

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
 IN RE MARSH & MCLENNAN COMPANIES, INC. :
 SECURITIES LITIGATION :
 -----X
 -----X
 THIS DOCUMENT RELATES TO :
 ALL ACTIONS :
 -----X

CIVIL ACTION
 No. 04-CV-08144 (CM)

Dear Investor:

You have been listed as a person or entity that purchased or otherwise acquired the securities of Marsh & McLennan Companies, Inc. ("MMC"). The following is a notice about the settlement of a class action lawsuit called *In re Marsh & McLennan Companies, Inc. Securities Litigation* (the "Settlement"). You may be eligible to claim a payment from the Settlement or you may want to act on other legal rights. Important facts are highlighted below and explained in the accompanying notice.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- The Settlement will provide a \$400,000,000.00 settlement fund for the benefit of certain persons or entities that purchased or otherwise acquired MMC securities between October 14, 1999 and October 13, 2004 (inclusive) (the "Class Period").
- The Settlement resolves a lawsuit (the "Action") concerning whether MMC, its subsidiary, Marsh Inc. ("Marsh"), Jeffrey Greenberg (former Chief Executive Officer of MMC) and Roger Egan (former President of Marsh) (collectively, the "Defendants") misled investors by knowingly or recklessly misrepresenting and omitting material facts concerning certain alleged business practices at Marsh.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
SUBMIT A CLAIM FORM BY FEBRUARY 22, 2010	The only way to get a payment.
EXCLUDE YOURSELF BY DECEMBER 14, 2009	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against MMC and the other Released Parties about the Settled Claims.
OBJECT BY DECEMBER 14, 2009	Write to the Court about why you do not like the Settlement.
GO TO A HEARING ON DECEMBER 23, 2009	Ask to speak in Court about the Settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options - **and the deadlines to exercise them** - are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after appeals are resolved. Please be patient.

SUMMARY OF NOTICE

STATEMENT OF RECOVERY

Pursuant to the Settlement described herein, a settlement fund (the "Settlement Fund") consisting of \$400,000,000.00 in cash, plus interest, will be established. Based on the estimated number of damaged shares, as determined by Lead Plaintiffs' damages consultant, and assuming all owners of the affected shares elect to participate, the average recovery is \$0.93 per share of MMC common stock, before deduction of Court-awarded attorneys' fees and expenses. Class Members may recover more or less than this amount and may even recover nothing depending on, among other factors, when their shares were purchased or sold, the number of Class Members that timely file claims, and the allocation of the Settlement Fund (the "Plan of Allocation"), as more fully described in Exhibit 1 to this notice. In addition, the aggregate per share calculation may be further reduced by amounts that, under the Plan of Allocation, may be claimed by purchasers of certain securities other than MMC common stock. The actual recovery of Class Members will be further reduced by the payment of fees and costs from the Settlement Fund. See the Plan of Allocation attached as Exhibit 1 for more information on your Recognized Claim.

STATEMENT OF POTENTIAL OUTCOME OF CASE

The parties disagree on both liability and damages issues. The issues on which the parties disagree include (a) whether the prices of MMC securities were allegedly artificially inflated during the Class Period; (b) if MMC securities' prices were artificially inflated during the Class Period, the amount of such artificial inflation; (c) the extent to which the various matters that Lead Plaintiffs allege were materially false or misleading influenced (if at all) the trading price of MMC securities at various times during the Class Period; (d) whether the statements allegedly made or facts allegedly omitted in violation of law were false, material or otherwise actionable under the federal securities laws; and (e) whether the Defendants made the alleged misrepresentations or omissions knowing that they were false or misleading or in reckless disregard of whether they were false or misleading. The Defendants deny that they are liable to Lead Plaintiffs or the Class and deny that Lead Plaintiffs or the Class have suffered any damages.

