you as expenses or otherwise, any sum due to the Company from you including, but not limited to, any overpayments of salary and/or reimbursements of, bonuses (whether in whole or in part), study fees, loans or advances made to you by the Company, and the cost of repairing any damage or loss to the Company's property caused by you.

7. HOURS OF WORK:

Your normal hours of work are 35 hours per week, 09:00 -17:00, Monday to Friday each week (but excluding public holidays) or as agreed locally by Management and/or local practice.

Unless otherwise agreed, these hours shall include one hour (unpaid) for lunch to be taken at a time agreed with your Manager or Director.

You will be expected to work such additional hours as necessary to meet the demands of the business. You may also be required to vary the pattern of your working hours as necessitated by changing commercial needs, if in the reasonable opinion of the Company it is practicable for you to comply. Any additional hours worked are subject to any statutory provisions governing the working time of employees which may be in force from time to time.

8. EMPLOYMENT OBLIGATIONS:

During your working hours you must devote the whole of your time, attention and ability to the business of the Company and at all times you must promote the interest and general welfare of the Group.

Whilst this Contract is in force you may not take any outside employment or engage in any business without the prior written agreement of the Company's Director of Human Resources nor may your additional employment render your total working time in breach of any statutory provisions governing the working time of employees which may be in force from time to time.

You are not permitted to engage in any activity which might interfere with the performance of your duties or which may cause a conflict of any interest owed by you to the Company or any company in the Group.

9. DUTY OF CONFIDENCE:

During and after the termination of this Contract you must keep with inviolable secrecy and may not use for any purpose nor reveal to anyone (other than those whose province it is to know the same) any secret or confidential information entrusted to or discovered by you. This includes but is not limited to information concerning the Company's business, operations, products, markets, marketing strategies, research activities, trade secrets, technical know how, product formulations or techniques, pricing policies, any document marked 'Confidential' or 'secret', any information notified to you as confidential or which you may reasonably expect the Company or any company in the Group to regard as confidential, names or lists of employees, Clients or Prospective Clients and their insurance or commercial affairs or any other matters pertaining to them and revealed to you in the course of your employment which has not come into the public domain. This duty applies without time limit.

For further guidance, the provisions concerning Confidential Information are set out in full in the Global Policy Manual.

10. ERRORS AND OMISSIONS:

During and following termination of your employment you agree to:

a. Provide the Company with full co-operation and assistance where necessary in relation to any work carried out by you during your employment with the Company, including but not limited to:

    i. providing information and a factual explanation of your role in the insurance placing, administration and risk management process;

    ii. meeting with the Company's counsel to answer questions regarding any claims brought by or against the Company:and

    iii. providing statements of evidence, affidavits and meeting in person with the Company's counsel in order to be prepared for any evidence that you may be required to provide;

b. In respect of actual or potential errors and omissions, participate in deposition, arbitration and/or hearing preparation meetings with the Company's counsel as required and to provide testimony and to allow Company's counsel to act as your counsel during the aforementioned preparation meetings and any hearings (payment of counsel's fees to be made by the Company); and additionally, to the extent necessary, you wi11 make available other information, statements of evidence and affidavits to the Company's counsel as needed provided however:

    i. the Company agrees to provide as much advance notice as possible to you regarding such assistance; plus

    ii. if the claim does not settle or otherwise resolve, and if requested by the Company by giving you no less than three weeks' notice of trial, you will give trial and/or arbitration testimony, and you will meet with Company's counsel for preparation for such testimony.

The Company will pay the reasonable costs incurred by you in participating in any deposition and/or hearing preparation meetings, providing the deposition and/or hearing testimony in the claim, and any trial and/or arbitration testimony and preparation are in accordance with the Company's expense management policy in force from time to time.

11. COPYRIGHT, INVENTIONS AND PATENTS:

You must promptly disclose to the Company all ideas, concepts, works, methods, discoveries, improvements, inventions or designs which you create or produce either alone or with others (except those created or produced wholly outside working hours which are totally unconnected with your employment) ("the Works"). All and any rights of whatever nature in each such Work shall belong absolutely to the Company and you shall hold the same in trust for the Company until such proprietary rights shall be fully and absolutely vested in the Company. The Company shall be entitled to make such modifications or adaptations to or from any of the Works as it shall in its absolute discretion determine.

You hereby assign to the Company with full title guarantee by way of assignment all present and future copyright, database rights, design rights (whether registered or unregistered) and other proprietary rights (if any) and all rights of action for damages for infringement of such rights for the full term thereof and any renewals and extensions thereof throughout the world and you hereby waive in favour of the Company all moral rights conferred on you by chapter 4 of part 1 of the Copyright Designs and Patents Act 1988 (as may subsequently be amended, consolidated, replaced or re-enacted from time to time) in relation to any of the Works and at the request and expense of the Company you shall do all things and execute all documents necessary or desirable to substantiate the rights of the Company in the Works.

12. PENSION SCHEME:

You are entitled to membership of the Willis Stakeholder Pension Scheme. You will be enrolled as a member of this scheme with effect from the date in Section 2 above unless you notify the Company in writing that you wish to opt-out of the scheme. If you wish to make personal contributions to the scheme you must elect to do so. If you choose to opt-out of the scheme and then change your mind, you may have to provide evidence of good health before you can join.

The Company will hold certain personal data about you (see the section entitled 'Data Protection') including your name, address and date of birth and other information needed to assist in the smooth running of the scheme. In accordance with its statutory requirements the data will only be available to the Company and the provider of the scheme (currently Friends Life plc). Your data will only be used to calculate and provide benefits and for the efficient running of the scheme. As a member of the scheme you consent to the release of your data concerning your membership of the scheme and other data, such as fund values and investment choices, from the stakeholder provider to the Company.

Your base salary exceeds the Scheme Earnings Cap of £141,600. Contributions and your life assurance benefit will be calculated with reference to the Scheme Earnings Cap.

13. ABSENCE FROM WORK:

Your entitlement to payments whilst you are absent from work, and the procedure that you should follow if you are unable to attend the office for any reason are contained in the Associate Handbook.

14. RIGHT TO SEARCH:

In the interests of security the Company reserves the right at any time to search you or your belongings including, without limitation, the x-ray examination of any items brought on to Company premises by you. Any personal search shall be carried out in private by an Associate duly authorised from time to time by a Director or Manager of the Company to perform a personal search. Prior to the commencement of any personal search you may request to be searched in the presence of a work colleague. The Company may refuse such a request if in its opinion it is reasonable to do so.

15. MEDICAL EXAMINATION:

The Company reserves the right to require you at any time to submit yourself for examination by a doctor appointed by the Company at the Company's expense.

16. HOLIDAYS:

Holiday Entitlements	
Grades 1 - 8 inclusive	23 days per annum
Grade 9 and above	25 days per annum

The above entitlement is exclusive of public and bank holidays for which payment will be made.

Holiday entitlement accrues monthly and the holiday year runs from 1 January to 31 December. For Associates at Grade 8 or below holiday entitlement will increase by 1 day for each calendar year of completed service subject to a maximum number of2 additional days leave.

If you commence or leave your employment part way through a leave year you should refer to the Associate Handbook for your pro rata entitlement to holiday in the year of your commencement/leaving.

For part-time Associates, holiday entitlement and entitlement to payment for Public Holidays, is pro-rata. Details are contained in the Associate Handbook.

17. EMPLOYEE BENEFITS:

The details and eligibility rules of Employee Benefits to which you may be entitled are contained in the Associate Handbook.

18. TERMINATION OF EMPLOYMENT:

a. You may terminate your employment by giving written notice as follows:

EMPLOYEE TERMINATION NOTICE REQUIREMENTS	
Grades 1 - 8 inclusive	
Up to 4 weeks continuous service	1 week
Over 4 weeks continuous service	4 weeks
Higher Grades:	
Grades 9 - 11 inclusive	3 months
Grades 12 and above	6 months

b. If your employment is terminated by the Company you will receive written notice as follows:

COMPANY TERMINATION NOTICE REQUIREMENTS	
Grades 1 - 8 inclusive	
Up to 4 weeks continuous service	1 week
From 5 weeks to 4 years continuous service	4 weeks
From 5 years continuous service	1 week for each year of completed service subject to a maximum notice period of 12 weeks
Higher Grades:	
Grades 9 - 11 inclusive	3 months
Grades 12 and above	6 months

c. The Company shall not be obliged to provide you with work at any time after notice of termination is given by you or the Company and the Company may in its absolute discretion take one or more of the following steps in respect of all or part of the unexpired period of notice:

    i. require you to comply with such conditions as the Company may specify in relation to attending or remaining away from the place of business of the Company. During any period of lawful suspension you agree you shall take all holiday entitlement accrued by you up to the date of termination of your employment. Should you be required to remain away from the office you may not carry out any work (paid or unpaid) for any third party without the prior consent in writing of the Company;

ii. require you not to communicate with or contact any client and/or employee of the Company and/or the Group about any aspect of the business of the Company and/or the Group;

iii. assign you to such other duties as the Company shall in its absolute discretion determine;

iv. withdraw any powers invested in you or suspend or vary any duties or responsibilities assigned to you.

d. On termination of your employment for whatever reason you must immediately return to the Company all Company and Group property in your possession or control including, but not limited to, reports, documents, computer disks, working papers and any other information (in whatever form) received in the course of your employment.