STATEMENT OF ATTORNEYS' FEES AND COSTS SOUGHT

Lead Counsel intend to ask the Court to award them attorneys' fees of up to 13.5% of the Settlement Fund, along with reimbursement of out-of-pocket expenses, including expert witness fees, in an amount not to exceed \$13,000,000.00. Lead Counsel also intend to ask the Court to award reimbursement of costs and expenses to Lead Plaintiffs, who expended a great deal of time and effort investigating and prosecuting this litigation and representing the Class, in an amount not to exceed \$320,000.00. If the Court awards 13.5% of the Settlement Fund as attorneys' fees, together with reimbursement of out-of-pocket expenses, the damaged share recovery will be affected by an estimated amount of \$0.16 per share. Lead Counsel have extensively and intensively prosecuted this litigation on a contingent fee basis. Lead Counsel have advanced the extremely large expenses of this litigation with the expectation that these expenses would be reimbursed if Lead Counsel succeeded in obtaining a recovery for the Class. In this type of litigation, it is reasonable, customary and appropriate for plaintiffs' counsel to be awarded a percentage of the Settlement Fund as their attorneys' fees.

FURTHER INFORMATION

Further information regarding this Settlement may be obtained by contacting Lead Counsel, Grant & Eisenhofer P.A., 485 Lexington Avenue, 29th Floor, New York, NY 10017, Telephone: (646) 722-8500, Facsimile: (646) 722-8501; or Bernstein Liebhard LLP, 10 East 40th Street, New York, NY 10016, Telephone: (212) 779-1414, Facsimile: (212) 779-3218.

REASONS FOR THE SETTLEMENT

For the Lead Plaintiffs, the principal reason for the Settlement is the benefit to be provided to the Class now. Lead Counsel considered that substantial risks of continuing litigation existed, including that Lead Plaintiffs and the Class might not have prevailed on some or even all their claims and that the decline in the price of MMC securities could be attributed, in whole or in part, to other factors that would not serve as a basis for the Defendants' liability. Therefore, Lead Plaintiffs and the Class could have recovered nothing or substantially less than the amount of the Settlement. Lead Counsel believe this Settlement is in the best interests of the Class considering the risks posed by further litigation. For the Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for the Settlement is to eliminate the expense, risks, and uncertain outcome of litigation. See Question 4 below for further explanation.

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BASIC INFORMATION

1. Why did I receive this notice package?

The Court authorized this notice to be sent to you because you or an individual or entity related to you may have purchased or otherwise acquired MMC securities between October 14, 1999 and October 13, 2004, inclusive, (the "Class Period"). The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *In re Marsh & McLennan Companies, Inc. Securities Litigation*, Civil Action No. 04-CV-08144 (the "Action"). The entities that brought suit are called Lead Plaintiffs. Lead Plaintiffs are the Public Employees Retirement System of Ohio, the State Teachers Retirement System of Ohio, the Ohio Bureau of Workers' Compensation and the State of New Jersey, Department of Treasury, Division of Investment, on behalf of itself and the Common Pension Fund A, the DCP Equity Fund, and the Supplemental Annuity Collective Trust Fund. The companies and individuals they sued – MMC, Marsh, Jeffrey Greenberg ("Greenberg") and Roger Egan ("Egan") – are called the Defendants.

The Court authorized this notice to be sent to you because you have a right to know about the proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and resolves any objections that may be filed in opposition to the Settlement, as explained below, and if any appeals are resolved, then an administrator appointed by the Court will distribute the payments that the Settlement permits. You may track the progress of the Settlement by visiting www.MMCSecuritiesLitigation.com. **This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to obtain them.**

2. What is this lawsuit about?

The lawsuit claims that Defendants made false and misleading statements in MMC's public filings and in other public communications. Specifically, Lead Plaintiffs' claims arise out of the practice in the insurance brokerage industry of brokers charging and collecting so-called "contingent commissions" from insurers. Lead Plaintiffs allege that the existence of a certain type of contingent commissions created incentives for Marsh to engage in various improper practices to maximize Marsh's contingent commission revenue. Lead Plaintiffs claim that the Defendants violated federal securities laws by misrepresenting the nature of Marsh's contingent commission revenue and by failing to disclose the allegedly improper practices by Marsh that increased that revenue. Lead Plaintiffs allege that upon the disclosure of information correcting Defendants' prior misrepresentations and omissions, the price of MMC stock dropped, causing damages to Lead Plaintiffs and the other Members of the Class.

This Action began on or about October 15, 2004, when the first of several class action complaints was filed in the Southern District of New York against MMC, Marsh and others. Additional complaints were filed thereafter and assigned to the Honorable Shirley Wohl Kram for consolidated pretrial proceedings. By Order dated January 26, 2005, Judge Kram appointed Lead Plaintiffs as Lead Plaintiffs and Grant & Eisenhofer, P.A. and Bernstein Liebhard LLP as Lead Counsel for Lead Plaintiffs and the Class.