19. TERMINATION WITHOUT CAUSE:

In the event the Company terminates your employment for a reason other than Cause the Company will pay you an amount equal to:

a. your annual base salary applicable at the time the Company serves you with notice of termination of your employment; and

b. your on target award under the Company's Annual Incentive Plan applicable at the time the Company serves you with notice of termination of your employment.

For the avoidance of doubt you acknowledge and agree that the above payment includes any amount which may be due to you in damages for any breach by the Company of any notice provision pertaining to your employment.

20. POST TERMINATION OBLIGATIONS:

You acknowledge that whilst performing your duties for the Company or for any Group Company you will have access to trade secrets and confidential information belonging to the Company or other Group Companies and you will obtain personal knowledge of, and influence over Clients, prospective Clients and employees. You therefore agree the following obligations are reasonable and necessary to protect the legitimate business interests of the Company and/or other Group Companies.

If you are in Grade 9 or above, and/or have any material dealings with any Client or Prospective Client in the course of your duties, you shall not without the prior written consent of the Company for a period of 12 months after the termination of your employment, other than after the wrongful termination of your employment by the Company, whether on behalf of yourself or any other person, firm or company in competition with the Company or the Group, directly or indirectly:

a. solicit Business from; or

b. seek to procure orders from; or

c. transact or handle Business or otherwise deal with; or

d. approach, canvass or entice away from the Company or the Group the Business of

any Client (or additionally, in respect of sub paragraphs a) and b), a Prospective Client) of the Group with whom in the course of your duties you or any person who reports directly to you have dealt at any time during the 12 months prior to the termination of your employment. The period of this restriction shall be reduced after the date your employment ends by a period equal in length to any period of lawful suspension from your duties or exclusion from any premises of the Company during any period of notice.

If you are in Grade 9 or above, you shall not for a period of 6 months after the lawful tem1ination of your employment directly or indirectly induce or seek to induce any employee of the Company or the Group with whom you have worked in the 12 months preceding the termination of your employment (excepting a clerical and secretarial employee) to leave his or her employment where the departure of that employee

(whether alone or in conjunction with the departure of other employees who are members of a team in which you performed duties) would do material harm to the Group and where the departure is intended for the benefit of you or your new employer or any other organisation carrying on a business in competition with the Company or the Group.

Whilst the above restrictions are regarded by you and the Company as fair and reasonable it is declared that each of the restrictions in this section is intended to be a separate and distinct restriction and the invalidity or unenforceability of any such restriction shall not affect the validity or enforceability of the remaining restrictions. If any restriction is held to be unreasonably wide but would be valid of part of the wording were deleted such restriction will apply with so much of the wording deleted as may be necessary to make it valid.

For further details of your obligations you are referred to the Global Policy Manual and the Associate Handbook.

21. COMPANY PROCEDURES:

The Associate Handbook and the Global Policy Manual contain details of various Company policies and procedures including, but not limited to, its Ethical Code, Corporate Data Policy, Equal Opportunities Policy, Performance Improvement, Disciplinary, Appeals and Grievance procedures.

Other policies and procedures can be found within the Willis Excellence Model and on the Group Compliance intranet site including, but not limited to, the Group Compliance Manual.

These documents are available in electronic format on the Company's intranet site. It is your responsibility to familiarise yourself and comply with these documents, rules and procedures and to note any amendments notified to you from time to time.

Failure to comply with the Company's policies, rules and procedures may lead to disciplinary action in accordance with the Company's disciplinary procedures.

22. REGULATORY REQUIREMENTS:

You are required to comply with all reasonable requests, instructions and regulations (whether statutory or otherwise) which apply to your employment from time to time including any relevant requirements of the FCA and/or any other relevant regulator. It is your responsibility to familiarise yourself with all such regulations and requirements as made available to you by the Company.

It is a condition of your employment that you demonstrate and maintain competence for the role you carry out, through the initial completion and passing of relevant modules of Insurance Essentials, and of any other training packages and tests introduced by the Company from time to time thereafter. If you fail to maintain and demonstrate competence for your role the Company may commence its Performance Improvement Procedure against you.

23. DATA PROTECTION

In order to meet its statutory requirements and to fulfill and maintain its employment relationship with you, the Company, as your employer, needs to collect, process and retain personal information about you, including information defined by the Data Protection Act 1998 (the 'DPA) as sensitive personal data.

By signing this Contract you expressly agree that the Company may collect, process and retain your personal information (including sensitive persona) data) in accordance with its Privacy Notice (which is attached to this Agreement, otherwise separately provided to you) and may transfer your personal information to its members of the Group and third party service providers that are located in various locations inside and outside the European Economic Area (EEA), including in the USA, India, and the Philippines, where the applicable data protection law may not be equivalent to the DPA.

You agree that to the extent your personal information is transferred to Willis North America Inc. ("WNA"), the Company's US-based affiliate, WNA may process your personal information in accordance with WNA's Safe Harbor Privacy Policy. A copy of the Company's Safe Harbor Policy may be found on the Company's intranet site.

You also agree that, in order to protect the reputation and assets (including any confidential or proprietary information) of the Company, Clients, Prospective Clients, and other stakeholder, the Company may monitor your usage of the Company's Information Technology systems (including your usage of computers,

Handheld devices, telephony, emails, and Internet browsers) and that, depending on the role you perform, such monitoring may include the recording of telephone calls you make or receive.

24. AMENDMENTS

The Company reserves the right to make reasonable changes to any terms of your employment. Any such changes will be notified to you as they arise either to you or, if appropriate, by electronic means via the Company e-mail account and/or its intranet site.

25. COLLECTIVE AGREEMENTS

There are no collective agreements in force that will affect your employment with the Group.

26. GOVERNING LAW

This Contract shall be governed by and construed in accordance with English law and you and the Company submit to the exclusive jurisdiction of the English Courts.

This Contract of Employment supersedes any existing or prior arrangements between you and the Company or Group Company.

SIGNED FOR AND ON BEHALF OF THE COMPANY	
Signed:	/s/ H Stagg
PRINT NAME:	H STAGG
Date:	November 4, 2013
I HAVE READ, UNDERSTOOD AND AGREE TO BE BOUND BY THE TERMS OF THIS CONTRACT OF EMPLOYMENT:	
Signed:	/s/ David Shalders
PRINT NAME:	DAVID SHALDERS
Date:	September 3, 2013

EXHIBIT 10.4

April 30, 2014

David Peter Shalders
51 Lime Street
London EC3M 7DQ

Dear David;

In consideration for your continued employment by Willis Limited, your Contract of Employment, dated September 3, 2013 (your 'Contract of Employment'), is amended by deleting Section 19 and replacing it in entirety with the fo1lowing paragraphs:

If your employment is terminated by the Company without Cause (and other than by reason of death or Permanent Disability) or by you for Good Reason, then you shall be entitled to:

a. continued payment of your base salary during the 12 month period following the termination date (the 'Severance Period') payable in accordance with normal payroll practices, beginning on the first payroll date on or after the 60th day follow1ng the termination date; provided that, in the event such termination occurs within 24 months following a Change in Control, such payment shall equal two times your base annual salary and shall be made in a cash lump sum on the first business day on or after the 60th day following the termination date; provided further that, such amount shall be reduced by any salary paid to you between the date the Company provides you with notice of termination and your termination date;

b. payment of an amount equal to one times your' target award under the annual incentive plan of Willis Group Holdings Public Limited Company ('Willis') applicable at the time of your termination (your 'Target AIP'), payable in equal instalments during the Severance Period in accordance with normal payroll practices, beginning on the first payroll date on or after the 60th day following the termination date; provided that, in the event such termination occurs within 24 months following a Change in Control, such payment shall equal two times your Target AIP and shall be made in a cash lump sum on the first business day on or after the 60th day following the termination date;

c. payment of a pro-rated award under Willis' annual incentive plan applicable for the fiscal year in which the termination date occurs equal to the award you are entitled based on actual performance for such year, multiplied by a fraction, the numerator of which is the number of days in the fiscal year of your termination prior to the termination date, and the denominator of which is 365, payable at the time as such awards are paid generally to participants for the applicable year; provided that, in the event such termination occurs within 24 months following a Change in Control, such prorated award shall be determined based upon the Target AlP rather than actual results;

d. continued participation for you and your spouse and then covered dependents in the applicable group medical plan of the Company, if any, in which you and your eligible spouse and dependents participate as of the date of termination in accordance with the terms of such plan in effect from time to time for officers of the Company generally and so long as such continued participation is permissible under applicable law and does not result in any penalty or additional tax (other than taxes applicable to the payment of wages) upon you or the Company or, in lieu of such continued coverage and solely in order to avoid any such penalty or additional tax, monthly payments equal to the excess of the full premium rate (or equivalent rate) under such group medical plan over the amount payable generally by officers of the Company, in each case until the earlier of (x) 12 months following the termination date or (y) the date that you (or any eligible spouse or dependent but only as to the eligibility of such spouse or dependent) obtains new employment that offers group medical coverage;

e. for purposes of determining the achievement of any employment or service-based vesting requirements applicable to any outstanding stock options, restricted stock units or other long term incentive awards, you shall be treated as having an additional 12 months of employment or service as of the date of termination; provided that, in the event such termination without Cause or for Good Reason occurs within 24 months following a Change in Control, all employment or service-based vesting requirements in such awards shall be waived as of the date of termination; and

f. each stock option granted to you which is vested (or deemed vested in accordance with this Section 19) on your termination date will remain exercisable until the earlier of (x) one year following the date of such termination without Cause or for Good Reason (or, if later, the post-termination expiration date specified in the option) and (y) the normal expiration date of such stock option that would have applied if your employment with the Company had continued.

Any and all amounts payable pursuant to this Section 19 will only be payable if you deliver to the Company and does not revoke a general release in a form reasonably acceptable to the Company within 30 days following the termination date. Except as may be required by applicable law, you will not be entitled to severance pay of any type following your employment termination for any other reason or pursuant to any severance policy of Willis or its affiliates.

For the avoidance of doubt, you acknowledge and agree that the above payments include any amount which may be due to you in damages for any breach by the Company of any notice provision pertaining to your employment.

"Cause" means (i) your gross and/ or chronic neglect of your duties, (ii) your conviction in a Court or Tribunal of competent jurisdiction of an offence involving moral turpitude, (iii) dishonesty, embezzlement, fraud or other material wilful misconduct by you in connection with your employment, (iv) the issue of any final instruction or order for your removal as an associate of the Company and/or officer of the Company by any Court, Tribunal Or' regulatory authority of competent jurisdiction, (v) your violation of any obligation of confidence and/or fiduciary duty and/or duty or loyalty and/or any other material obligation owed by you to the Company as set out in this Contract of Employment or other agreement with the Company or as implied at common law, (vi) any material breach by you of the Company's Code of Ethics, or (vii) your failure to maintain any insurance or other license or permission necessary for the proper performance of the duties of your position. Cause shall not include an immaterial, isolated instance of ordinary negligence or failure to act, whether due to an error in judgment or otherwise *if* your have exercised substantial efforts in good faith to perform the duties reasonably assigned or appropriate to your position.

"Change in Control" has the meaning set forth in Willis' 2012 Equity Incentive Plan).

"Good Reason" means one or more of the following events has occurred without your written consent: (i) a material adverse diminution in your position, authority or responsibilities or the assignment to you of duties or responsibilities which are materially inconsistent with your position; provided, that, a material diminution in the foregoing shall not be deemed to have occurred solely as a result of the occurrence of a Change in Control or Willis ceasing to be a public company, so long as your position, authority or responsibilities with Willis or any successor is not otherwise materially diminished, (ii) a reduction in your· monthly base salary or Target AIP percentage; or (iii) you is required to relocate your office outside a radius of 35 miles from the current office location of the Willis Building at 51 Lime Street in London. You may not resign or otherwise terminate your employment for any reason set forth above as Good Reason unless you first notifies the Company in writing describing such Good Reason within 90 days of the first occurrence of such circumstances and, thereafter, such Good Reason is not corrected by the Company within 30 days of your written notice of such Good Reason, and you actually terminates employment within 90 days following the expiration of the Company's 30-day cure period described above.

"Permanent Disability" has the meaning set forth in Willis' 2012 Equity Incentive Plan),

Notwithstanding the foregoing, if it is reasonably determined by Willis that any payments or benefits that are to be paid or provided to you or for your own benefit in connection with a change of control (within the meaning of Section 280G of the Internal Revenue Code) (the ‘Payments’) would be subject to the excise tax imposed under section 4999 of the Internal Revenue Code (the ‘Excise Tax’), then such Payments shall be reduced by the smallest amount necessary in order for no portion of the Payments to be subject to the Excise Tax; provided that, no reduction in the Payments shall be made if the After Tax Amount of the Payments payable to you without such reduction would exceed the After Tax Amount of the reduced Payments payable to you. For purposes of the foregoing, the “After Tax Amount” of your Payments shall mean the amount of the Payments that you would retain after payment of all taxes (including without limitation any federal, state or local income taxes, the Excise Tax, and employment taxes) imposed with respect to such Payments. The payment reduction shall be implemented by (i) first reducing any cash severance payments, and (ii) then reducing all other payments and benefits, in each case, with amounts having later payment dates being reduced first.

Except as set forth above, your Contract of Employment will remain in full force and effect. Please acknowledge the changes to your Contract of Employment by signing and dating this letter agreement as indicated below.

Sincerely yours,

Signed:	/s/ Dominic Casserley
Name:	DOMINIC CASSERLEY
Title:	Chief Executive Officer
Signed and Acknowledged	
Signed:	/s/ David Shalders
Name:	DAVID SHALDERS
Date:	MAY 1, 2014

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement (this "Amendment") is entered into as of June 29, 2015, by and between Willis Limited (the "Company"), a subsidiary of Willis Group Holdings Public Limited Company ("Willis"), and David Shalders ("Executive").

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, dated September 3, 2013, as amended on April 30, 2014 (the "Letter Amendment") (the "Employment Agreement");

WHEREAS, Willis intends to enter into a business combination transaction with Towers Watson & Co. (the "Proposed Merger") pursuant to the terms of an Agreement and Plan of Merger among Willis, Citadel Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Willis, and Towers Watson & Co., a Delaware corporation, dated as of June 29, 2015 (the "Merger Agreement"), as approved by the Board of Directors of Willis;

WHEREAS, the Company desires to provide Executive with retention incentives in connection with the Proposed Merger; and

WHEREAS, the Company and Executive desire to amend the terms of the Employment Agreement in accordance with this Amendment, effective upon, and subject to, the closing date of the Proposed Merger.

NOW, THEREFORE, in consideration of the continued employment of the Executive with the Company, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment. The Letter Amendment and Employment Agreement are hereby amended to include the following in the Letter Amendment after the last sentence of the "Change in Control" definition:

"In addition, and notwithstanding anything herein to the contrary, for purposes of the Contract of Employment, the consummation of the transactions contemplated under the Agreement and Plan of Merger, dated as of June 29, 2015, by and among Willis, Citadel Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Willis, and Towers Watson & Co., a Delaware corporation, shall constitute a Change in Control."

2. General.

(a) The effectiveness of this Amendment shall be conditioned upon the continued employment of the Executive until the closing date under the Merger Agreement.

(b) In the event that the Merger is not consummated or the Merger Agreement is terminated in accordance with its terms, this Amendment shall be null and void.

(c) Except as specifically provided in this Amendment, the Employment Agreement will remain in full force and effect and is hereby ratified and confirmed. To the extent a conflict arises between the terms of the Employment Agreement and this Amendment, the terms of this Amendment shall prevail.

(d) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and shall have the same effect as if the signatures hereto and thereto were on the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

WILLIS LIMITED

Signed:	/s/ Susan Smith
Name:	SUSAN SMITH
Title:	HUMAN RESOURCES DIRECTOR, WILLIS LIMITED

Signed:	/s/ David Shalders
Name:	DAVID SHALDERS
Date:	JUNE 29, 2015

EXHIBIT 10.6

9 November 2014

Mr. Nicolas Aubert
5 Shaftesbury Villas
Allen Street
London
W8 6UZ

Dear Mr. Aubert

Further to your recent interview, I am very pleased to offer you the opportunity to join Willis Limited (the 'Company'). Your initial role would be as Chief Executive Officer (designate) of the Company reporting to Steve Hearn, the current Chief Executive Officer of the Company. Thereafter, subject to the successful handover of the role from Mr Hearn to you and the approval of your appointment by the Financial Conduct Authority you would assume the role of Chief Executive Officer of the Company, reporting to Dominic Casserley, Chief Executive Officer of Willis Group Holdings Public Limited Company.

Both positions are based at our London office at Grade 14. We are looking forward to you joining the Company on a date to be agreed.

Your employment with the Company is based on the terms set out below, together with the attached Schedule, and the enclosed Contract of Employment (the 'Contract') all of which should be read in conjunction with the Associate Handbook and Global Policy Manual.

This offer is subject to our receipt of:

- all appropriate documentation; and
- satisfactory completion of our pre-employment checks;

Please find enclosed a New Associate Pack which contains information relevant to the start of your employment including a number of forms for you to complete. **These forms, together with the documents requested in this letter, must be returned at least 10 working days prior to your expected start date.**

Please note; This offer remains valid for acceptance for 10 working days from the date of this letter, or until your expected start date, whichever is the sooner. If you are unable to sign and return both copies of the Contract within this period, please contact me to discuss.

In addition to the main terms and conditions contained in the Contract the following terms will also apply to your employment:

Contract:

This offer is for a permanent position. Please see the enclosed Contract for further details.

Remuneration:

Your base salary is £440,000 per annum which will be paid by monthly installments in arrears on the last working day of each month. Salary reviews are at the discretion of the Company and may be based on various factors including, but not limited to your individual performance as well as Company performance.