Lead Plaintiffs filed their Consolidated Class Action Complaint on or about April 19, 2005, alleging violation of federal and state law. All Defendants moved to dismiss all claims asserted against them. By decision dated July 19, 2006, the Court granted the dismissal motion in part and denied it in part. This ruling substantially narrowed the claims and allegations asserted against the Defendants and dismissed all of the state law claims. The Court gave Lead Plaintiffs leave to file a Second Amended Consolidated Class Action Complaint (the "Amended Complaint"). Lead Plaintiffs did so on October 13, 2006. The Amended Complaint did not attempt to cure any of the allegations and claims dismissed by the Court on July 19, 2006. Thus, the Amended Complaint asserts only the claims and allegations that the Court did not dismiss on July 19, 2006. The Defendants filed answers to the Amended Complaint on December 12, 2006. On September 10, 2009, as a result of Judge Kram's death, the Action was transferred to the Honorable Colleen McMahon, United States District Judge for the Southern District of New York.

Lead Plaintiffs moved for certification of a class. Defendants opposed the motion. The motion had not been decided prior to the parties' agreement in principle to the Settlement. Subsequently, at the request of Lead Plaintiffs and Defendants, on November 10, 2009, the Court certified the Class for settlement purposes only.

The parties conducted intensive, extensive and vigorously contested fact discovery. Lead Plaintiffs constructed, maintained and paid for an expensive computerized document database and reviewed over 36 million pages of documents produced by Defendants and numerous third parties. Lead Counsel conducted over 90 depositions of current and former MMC and Marsh directors, officers and employees, Greenberg, Egan and numerous third parties. All these depositions required extensive document review and preparation. Lead Counsel also defended 20 depositions that the Defendants' lawyers took. These depositions, too, required extensive preparation. Lead Counsel were also involved in 12 depositions taken in related litigation, which was coordinated with the Action for discovery purposes. The parties also engaged in far-reaching interrogatory and other written discovery.

Given the intensity of discovery and number of disputed discovery issues, the Court appointed a Special Master to hear and rule on disputed discovery issues. The Lead Plaintiffs brought 20 such motions to the Special Master. The Defendants brought 5. The Special Master issued 20 opinions on these hotly disputed discovery issues. These disputes, which included hearings before the Special Master, involved, for example, disclosures concerning confidential witnesses, whether certain documents were relevant and should be produced, whether certain documents were privileged and should not have to be produced, and whether certain written discovery responses were adequate to meet the requirements of the Federal Rules of Civil Procedure.

In addition, the parties conducted thorough expert witness work. Lead Plaintiffs and the Defendants each retained an expert to address the Lead Plaintiffs' Motion for Class Certification. Each side filed initial detailed expert witness submissions and expert witness rebuttal submissions for the class certification motion. As discovery continued, the Lead Plaintiffs retained five experts, addressing liability, damages and causation issues. The Defendants retained two experts. The parties exchanged lengthy, detailed initial reports from all of the experts, with rebuttal reports from four experts. By the time the parties had agreed in principle to settle, the Lead Plaintiffs and the Defendants had each already deposed one of the other side's expert witnesses. Each side was already preparing its other expert witnesses for depositions, which were set to continue the same week the parties reached their agreement to settle the case.

The parties have sharply disputed both the merits of the case – the "liability" issues – and the damages issues. Defendants have denied and continue to deny each claim and contention alleged against them. Defendants have asserted at all times that they made no material misrepresentations or omissions, and that, even if they did, they did so without the state of mind required to impose liability under the federal securities laws. Further, Defendants assert that if they were found liable, the amount of the damages suffered by Lead Plaintiffs and the Class Members, if any, is extremely limited.

Lead Plaintiffs recognize that the Defendants sharply dispute Lead Plaintiffs' claims both on the merits of the case and the amount of damages Lead Plaintiffs claim. Lead Plaintiffs realize that further litigation might lead to a decision that the Defendants did not violate the securities laws at all, did not cause damages, or that the damages were much less than those asserted by Lead Plaintiffs.