Sign On Bonus:

In consideration for your agreement to accept employment with the Company you will be entitled to receive a sign-on bonus of £75,000 upon joining the Company, which is subject to the usual tax and National Insurance deductions and will be paid with your first month's salary.

Further Sign On Bonus:

In consideration for your agreement to accept employment with the Company you will be entitled to receive a further sign-on bonus of £312,500. Payment of this sum will be made on the later of 31 March 2015 or in the first available payroll immediately following the date you commence employment. Payment shall be subject to the usual tax and National Insurance deductions. Save where the provisions of Clause 19 of your contract of employment apply, in the event you resign during the first 24 months of your employment you will be required to reimburse this bonus payment in full less an amount equal to 1/24th for each complete month of employment completed by you from the date your employment commences to the date it ends.

The Willis Annual Incentive Plan:

You will participate in the Company's Annual Incentive Plan (AIP). You will be eligible to receive a target AIP bonus award of 125% of your base salary assessed according to the financial performance of the Willis Group, the Company and your personal performance, including your including your adherence to Willis values and behaviours.

For AIP for the calendar year 2015 provided you commence employment with the Company before 1 July 2015 payment of AIP will not be pro-rated for the year. In the event your employment commences on or after 1 July 2015 payment will be pro-rated.

Any payment made to you will be subject to the usual tax and National Insurance deductions and will only be paid if you are employed and not serving notice (whether given or received) at the time payment is normally made (in March of the year immediately following the year to which the AIP relates).

Willis Stock Options & Share Awards:

Subject to the approval of the Share Award Committee, on the first trading day of the month immediately following the commencement of your employment (the 'Grant Date') you will be granted an award of restricted stock units to the value of $2,300,000 (Two Million Three Hundred Thousand United States Dollars) (the 'Award') of the common stock of Willis Group Holdings Public Limited Company ('WGH'). The Award will vest as follows:

- 33% on the 1st anniversary of the Grant Date;
- 33% on the 2nd anniversary of the Grant Date; and
- 34% on the 3rd anniversary of the Grant Date

SAVE THAT in the event the Company terminates your employment Without Cause or you resign for Good Reason (as those terms are defined in your employment contract) the Company will vest to you any unvested portion of the Award.

The terms and conditions of the Award will be provided to you under separate cover following the Grant Date. You will be required to sign and return acceptance forms in connection with the grant of the Award. If you do not sign and return the acceptance forms within the prescribed time limit WGH may, at its discretion, rescind the Award.

On an annual basis you will be entitled to receive options to purchase stock and/or restricted stock units of WGH and/or other equity based awards with an aggregate target value of $750,000 (Seven Hundred and Fifty Thousand United States Dollars). The first of such grants will be made to you in the 2015 calendar year at the same time and on terms no less favourable than grants made to executive officers of the Willis Group and shall be made pursuant to the Willis 2012 Equity Incentive Plan as amended or replaced from time to time and pursuant to any other terms and conditions resolved by the Board of Directors of WGH from time to time.

Medical Requirements:

After two years' service you may be required to submit to a medical examination at the Company's expense. The Company's Occupational Health Department will contact you at the appropriate time.

Documents for Return:

I hope that you will formally accept this offer of employment on the terms set out in the various documents. I would be grateful if you could confirm that you are able to commence on [START DATE] and return these documents/ your intended start date upon returning these documents, which must be returned **within a minimum of 10 working days prior to your expected start date.** If you are unable to complete the documentation within this period, please contact me to discuss.

- The Company must be in receipt of the following mandatory forms **prior to your start date:**
    - Written confirmation of your acceptance of our offer
    - Both contracts, signed and dated
    - Willis Application for Employment Form
    - Personal Information & Bank Details Form
    - Expression of Wishes - Associate Application Form
    - Friends Provident Expression of Wishes Form
- **Failure to supply the mandatory documentation prior to your first day may result in your start date with the Company being delayed.**
- Your P45 must be forwarded to us as soon as it becomes available.
- The Company also requires completion of medical details. Please complete the online Medical Questionnaire via the link to the Company's Occupational Health advisers, Rood Lane:
    - www.roodlane.co.uk/pre_employment/willis/
    - Your replies to this questionnaire will be treated in confidence and are requested for the purpose of the Equality Act 2010.

Requirements On Your First Day:

On your first day please arrive at the London office at 9.00 am and report to reception ready for your induction. Please note that it is imperative that you bring with you the following documentation. **Failure to do so may result in your start date with the Company being delayed.**

- Evidence of your entitlement to work in the UK. The evidence required is your passport and any supporting documentation you may have. The Company is required under the Immigration Act to see and photocopy this documentation before you commence work. If you do not have a passport, please contact me as soon as possible to discuss alternative document combinations acceptable to the Home Office, so that we can agree these before your first day.

- Certificates relating to the highest academic qualification and to all professional qualifications quoted on your application form, in your CV or verbally during the selection process. It is a requirement of our regulatory body that we obtain this evidence, to demonstrate that you are competent to be employed in the capacity offered. Certificates will be returned to you, once a copy has been taken.

Induction Program:

FIRST DAY INDUCTION

As previously detailed within your New Associate Pack, your first morning will involve attending the Group Induction Program. Once we have taken photocopies of your original identification and qualification documents, the induction will comprise of three main elements;

- **Group Induction:**

We will provide an overview of what is expected of you and the various company benefits available to you.

- **IT Induction:**

Covering our systems and security measures, as well as your login details.

- **Team Induction:**

Your manager will then show you to your office and will welcome you to your team. It is envisaged that the Induction Program will last until approximately midday, during which time you will have become familiar with the Company Vision and Willis' benefits, policies and practices.

WILLIS INDUCTION WORKSHOP

The Workshop has been created to give all our new Associates a group overview and will cover key topics such as Compliance, Operations and Talent Management. Senior business leaders will also join the group.

If you would like to find out more about Willis, please visit www.willis.com and feel free to ask questions at your induction!

Finally, I would inform you that it is Company policy that all prospective and new employees fully observe their duties and obligations to previous and current employers and other third parties under contracts of employment and/or other agreements. In particular, the Company does not condone the removal, copying or retaining of confidential information of any former employer and any such conduct may result in disciplinary action. The Company also expects prospective and new employees to observe valid restrictive covenants whilst they remain in effect. If you have any concerns or doubts as to your obligations you should seek legal advice.

If you have any queries regarding the offer, please do not hesitate to contact me on the above direct line.

I wish you a long and successful career with Willis.

Yours sincerely

Sue Smith
Human Resources Director
Willis Global
For and on behalf of
Willis Limited

SCHEDULE:

This offer and your continuing employment are subject to:

Associate Responsibilities:

- Your acceptance of the conditions contained in this letter and the enclosed Contract of Employment.
- All representations, whether oral or in writing, made by you when applying for this position about your qualifications, experience and other material matters being true and correct and that you have not deliberately failed to disclose any matter that may have influences the Company's decision to employ you.
- You providing the Company with evidence of your continuing entitlement to work in the UK. The evidence required is your valid passport and any original supporting documentation you may have. The Company is required under the Immigration Act to see and photocopy specific documentation before you commence work and when applicable, at regular intervals during your employment.
- The Company receiving no information of an adverse nature regarding your character and past conduct which could affect your suitability for employment. The Company's activities are regulated by the Financial Services Authority (FCA) and consequently the Company adopts systems and controls that conform to FCA requirements. By accepting this offer of employment and by completing and returning the enclosed Application for Employment form you expressly authorise the Company to make enquiries about you.
- Receipt of references satisfactory to the Company and satisfactory completion of all ancillary checks. We will approach the referees indicated on your application form on receipt of your acceptance of this offer unless you advise us to the contrary.

Training:

- You providing the Company with evidence of all relevant professional qualifications and the highest academic qualification that you have quoted on your application form, in your CV or verbally during the selection process. It is both Company policy and a requirement of our regulatory body that we obtain evidence of your competence to be employed in the capacity offered and for this reason the Company reserves the right to invoke the Disciplinary Procedure if you do not fulfill this requirement.
- You passing the Company's Respect in the Workplace training module within 3 months of the start of your employment and other Insurance Essentials Training modules relevant to your role within 6 months. Please note that these training modules are Company specific and must be completed by all Associates. Details of the programs and how to access the system will be provided when you commence employment. You will be provided with appropriate support to pass these modules.

CONTRACT OF EMPLOYMENT

CONTENT:

CONTRACT OF EMPLOYMENT:

The information contained in this document includes the requirement of a statement of the terms and conditions of your employment in accordance with the Employment Rights Act 1996.

This Contract is made on. ... . and is between

NAME: NICOLAS AUBERT

and

COMPANY: WILLIS LIMITED

This Contract of Employment should be read in conjunction with your offer letter. In the event of any conflict between the content of this Contract and the offer letter, the content of this Contract shall take precedence. You are also referred to the Willis Global Policy Manual and the Associate Handbook. Whilst the Global Policy Manual and Associate Handbook do not have contractual status they are indicative of Company Policy and Procedure. The Company reserves the right to vary its various Policies and Procedures from time to time.

1. DEFINITIONS:

For the purposes of this contract the following definitions shall apply:

"Business" means the business of a type carried on by the Company or by any other company in the Group at the date your employment terminates, including but not limited to the placing or broking of insurance or reinsurance world-wide and ancillary services, the provision of risk management or risk transfer advice or due diligence on mergers and acquisitions.

"Cause" means for the purposes of Clause 19 of this Contract of Employment: (i) your gross and/or chronic neglect of your duties; or (ii) your conviction in a Court or Tribunal of competent jurisdiction of an offence involving moral turpitude; or (iii) dishonesty, embezzlement, fraud or other material wilful misconduct by you in connection with your employment; or (iv) the issue of any final instruction or order for your removal as an employee and/or Officer of the Company by any Court, Tribunal or regulatory authority of competent jurisdiction; or (v) your violation of any obligation of confidence and/or fiduciary duty and/or duty of loyalty and/or any other material obligation owed by you to the Company as set out in this Contract of Employment or other agreement with the Company or as implied by common law; or (vi) any material breach by you of the Company's Code of Ethics; or (vii) your failure to maintain any insurance or other licence or pennission necessary for the proper performance of your duties. For the avoidance of doubt Cause shall <u>not</u> include an immaterial isolated instance of ordinary negligence or failure to act, whether due to an error in judgment or otherwise, if you have exercised substantial efforts in good faith to perform the duties reasonably assigned or appropriate to your position; or (viii) your death; or (ix) your permanent disability (as that term is defined in the 2012 Equity Incentive Plan of WGH).

"Change in Control" has the meaning set out in the 2012 Equity Incentive Plan of WGH. "FCA" means the Financial Conduct Authority.

"Global Policy Manual" means the Global Policy Manual of Willis Group Holdings Public Limited Company.

"Good Reason" means one or more of the following events has occurred without your consent: (i) a material adverse diminution in your position, authority or responsibilities or the assignment to you of duties or responsibilities which are materially inconsistent with your position PROVIDED THAT a material diminution shall not be deemed to have occurred solely as a result of a Change in Control or WGH ceasing to be a public company so long as your position, authority or responsibilities with the Company or any successor is not otherwise materially diminished; or (ii) a reduction in your monthly Base Salary or target percentage AIP; or (iii) your place of work is relocated outside a radius of 35 miles from 51 Lime Street, London EC3M 7DQ PROVIDED THAT you may not resign or otherwise terminate your employment in reliance on any Good Reason without first notifying the Company in writing of your intention to so resign, identifying the Good Reason upon which you rely and such notification is received by the Company within

90 days of its first occurrence AND FURTHER PROVIDED THAT the Company fails to remedy any breach relied upon by you within 30 days of receipt of your written notification and you terminate your employment within 90 days of the expiry of the 30 day remedy period of the Company.

"Group" means the Company and any parent undertaking and/or associated undertaking of the Company.

“Client” means any person, firm, company or other organisation who or which as at the date your employment tenninates or at any time during the 12 months prior to that date:

Gives or is in the habit of giving instructions directly or through an Intermediary to the Company or any other company in the Group concerning the Business; or

Is supplied or is in the habit of being supplied directly by the Company or any company in the Group or indirectly through an Intermediary with services relating to the Business; or

Is an insured or reassured or an Intermediary having influence over the introduction or facilitation of securing of the Business with the Company or any other company in the Group.

“Intermediary” means any person, firm or company by or through or with whom or which the Business is introduced and/or facilitated on behalf of an insured or reassured whether or not such intermediary derives any financial benefit from the arrangement.

“Prospective Client” means any person, firm, company or other organisation engaged in negotiations (which have not yet finally been concluded) with the Company or with any other company in the Group in the 12 month period up to the date your employment terminates for the supply of services by the Company or any other company in the Group in relation to the Business.

“WGH” means Willis Group Holdings Public Limited Company.

2. DATE THIS EMPLOYMENT BEGINS:

Your employment begins from a date to be agreed.

3. DATE CONTINUOUS EMPLOYMENT BEGINS:

Your employment begins from a date to be agreed.

Employment prior to this date with any previous employer does not count as part of your continuous employment with the Company. This date is not necessarily the date used to detennine your entitlement to certain benefits.

4. CURRENT JOB TITLE:

Chief Executive Officer

You may be transferred to any other job in the Group which in the reasonable opinion of the Company would be suitable. In the event of such transfer your terms and conditions would be no less favourable than those set out in this contract.

5. LOCATION:

London

You may be transferred to any other location in the Group. Your agreement to such a transfer will be sought unless in the reasonable opinion of the Company, the transfer does not necessitate you having to move home address.

6. BASE SALARY:

£440,000 per annum

Your contractual salary will be your base salary less any sacrifice arrangements you have made.

Your contractual salary will be paid monthly in arrears by direct transfer to your bank account. Your base salary will be reviewed annually although such review does not imply any right to an increase in salary.

You authorise the Company to deduct from your remuneration, and to set off against any monies due to you as expenses or otherwise, any sum due to the Company from you including, but not limited to, any overpayments of salary and/or reimbursements of, bonuses (whether in whole or in pmt), study fees, loans or advances made to you by the Company, and the cost of repairing any damage or loss to the Company’s property caused by you.

7. HOURS OF WORK:

Your normal hours of work are 35 hours per week, 09.00 to 17.00, Monday to Friday inclusive each week (but excluding public holidays) or as agreed locally by Management and/or local practice.

Unless otherwise agreed, these hours shall include one hour (unpaid) for lunch to be taken at a time agreed with your Manager or Director.

You will be expected to work such additional hours as necessary to meet the demands of the business. You may also be required to vmy the pattern of your working hours as necessitated by changing commercial needs, if in the reasonable opinion of the Company it is practicable for you to comply. Any additional hours worked are subject to any statutory provisions governing the working time of employees which may be in force from time to time.

8. EMPLOYMENT OBLIGATIONS:

During your working hours you must devote the whole of your time, attention and ability to the business of the Company and at all times you must promote the interest and general welfare of the Group.

Whilst this Contract is in force you may not take any outside employment or engage in any business without the prior written agreement of your Executive Committee Member nor may your additional employment render your total working time in breach of any statutory provisions governing the working time of employees which may be in force from time to time.

You are not permitted to engage in any activity, which might interfere with the performance of your duties or which may cause a conflict of any interest owed by you to the Company or any company in the Group.

9. DUTY OF CONFIDENCE:

During and after the termination of this Contract you must keep with inviolable secrecy and may not use for any purpose nor reveal to anyone (other than those whose province it is to know the same) any secret or confidential information entrusted to or discovered by you. This includes but is not limited to information concerning the Company's business, operations, products, markets, marketing strategies, research activities, trade secrets, technical know how, product formulations or techniques, pricing policies, any document marked 'Confidential' or 'secret', any information notified to you as confidential or which you may reasonably expect the Company or any company in the Group to regard as confidential, names or lists of employees, Clients or Prospective Clients and their insurance or commercial affairs or any other matters pertaining to them and revealed to you in the course of your employment which has not come into the public domain. This duty applies without time limit.

For further guidance, the provisions concerning Confidential Information are set out in full in the Global Policy Manual.

10. ERRORS AND OMISSIONS:

During and following termination of your employment you agree to:

Provide the Company with full co-operation and assistance where necessary in relation to any work carried out by you during your employment with the Company, including but not limited to:

i. providing information and a factual explanation of your role in the insurance placing, administration and risk management process;

ii. meeting with the Company's counsel to answer questions regarding any claims brought by or against the Company: and

iii. providing statements of evidence, affidavits and meeting in person with the Company's counsel in order to be prepared for any evidence that you may be required to provide;

In respect of actual or potential errors and omissions, participate in deposition, arbitration and/or hearing preparation meetings with the Company's counsel as required and to provide testimony and to allow Company's counsel to act as your counsel during the aforementioned preparation meetings and any hearings (payment of counsel's fees to be made by the Company); and additionally, to the extent necessary, you will make available other information, statements of evidence and affidavits to the Company's counsel as needed provided however:

i. the Company agrees to provide as much advance notice as possible to you regarding such assistance; plus

ii. if the claim does not settle or otherwise resolve, and if requested by the Company by giving you no less than three weeks' notice of trial, you will give trial and/or arbitration testimony, and you will meet with Company's counsel for preparation for such testimony.

The Company will pay the reasonable costs incurred by you in participating in any deposition and/or hearing preparation meetings, providing the deposition and/or hearing testimony in the claim, and any trial and/or arbitration testimony and preparation are in accordance with the Company's expense management policy in force from time to time.

11. COPYRIGHT, INVENTIONS AND PATENTS:

You must promptly disclose to the Company all ideas, concepts, works, methods, discoveries, improvements, inventions or designs which you create or produce either alone or with others (except those created or produced wholly outside working hours which are totally unconnected with your employment) ('the Works'). All and any rights of whatever nature in each such Work shall belong absolutely to the Company and you shall hold the same in trust for the Company until such proprietmy rights shall be fully and absolutely vested in the Company. The Company shall be entitled to make such modifications or adaptations to or from any of the Works as it shall in its absolute discretion determine.