3. Why is this a class action?

In a class action, one or more individuals or entities called class representatives (in this case the Lead Plaintiffs) sue on behalf of persons or entities that have similar claims. All these individuals and/or entities are referred to collectively as a class, and are referred to individually as class members. Bringing a case, such as this one, as a class action allows adjudication of many similar claims of persons and entities that might be economically too small to bring in individual actions. One court resolves the issues for all class members, except for those who exclude themselves from the class.

4. Why is there a settlement?

The Court did not decide in favor of Lead Plaintiffs and the Class or Defendants. Instead, Lead Plaintiffs and Defendants have agreed to settle the lawsuit. The parties retained the Honorable Daniel Weinstein (retired), as a mediator. The Settlement was the product of extensive arms-length negotiations, with the assistance of this respected mediator.

Lead Plaintiffs have agreed to settle the lawsuit based on the risks involved in further litigation, and their conclusion that the proposed Settlement is fair, reasonable and adequate, and serves the best interests of the Class Members. Lead Counsel have determined that by settling, the cost and substantial risks of further litigation will be avoided, while at the same time providing substantial compensation to the Class. Lead Plaintiffs and Lead Counsel believe that the Settlement is best for all Class Members.

As described above, Lead Plaintiffs and Defendants do not agree regarding the merits of Lead Plaintiffs' allegations about liability or the average amount of damages per share, if any, that would be recoverable if Lead Plaintiffs were to prevail on each claim asserted. The issues on which the parties disagree include, without limitation: (1) whether Defendants made any false and misleading statements in the first place; (2) whether the statements made were materially false when made, or otherwise violated the federal securities laws; (3) whether Defendants made any false and misleading statements with the requisite intent; (4) the appropriate economic method and model for determining the amount by which the prices of MMC securities were allegedly artificially inflated (if at all) during the Class Period; (5) the extent to which the various matters that Lead Plaintiffs allege were materially false or misleading (if at all) influenced and artificially inflated (if at all) the trading price of MMC securities at various times during the Class Period; (6) the extent to which external factors, such as general market conditions, influenced the trading price of MMC securities at various times during the Class Period; (7) whether, and to what extent, factors other than the misrepresentations that Lead Plaintiffs allege in the Amended Complaint caused MMC's stock price to drop on October 14 and 15, 2004; and (8) whether the individual Defendants are control persons of MMC or Marsh and whether MMC and Marsh are control persons of the individual Defendants.

Lead Counsel were fully prepared to go forward, and were confident in the merits of this case. But, Lead Counsel recognize that litigation is always risky and that Lead Plaintiffs and the Class may not have prevailed on all of their claims. In addition, Lead Counsel believe that this Settlement provides a substantial recovery to the Class Members, and believe that they may not have obtained a greater recovery if the case had proceeded.

Defendants continue to deny liability, and deny that Lead Plaintiffs and the Class Members were damaged. Had the case proceeded, Lead Plaintiffs could have recovered nothing or substantially less than the amount of the Settlement. Further, even assuming that Lead Plaintiffs could have won, any decision would inevitably be the subject of appeal, and the recovery to Class Members would have remained uncertain and been further delayed.

WHO IS IN THE SETTLEMENT?

5. How do I know if I am part of the Settlement?

Judge McMahon has decided that any individual or entity that fits the following description is a "Class Member" or "Member of the Class" (and collectively, the "Class"): All individuals or entities that purchased or otherwise acquired MMC securities between October 14, 1999

and October 13, 2004, inclusive, (the "Class Period") and that claim to have suffered losses as a result of such purchase or acquisition, except not included in the Class are: (1) MMC and Marsh and the officers, directors, employees, affiliates, parents, subsidiaries, representatives, predecessors and assigns of each of them; (2) Greenberg and Egan and the immediate families, employees, affiliates, representatives, heirs, predecessors, successors and assigns of each of them and any entity in which either of them has a controlling interest; and (3) those persons and entities that would otherwise be Members of the Class but that submit valid and timely requests for exclusion in accordance with this notice. See Question 6 for more information.

6. Are there exceptions to being included?

Yes. See the answer to Question 5 above.

In addition, to be a Class Member, you must have purchased or otherwise acquired MMC securities during the Class Period. If you did not hold any position in MMC securities at the close of business on October 13, 2004, you were not "damaged" under the federal securities laws and cannot recover any money in this Action.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included in the Class, you may ask for free help by calling, toll-free, (866) 494-8404 for more information. Alternatively, you may fill out and return the claim form attached to this notice, described in Question 9, to see if you qualify.