You hereby assign to the Company with full title guarantee by way of assignment all present and future copyright, database rights, design rights (whether registered or unregistered) and other proprietary rights (if any) and all rights of action for damages for infringement of such rights for the full term thereof and any renewals and extensions thereof throughout the world and you hereby waive in favour of the Company all moral rights conferred on you by chapter 4 of part 1 of the Copyright Designs and Patents Act 1988 (as may subsequently be amended, consolidated, replaced or re-enacted from time to time) in relation to any of the Works and at the request and expense of the Company you shall do all things and execute all documents necessary or desirable to substantiate the rights of the Company in the Works.

12. PENSION SCHEME:

You are entitled to membership of the Willis Stakeholder Pension Scheme. You will be enrolled as a member of this scheme with effect from the date in Section 2 above unless you notify the Company in writing that you wish to opt-out of the scheme. If you wish to make personal contributions to the scheme you must elect to do so. If you choose to opt-out of the scheme and then change your mind, you may have to provide evidence of good health before you can join.

Your base salary exceeds the Scheme Earnings cap of £146,400. Contributions and your life assurance benefit will be calculated with reference to the Scheme earnings Cap.

The Company will hold certain personal data about you (see the section entitled 'Data Protection') including your name, address and date of birth and other information needed to assist in the smooth running of the scheme. In accordance with its statutmy requirements the data will only be available to the Company and the provider of the scheme (currently Friends Provident plc). Your data will only be used to calculate and provide benefits and for the efficient running of the scheme. As a member of the scheme you consent to the release of your data concerning your membership of the scheme and other data, such as fund values and investment choices, from the stakeholder provider to the Company.

13. ABSENCE FROM WORK:

Your entitlement to payments whilst you are absent from work, and the procedure that you should follow if you are unable to attend the office for any reason are contained in the Associate Handbook.

14. RIGHT TO SEARCH:

In the interests of security the Company reserves the right at any time to search you or your belongings including, without limitation, the x-ray examination of any items brought on to Company premises by you. Any personal search shall be carried out in private by an Associate duly authorised from time to time by a Director or Manager of the Company to perform a personal search. Prior to the commencement of any personal search you may request to be searched in the presence of a work colleague. The Company may refuse such a request if in its opinion it is reasonable to do so.

15. MEDICAL EXAMINATION:

The Company reserves the right to require you at any time to submit yourself for examination by a doctor appointed by the Company at the Company's expense.

16. HOLIDAYS:

25 days per holiday year exclusive of public and bank holidays for which payment will be made. Holiday entitlement accrues monthly and the holiday year runs from 1 January to 31 December.

If you commence or leave your employment part way through a leave year you should refer to the Associate Handbook for your pro rata entitlement to holiday in the year of your commencement/leaving.

17. EMPLOYEE BENEFITS:

The details and eligibility rules of Employee Benefits to which you may be entitled are contained in the Associate Handbook.

18. TERMINATION OF EMPLOYMENT:

You may terminate your employment by giving written notice to the Company of 12 months.

If your employment is terminated by the Company you will receive written notice of 12 months.

The Company shall not be obliged to provide you with work at any time after notice of termination is given by you or the Company and the Company may in its absolute discretion take one or more of the following steps in respect of all or part of the unexpired period of notice:

i. require you to comply with such conditions as the Company may specify in relation to attending or remaining away from the place of business of the Company. Should you be required to remain away from the office without the prior consent in writing of the Company you may not cany out any work (paid or unpaid) for any third patiy. You will also be required to take any outstanding holiday during this period of lawful suspension, agreeing the days in advance with management;

ii. require you not to communicate with or contact any client and/or employee of the Company and/or the Group about any aspect of the business of the Company and/or the Group;

iii. assign you to such other duties as the Company shall in its absolute discretion determine;

iv. withdraw any powers invested in you or suspend or vaty any duties or responsibilities assigned to you.

On termination of your employment for whatever reason you must immediately return to the Company all Company and Group propetiy in your possession or control including, but not limited to, reports, documents, computer disks, working papers and any other information **(in** whatever form) received in the course of your employment.

19. TERMINATION WITHOUT CAUSE:

In the event the Company terminates your employment without Cause or if you terminate your employment for Good Reason you shall be entitled to the following:

a. continued payment of your annual Base Salary payable in 12 equal monthly instalments commencing on the first available payroll after 60 days from the date your employment ends SAVE THAT in the event your employment is terminated without Cause within 2 years after a Change of Control you shall be entitled to a payment equal to 2 years Base Salary and payment shall be made in full in the first available payroll after 60 days from the date your employment ends and PROVIDED THAT any payment made to you under this sub-clause (a) shall be reduced by an amount equal to any Base Salary paid to you by the Company between the date the Company provides you, or you provide the Company, with notice of termination and the date your employment ends.

b. payment of an amount equal to your annual AIP target award (as defined in your offer letter) prevailing at the time your employment ends payable in 12 equal monthly instalments commencing on the first available payroll after 60 days from the date your employment ends SAVE THAT in the event your employment is terminated without Cause within 2 years after a Change of Control you shall be entitled to a payment equal to 2 times your AIP target award and payment shall be made in full in the first available payroll after 60 days from the date your employment ends.

   For the avoidance of doubt payment of AIP under this sub-clause (b) is not in addition to any entitlement to AIP provided for in your offer letter.

c. payment of an amount equal to your annual AIP target award pro-rated for the year in which your employment ends and calculated in accordance with the following formula:

$$\frac{A \times B}{365}$$

Where A = the amount of AIP to which the Company considers you are entitled based on your performance during the AIP year; and

B = the number of calendar days from the date of commencement of the AIP year to the date your employment ends.

SAVE THAT in the event your employment is terminated without Cause within 2 years after a Change of Control the calculation of A shall be based on your target AIP award for the year in which your employment ends.

Payment of any amount due under this sub-clause (c) shall be made in the March of the year immediately following the year in which your employment ends.

For the avoidance of doubt payment of AIP under this sub-clause (c) is not in addition to any entitlement to AIP provided for in your offer letter.

d. continued medical cover. The Company will procure medical cover for you (and if you have purchased cover for your spouse and/or dependants, for your spouse and dependants) on terms and with benefits no less favourable than the terms and benefits provided by the Company's medical plan in force at the date your employment ends.

e. for the purpose of determining the achievement of any employment or service-based vesting conditions applicable to any outstanding stock options, restricted stock units or other long term incentive awards you shall be deemed to have accrued an additional 12 months service in addition to the continuous service you have accrued as at the date your employment ends SAVE THAT in the event your employment is terminated without Cause within 2 years after a Change of Control all employment or service-based vesting conditions shall be waived.

f. each stock option granted to you which is vested (or which is deemed to have vested pursuant to sub clause (e) above) to you on the date your employment ends will remain exercisable until the earlier of (i) the first anniversary of the date your employment ends (unless a later date is specified in any relevant option agreement signed by you); or (ii) the expiry date of any options vested to you which would have applied but for the termination of your employment pursuant to this Clause 19.

Any payments due to you under this Clause 19 are conditional upon you delivering to the Company within 30 days of the date your employment ends a general release in a form reasonably acceptable to the Company.

Further, except as may be required by applicable law you will not be entitled to severance pay of any type following the tennination of your employment for any other reason or pursuant to any severance policy of Willis or any Associated Body Corporate.

For the avoidance of doubt you also acknowledge and agree that the above payments include any amount which may be due to you in damages for any breach by the Company of any notice provision pertaining to your employment.

20. POST TERMINATION OBLIGATIONS:

You acknowledge that whilst performing your duties for the Company or for any Group Company you will have access to trade secrets and confidential information belonging to the Company or other Group Companies and you will obtain personal knowledge of, and influence over Clients, prospective Clients and employees. You therefore agree the following obligations are reasonable and necessary to protect the legitimate business interests of the Company and/or other Group Companies.

You shall not without the prior written consent of the Company for a period of 12 months after the termination of your employment, other than after the wrongful termination of your employment by the Company, whether on behalf of yourself or any other person, firm or company in competition with the Company or the Group, directly or indirectly:

i. solicit Business from; or

ii. seek to procure orders from; or

iii. transact or handle Business or otherwise deal with; or

iv. approach, canvass or entice away from the Company or the Group the Business of any Client (or additionally, in respect of sub paragraphs i) and ii), a Prospective Client) of the Group with whom in the course of your duties you or any person who reports directly to you have dealt at any time during the 12 months prior to the termination of your employment. The period of this restriction shall be reduced after the date your employment ends by a period equal in length to any period oflawful suspension from your duties or exclusion from any premises of the Company during any period of notice.

You shall not for a period of 6 months after the lawful termination of your employment directly or indirectly induce or seek to induce any employee of the Company or the Group with whom you have worked in the 12 months preceding the termination of your employment (excepting a clerical and secretarial employee) to leave his or her employment where the depmture of that employee (whether alone or in conjunction with the departure of other employees who are members of a team in which you performed duties) would do material harm to the Group and where the departure is intended for the benefit of you or your new employer or any other organisation carrying on a business in competition with the Company or the Group.

Whilst the above restrictions are regarded by you and the Company as fair and reasonable it is declared that each of the restrictions in this section is intended to be a separate and distinct restriction and the invalidity or unenforceability of any such restriction shall not affect the validity or enforceability of the remaining restrictions. If any restriction is held to be unreasonably wide but would be valid of part of the wording were deleted such restriction will apply with so much of the wording deleted as may be necessary to make it valid.

For further details of your obligations you are referred to the Global Policy Manual and the Associate Handbook.

21. COMPANY PROCEDURES:

The Associate Handbook and the Global Policy Manual contain details of various Company policies and procedures including, but not limited to, its Ethical Code, Corporate Data Policy, Equal Oppmtunities Policy, Perfonnance Improvement, Disciplinary, Appeals and Grievance procedures.

Other policies and procedures can be found within the Willis Excellence Model and on the Group Compliance intranet site including, but not limited to, the Group Compliance Manual.

These documents are available in electronic format on the Company’s intranet site. It is your responsibility to familiarise yourself and comply with these documents, rules and procedures and to note any amendments notified to you from time to time.

Failure to comply with the Company’s policies, rules and procedures may lead to disciplinary action in accordance with the Company’s disciplinary procedures.

22. REGULATORY REQUIREMENTS:

You are required to comply with all reasonable requests, instructions and regulations (whether statutory or otherwise) which apply to your employment from time to time including any relevant requirements of the FCA and/or any other relevant regulator. It is your responsibility to familiarise yourself with all such regulations and requirements as made available to you by the Company.

It is a condition of your employment that you demonstrate and maintain competence for the role you cany out, through the initial completion and passing of relevant modules of Insurance Essentials, and of any other training packages and tests introduced by the Company from time to time thereafter. If you fail to maintain and demonstrate competence for your role the Company may commence its Performance Improvement Procedure against you.

23. DATA PROTECTION

In order to meet its statutory requirements and to fulfill and maintain its employment relationship with you, the Company, as your employer, needs to collect, process and retain personal information about you, including information defined by the Data Protection Act 1998 (the ‘DPA’) as sensitive personal data.

By signing this Contract you expressly agree that the Company may collect, process and retain your personal information (including sensitive personal data) in accordance with its **Privacy Notice** (which is attached to this Agreement, or otherwise separately provided to you) and may transfer your personal information to its members of the Group and third party service providers that are located in various locations inside and outside the European Economic Area (EEA), including in the USA, India, and the Philippines, where the applicable data protection law may not be equivalent to the DPA.

You agree that to the extent your personal information is transfened to Willis Nmth America Inc. (‘WNA’), the Company’s

US-based affiliate, WNA may process your personal information in accordance with WNA's Safe Harbor Privacy Policy. A copy of the Company's Safe Harbor Policy may be found on the Company intranet site.

You also agree that, in order to protect the reputation and assets (including any confidential or proprietary information) of the Company, Clients, Prospective Clients, and other stakeholder, the Company may monitor your usage of the Company's Information Technology systems (including your usage of computers, handheld devices, telephony, emails, and Internet browsers) and that, depending on the role you perform, such monitoring may include the recording of telephone calls you make or receive.

24. AMENDMENTS

The Company reserves the right to make reasonable changes to any terms of your employment. Any such changes will be notified to you as they arise either to you or, if appropriate, by electronic means via the Company e-mail account and/or its intranet site.

25. COLLECTIVE AGREEMENTS

There are no collective agreements in force that will affect your employment with the Group.

26. GOVERNING LAW

This contract shall be governed by and construed in accordance with English law and you and the Company submit to the exclusive jurisdiction of the English Courts.

This Contract of Employment supersedes any existing or prior arrangements between you and the Company or Group Company.

SIGNED FOR AND ON BEHALF OF THE COMPANY	
Signed:	/s/ Susan Smith
PRINT NAME:	SUSAN SMITH
Date:	November 9, 2014
I HAVE READ, UNDERSTOOD AND AGREE TO BE BOUND BY THE TERMS OF THIS CONTRACT OF EMPLOYMENT:	
Signed:	/s/ Nicolas Aubert
PRINT NAME:	NICOLAS AUBERT
Date:	

Exhibit 10.7

EXECUTION COPY

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement (this "Amendment") is entered into as of June 29, 2015, by and between Willis Limited (the "Company"), a subsidiary of Willis Group Holdings Public Limited Company ("Willis"), and Nicolas Aubert ("Executive").

WHEREAS, the Company and Executive are parties to that certain Employment Agreement, dated November 13, 2014 (the "Employment Agreement");

WHEREAS, Willis intends to enter into a business combination transaction with Towers Watson & Co. (the "Proposed Merger") pursuant to the terms of an Agreement and Plan of Merger among Willis, Citadel Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Willis, and Towers Watson & Co., a Delaware corporation, dated as of June 29, 2015 (the "Merger Agreement"), as approved by the Board of Directors of Willis;

WHEREAS, the Company desires to provide Executive with retention incentives in connection with the Proposed Merger; and

WHEREAS, the Company and Executive desire to amend the terms of the Employment Agreement in accordance with this Amendment, effective upon, and subject to, the closing date of the Proposed Merger.

NOW, THEREFORE, in consideration of the continued employment of the Executive with the Company, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendment. Section 1 of the Employment Agreement is hereby amended to include the following after the last sentence of the "Change in Control" definition:

"In addition, and notwithstanding anything herein to the contrary, for purposes of this Contract of Employment, the consummation of the transactions contemplated under the Agreement and Plan of Merger, dated as of June 29, 2015, by and among Willis Group Holdings plc, an Irish public limited company ("Willis"), Citadel Merger Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Willis, and Towers Watson & Co., a Delaware corporation, shall constitute a Change in Control."

2. General.

(a) The effectiveness of this Amendment shall be conditioned upon the continued employment of the Executive until the closing date under the Merger Agreement.

(b) In the event that the Merger is not consummated or the Merger Agreement is terminated in accordance with its terms, this Amendment shall be null and void.

(c) Except as specifically provided in this Amendment, the Employment Agreement will remain in full force and effect and is hereby ratified and confirmed. To the extent a conflict arises between the terms of the Employment Agreement and this Amendment, the terms of this Amendment shall prevail.

(d) This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and shall have the same effect as if the signatures hereto and thereto were on the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

WILLIS Limited

By: /s/ S. Smith

Name: Susan Smith

Title: Human Resource Director, Willis Limited

NICOLAS AUBERT

/s/ Nicolas Aubert

Date: June 29, 2015

Exhibit 10.15

WILLIS TOWERS WATSON PUBLIC LIMITED COMPANY
COMPENSATION POLICY AND SHARE OWNERSHIP GUIDELINES FOR NON-EMPLOYEE DIRECTORS

(Adopted July 2013, amended April 2016)

The Board of Directors of Willis Towers Watson Public Limited Company, a company organized under the laws of Ireland, has deemed it advisable and in the best interests of the Company to formalize the current Non-Employee Director compensation package and share ownership guidelines through the adoption of this Compensation and Ownership Policy (the Policy).

1. **Definitions.**

    a. **"Non-Employee Director."** For purposes of this Policy, "Non-Employee Director" means a member of the Board who is not an employee of the Company or any of its subsidiaries or affiliates.

    b. **"Term of Service" or "Term" with Respect to Non-Employee Directors.** For purposes of this Policy, "term of service" or "term" with respect to a Non-Employee Director means the period of time from his or her annual election at the Annual General Meeting of Shareholders (AGM) until the next AGM.

    c. **"Term of Service" or "Term" with Respect to Chairman of the Board and Committee Chairs.** For purposes of this Policy, "term of service" or "term" with respect to the Chairman of the Board and/or a Committee Chair shall commence on his or her appointment by the Board to such position and end on the date of reappointment if the Non-Employee Director is reappointed.

2. **Term Cash Fees**

    a. **Non-Employee Director Fees**. For each term of service as a Non-Employee Director, a cash fee of $100,000 shall be paid to each Non-Employee Director.

    b. **Chairman/Committee Fees**. The additional fees set forth below shall be paid to a Non-Employee Director for each term of service that he or she serves in the following capacity:

        i. Chairman of the Board: $100,000;
        provided, however, that the Chairman may elect to receive such fee 100% in equity on the same terms and conditions as the equity granted under Section 3 below.

        ii. Chairman of the Board Audit & Risk Committee: $20,000

        iii. Chairman of the Board Compensation Committee: $20,000

        iv. Chairman of the Board Corporate Governance

        & Nominating Committee: $20,000

        v. Member of the Board Audit and Risk Committee: $15,000

        vi. Member of the Board Compensation Committee: $12,500

        vii. Member of the Board Corporate Governance

        & Nominating Committee: $8,000

    c. If the Chairman elects to receive his/her fee for the upcoming term set forth under Section 2(b)(i) 100% in equity, such election shall be made in writing and sent to the Company Secretary, substantially in the form attached as <u>Exhibit A</u>. The election must be made during an "open window" (as defined by the Company's Insider Trading Policy), when the Chairman does not possess any material non-public information, and by December 31st of the calendar year immediately preceding the calendar year during which any portion of the cash fees were scheduled to be paid. If no election is made by the Chairman, he or she will receive the $100,000 fee in cash.

    d. **Vesting; Accelerated Vesting**. Cash fees shall vest and be payable in four equal quarterly installments at the end of each calendar quarter; *provided*, *however*, if any Non-Employee Director is appointed, in accordance with applicable law and the Company's memorandum and articles of association and other corporate governance documents, to fill a vacancy after an AGM or if the Chairman of the Board, Chairman of a Committee or Member of the Board Audit and Risk Committee is appointed in the middle of a term, then, in the discretion of the Compensation Committee, such director may be entitled to a prorated portion of the cash fees based on the portion of a calendar quarter during which the Non-Employee Director served in the relevant position. Notwithstanding the foregoing, if a Non-Employee Director ceases to serve through one or more quarterly vesting dates due to death, disability, removal, resignation or retirement, the Compensation Committee shall have the discretion to accelerate the vesting of all or a portion of the cash fees as of the date of such cessation of service. Otherwise, the unvested cash fees in respect of the remainder of the relevant term shall be forfeited.

e. **Multiple Roles**. If a Non-Employee Director serves in more than one of the roles noted in Section 2(b), he or she shall be entitled to receive compensation for each role.