THE SETTLEMENT BENEFITS - WHAT YOU GET

8. What does the Settlement provide?

The proposed Settlement calls for MMC to create a Settlement Fund in the amount of \$400,000,000.00. Lead Plaintiffs estimate that the average recovery per damaged share of MMC common stock is \$0.93 per share before the accrual of interest, the payment of taxes on accrued interest, and the deduction of Court-awarded attorneys' fees and out-of-pocket expenses, costs of notice and claims administration, and reimbursement of costs and expenses for Lead Plaintiffs' representation of the Class. If you are a Class Member, you may receive more or less than this average amount depending on: 1) the number of valid claims submitted; 2) the price paid for the securities; 3) whether you sold your securities; 4) the date of, and amount you received upon sale; and 5) limitations described in the Plan of Allocation. For purposes of the Settlement, your distribution from the "Net Settlement Fund" (the Settlement Fund less taxes owed, costs of notice and claims administration, attorneys' fees and out-of-pocket expenses as awarded by the Court, and reimbursement of costs and expenses for Lead Plaintiffs' representation of the Class as awarded by the Court) will be governed by the proposed Plan of Allocation described in this notice, or such other Plan of Allocation as may be approved by the Court.

The full settlement terms are contained in a Stipulation of Settlement (the "Stipulation") dated November 10, 2009. You can obtain a copy of the Stipulation by writing to Lead Counsel: Grant & Eisenhofer P.A., 485 Lexington Ave., 29th Floor, New York, NY 10017, Telephone: (646) 722-8500, Facsimile: (646) 722-8501 or Bernstein Liebhard LLP, 10 East 40th Street, New York, NY 10016, Telephone: (212) 779-1414, Facsimile: (212) 779-3218, or by visiting www.MMCSecuritiesLitigation.com.

HOW YOU GET A PAYMENT - SUBMITTING A CLAIM FORM

9. How can I obtain a payment?

To qualify for payment, you must submit a claim form ("Proof of Claim") to the Claims Administrator. A claim form is attached to this notice. You may also obtain a claim form on the Internet at www.MMCSecuritiesLitigation.com. Read the instructions carefully, fill out the form, include all the required documents, sign it, and mail it to the address provided, postmarked no later than February 22, 2010, to the Claims Administrator as follows:

MMC Securities Litigation
c/o Rust Consulting, Inc.
P.O. Box 2262
Faribault, MN 55021-2382

The Claims Administrator will process your claim and advise you if you are an "Authorized Claimant" - meaning that your claim satisfies the requirements approved by the Court.

10. When could I receive my payment?

The Court will hold a hearing on December 23, 2009 to decide whether to approve the Settlement. Even if Judge McMahon approves the Settlement, it may take more than a year before the Settlement Fund is distributed to Class Members. There may be appeals from certain individuals or entities that object to the Settlement, or one or more of the Settlement's terms, that delay the implementation of the Settlement; resolving the appeals (that might be filed by objectors to the Settlement, as described in paragraph 17 below) can take time, even more than a year. Another reason that it may take more than a year for the Settlement Fund to be distributed is that once the Settlement has been approved, and any appeals are resolved, the Claims Administrator must process all of the Proof of Claim forms. The processing by itself is a very complicated process and will take many months.

Please be patient. You may track the progress of the settlement by visiting www.MMCSecuritiesLitigation.com.

11. What am I giving up to receive a payment or stay in the Class?

Unless you exclude yourself by following the procedures outlined below, you will remain in the Class. That means that, upon the effective date of the Settlement (the "Effective Date"), pursuant to the judgment to be entered by the Court (the "Judgment"), you will release all Settled Claims against all Released Parties (as defined below). It also means that all of the Court's orders will apply to you and legally bind you.

"Released Parties" means Defendants named in the Action, and each of them, and each of their respective predecessors, successors, parents, subsidiaries and affiliates, and the past, present or future officers, directors, employees, agents, insurers, attorneys, partners, accountants, consultants or advisors of any of them, and the heirs, executors, administrators, representatives or assigns of any of them.