3. **Annual Equity Grant.**

a. **Non-Employee Directors**. Each Non-Employee Director who is elected at the Company's AGM shall, in addition to the cash fees referred to in Section 2, be granted a time-based equity award covering a number of ordinary shares having an approximate aggregate value of $130,000, *provided*, *however*, that if any Non-Employee Director is appointed, in accordance with applicable law and the Company's memorandum and articles of association and other corporate governance documents, to fill a vacancy after an AGM, then in the discretion of the Compensation Committee, such director shall be entitled to receive a prorated equity award on such terms and conditions, including a grant date, approved by the Compensation Committee. The equity award shall be calculated based on the closing price of the Company's ordinary shares on the date of the grant as reported on NASDAQ and rounded down to the nearest whole ordinary share. The terms of the equity grant shall be as set forth in this Section 3.

b. **Chairman of the Board**. In addition to the equity award set forth in Section 3(a), in consideration for the services performed in his capacity as the Chairman of the Board, the Chairman shall be granted, at the same time and on the same terms and conditions as the equity granted under Section 3(a) above, an equity award covering a number of ordinary shares having an approximate aggregate value of $100,000, *provided*, *however*, that if any Chairman is appointed in the middle of the term, then, in the discretion of the Compensation Committee, such director may be entitled to receive a prorated equity award on such terms and conditions, including a grant date, approved by the Compensation Committee.

c. **Form of Equity Award**. The equity award shall be made in the form of restricted share units (RSUs), *provided*, *however*, that it may be made in the form of time-based options upon notification by management to the Compensation Committee of the lack of RSU availability under the 2012 Plan (defined below).

d. **Grant Date**. The equity granted pursuant to Sections 3(a) and 3(b) shall be granted on March 3rd, May 13th, August 13th, November 13th, or December 1st (or if the applicable grant date is not a trading day, the next trading day) on the date most closely following the AGM.

e. **Vesting; Accelerated Vesting**. The equity granted under this Section 3 shall vest 100% in full on the one-year anniversary date of the grant date, *provided*, *however*, that equity granted by the Compensation Committee to a Non-Employee Director appointed to the Company after an AGM or to a Chairman appointed in the middle of the term, may vest at such time as determined by the Compensation Committee as long as that Non-Employee Director or Chairman of the Board continues to serve in such capacity through the vesting date. Notwithstanding the foregoing, if a Non-Employee Director ceases to serve through the vesting date due to death, disability, removal, resignation or retirement, the Compensation Committee shall have the discretion to accelerate the vesting of the equity as of the date of such Non-Employee Director's cessation of service. Otherwise, such equity shall be forfeited.

f. **Change in Control**. The Compensation Committee shall have the discretion to accelerate the vesting of the equity granted under this Section 3 or take other steps specified in the 2012 Plan in the event of a change of control (as defined in the 2012 Plan).

g. **Dividend Equivalents**. There will be no dividend equivalents on the RSUs granted under Section 3.

h. **The Plan**. The equity granted under this Policy shall be made in accordance with the Willis Towers Watson Public Limited Company 2012 Equity Incentive Plan or any successor plan thereto (the 2012 Plan). All applicable terms of the 2012 Plan apply to this Policy as if fully set forth herein except to the extent such other provisions are inconsistent with this Policy, and all grants of equity hereby are subject in all respect to the terms of the 2012 Plan.

i. **Nominal Value**. The ordinary shares to be issued upon vesting of the equity granted under this Section 3 must be fully paid up in accordance with the requirements of applicable law and the Company's memorandum and articles of association and other corporate governance documents by payment of the nominal value per ordinary share. The Compensation Committee shall ensure that payment of the nominal value for any such ordinary shares is received by the Company on behalf of the Non-Employee Director in accordance with the foregoing requirements.

j. **Written Grant Agreement**. The award of equity under this Policy shall be made solely by and subject to the terms set forth in a written agreement in a form duly executed by an executive officer of the Company, provided, however, that to the extent that the terms of this Policy are inconsistent with any such written agreement, the terms of this Policy shall prevail.

4. **Share Ownership Guidelines**

a. Non-Employee Directors are required to accumulate shares at least equal to five times the annual cash retainer (i.e., $500,000), valued as of the last business day of the Company's fiscal year. Each Non-Employee Director has eight years from the date of appointment to the legacy Willis Group Holdings Public Limited Company Board, the legacy Towers Watson & Co. Board or the Willis Towers Watson Public Limited Company Board, as applicable, to achieve compliance with such share ownership requirements. Until the ownership level is reached, Non-Employee Directors should not sell shares in excess of the amount needed to pay applicable taxes associated with the equity granted. Once a Non-Employee Director accumulates sufficient shares to meet the $500,000 requirement, he/she is not required to retain shares above the threshold. If as a result of a share price decline subsequent to a Non-Employee Director meeting the ownership requirements the Non-Employee Director does not satisfy the requirements as of the Company's fiscal year-end, he/she is not required to "buy up" to a new number of shares needed to meet the ownership requirements. However, he/she is required to retain the number of shares that originally were acquired to reach the share ownership threshold until such time as he/she is once again above the threshold.

b. In case of financial hardship, the ownership requirements may be waived until the hardship no longer applies or such appropriate time as the Compensation Committee shall determine.

c. Ordinary shares, deferred shares, share equivalents, restricted share units and restricted shares all count toward satisfying the requirements. Stock options do not count toward satisfying the requirements.

d. Directors are required to hold the number of shares needed to meet the ownership requirements until six months after directors leave Board service (other than to satisfy tax obligations on the vesting/distribution of existing equity awards). In the event a director has not acquired this threshold of Shares, he or she shall be prohibited from transferring any shares (other than to satisfy any tax obligations on the vesting/distribution of existing equity awards).

e. Directors are permitted to sell or otherwise transfer any shares in excess of the ownership requirement subject to compliance with the Company's Insider Trading Policy.

5. **Policy Subject to Amendment, Modification and Termination**. This Policy may be amended, modified or terminated by the Compensation Committee in the future at its sole discretion subject to compliance with applicable law and the Company's memorandum and articles of association and other corporate governance documents, *provided, however*, that any amendment or modification to Sections 2(a), 2(b), 3(a), 3(b) and 4 shall require full Board approval. No Non-Employee Director shall have any rights under any equity granted under this Policy unless and until the equity is actually granted. Without limiting the generality of the foregoing, the Compensation Committee and the Board hereby expressly reserve the authority to terminate this Policy during any year.

6. **Effectiveness.** This Policy shall become effective upon adoption by the Board.

Exhibit A

WILLIS TOWERS WATSON PUBLIC LIMITED COMPANY

CHAIRMAN OF THE BOARD

FEE ELECTION

Willis Towers Watson Public Limited Company

200 Liberty Street

New York, New York 10281

Attention: Ms. Nicole Napolitano

Company Secretary and Associate General Counsel

Dear Ms. Napolitano:

Please be advised that I hereby elect to receive my annual cash fees payable under Section 2(b) of the Willis Towers Watson Public Limited Company Compensation Policy and Share Ownership Guidelines for Non-Employee Directors (the "**Policy**") for service as Chairman of the Board for the upcoming term, 100% in equity. I understand that my election is irrevocable and is subject to the provisions of the Policy.

Sincerely,

____

Name of Chairman of the Board

cc: General Counsel

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14 AND 15d-14
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John J. Haley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Towers Watson & Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and to the audit committee of the registrant's board of directors (or persons performing the equivalent function):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ John J. Haley

John J. Haley
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14 AND 15d-14 AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Roger F. Millay, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Towers Watson & Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and to the audit committee of the registrant's board of directors (or persons performing the equivalent function):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/s/ Roger F. Millay

Roger F. Millay
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Each of the undersigned hereby certifies, in his capacity as an officer of Towers Watson & Co. (the “Company”), for purposes of 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

- The Quarterly Report of the Company on Form 10-Q for the period ended March 31, 2016, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- The information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2016

/s/ John J. Haley

John J. Haley
Chief Executive Officer

/s/ Roger F. Millay

Roger F. Millay
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Towers Watson & Co. and will be retained by Towers Watson & Co. and furnished to the Securities and Exchange Commission or its staff upon request.