"Releasing Parties" means the Members of the Class, and each of them, including Lead Plaintiffs, and the heirs, executors, administrators, predecessors, successors, parents, subsidiaries, affiliates, representatives and assigns of any of them.

"Settled Claims" means all claims, debts, demands, rights or causes of action or liabilities whatsoever by the Releasing Parties against the Released Parties (including, but not limited to, any claims for damages, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses or liability whatsoever, or injunctive, equitable or other relief), whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or unliquidated, at law or in equity, matured or un-matured, whether class or individual in nature, including both known claims and Unknown Claims (as defined below) that relate to transactions in MMC securities during the Class Period and: (i) that have been asserted in this Action by Lead Plaintiffs or the Class Members against any of the Released Parties, (ii) that have been or could have been asserted in any forum by any of the Releasing Parties against any of the Released Parties which arise out of, relate in any way to, or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Amended Complaint, or (iii) that have been or could have been asserted in this Action or any forum by any of the Releasing Parties against any of the Released Parties, which arise out of or relate in any way to the defense or settlement of this Action.

"Unknown Claims" means any and all Settled Claims which any Releasing Party does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled Claims, the parties stipulate and agree that upon the Effective Date, the Lead Plaintiffs and the Defendants shall expressly waive, and each Releasing Party shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to receive a payment from this Settlement, and you want to keep the right to sue or continue to sue Defendants on your own about the legal issues in this case, then you must take steps to get out of the Settlement. This is called excluding yourself or is sometimes referred to as opting out of the Class.

12. How do I get out of the Settlement?

To exclude yourself from the Settlement, you must send a signed letter saying that you want to be excluded from the Settlement in *In re Marsh & McLennan Companies, Inc. Securities Litigation*, Civil Action No. 04-CV-08144. Be sure to include your name, address, telephone number, the number of shares you purchased or sold during the Class Period, the dates you purchased or sold the shares, the price you paid for the shares, and your signature. Your exclusion request must be received by no later than 5:00 p.m. Eastern Time on **December 14, 2009** and can be sent to the Claims Administrator by any of the following methods: (1) email to the following email address: info@MMCSecuritiesLitigation.com; (2) overnight mail to MMC Securities Litigation, c/o Rust Consulting, Inc., 201 S. Lyndale Avenue, Faribault, MN 55021; (3) fax to (561) 651-7788; or (4) by hand delivery to MMC Securities Litigation, c/o Rust Consulting, Inc., 201 S. Lyndale Avenue, Faribault, MN 55021.

You cannot exclude yourself by phone.

If you ask to be excluded, you: will not receive a settlement payment; cannot object to the Settlement; will not be legally bound by anything that happens in this lawsuit; and may be able to sue (or continue to sue) Defendants in the future.

13. If I don't exclude myself, can I sue the Defendants for the claims being released in this Settlement?

No. Unless you exclude yourself, you give up any right to sue the Defendants or the Released Parties for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from the Class to bring or to continue your own lawsuit. Remember, the exclusion deadline is **December 14, 2009**.

14. If I exclude myself, can I obtain money from this Settlement?

No. If you exclude yourself, do not send in a claim form to ask for any money. But, if you exclude yourself, you may be able to sue, continue to sue, or be part of a different lawsuit against Defendants.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court appointed the law firms of Grant & Eisenhofer P.A. and Bernstein Liebhard LLP to represent you and other Class Members. These law firms are called Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

Lead Counsel have expended enormous amounts of time and effort litigating this case on a contingent fee basis, and have also advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class, they would be paid from such recovery. In this type of litigation, it is reasonable, customary and appropriate for counsel to be awarded a percentage of a settlement fund as their attorneys' fees and reimbursement of their out-of-pocket expenses. Therefore, Lead Counsel will file a motion asking the Court at the Settlement Fairness Hearing (see Question 19, below) to make an award of attorneys' fees in an amount up to thirteen and one-half percent (13.5%) of the Settlement Fund and reimbursement of litigation expenses, including expert witness fees, not to exceed \$13,000,000.00. The Court may award less than these amounts. These amounts will come out of the Settlement Fund. Defendants take no position regarding these fees and expenses. A Court award of 13.5% of the Settlement Fund as attorneys' fees plus reimbursement of out-of-pocket expenses in an amount not to exceed \$13,000,000.00, will affect the per damaged share recovery by an estimated amount of \$0.16 per share. Lead Counsel will also move the Court to award a payment of up to \$320,000.00 to the Lead Plaintiffs for the reasonable costs and expenses (including lost wages) directly relating to their representation of the Class. Defendants also take no position regarding this costs and expenses request. The Court may award less than these amounts. Any amounts the Court awards will be paid out of the Settlement Fund.

Lead Counsel, without further notice to the Class, will subsequently apply to the Court for payment of the Claims Administrator's fees and expenses incurred in connection with giving notice, administering the Settlement and distributing the settlement proceeds to the Members of the Class.

OBJECTING TO THE SETTLEMENT

17. How do I make any objections I may have to the Settlement?

If you are a Class Member, you may object to the Settlement, any part of the Settlement, or the request for attorneys' fees and reimbursement of expenses. You may state why you think the Court should not approve any part of the Settlement. The Court will consider your views if you file a proper objection within the deadline identified, and according to the following procedures. To object, you must send a written objection stating that you object to the Settlement in *In re Marsh & McLennan Companies, Inc. Securities Litigation*, Civil Action No. 04-CV-08144. Be sure to include your name, address, telephone number, your signature, proof of the number of MMC securities that you purchased and sold during the Class Period, and the reasons why you object to the Settlement or any part of the Settlement. Be sure to deliver the objection to each of the places stated below. Your written objection must be received by Lead Counsel and Defendants' Counsel by 5:00 p.m. Eastern Time on December 14, 2009:

COURT

Clerk of Court
United States District Court
Southern District of New York
500 Pearl Street
New York, New York 10007-1312

LEAD COUNSEL

Stanley D. Bernstein, Esq.
Bernstein Liebhard LLP
10 East 40th Street, 22nd Floor
New York, New York 10016
Fax: (212) 779-3218
bernstein@bernlieb.com

Keith M. Fleischman, Esq.
Grant & Eisenhofer P.A.
485 Lexington Ave., 29th Floor
New York, New York 10017
Fax: (646) 722-8501
kfleischman@gelaw.com

DEFENDANTS' COUNSEL

Wesley G. Howell, Esq.
Gibson, Dunn & Crutcher LLP
200 Park Ave., 47th Floor
New York, New York 10166
Fax: (212) 351-4035
whowell@gibsondunn.com

18. What is the difference between objecting to the Settlement and requesting exclusion from the Settlement?

Objecting is simply telling the Court that you don't like something about the Settlement. You may object only if you stay in the Class. By excluding yourself from the Class, you are stating that you don't want to participate in the Settlement or the Action. If you exclude yourself from the Class, you have no basis to object because the case no longer affects you.

THE COURT'S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend, and you may ask to speak, but you do not have to.

19. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing at 11:00 a.m. on December 23, 2009, at the United States District Court for the Southern District of New York, Courtroom 14C, United States Courthouse, 500 Pearl Street, New York, New York 10007 (the "Settlement Fairness Hearing"). At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge McMahon will listen to Class Members (or their counsel) that have submitted written objections and written indication(s) of their intention to appear and speak at the hearing, as long as the written objections have been received by December 14, 2009 and delivered to the different places listed in the chart following Question 17, above. The Court may also decide how much to award Lead Counsel for attorneys' fees and expenses and how much to award the Lead Plaintiffs for reimbursement of their costs and expenses for representation of the Class. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Settlement Fairness Hearing. Thus, if you want to come to the hearing, you should check with Lead Counsel before coming to be sure the date and/or time has not changed.

20. Do I have to come to the hearing?

No. Lead Counsel will answer questions Judge McMahon may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as your written objection is received on time, the Court will consider it. You may also pay your own lawyer to attend to speak in support of any written objection that you delivered on time, but it is not necessary. You may do so as long as you have followed the instructions set forth in the answer to Question 21, below.

21. May I speak at the hearing?

If you are a Class Member and have submitted a written objection to the Settlement or the motion of Lead Counsel for attorneys' fees and expenses and follow the instructions set out in response to Questions 17 and 19 above, you (or your counsel) may speak at the Settlement Fairness Hearing in support of your objection. To do so, along with your written objection, you must send a letter stating that it is your "Notice of Intention to Appear in *In re Marsh & McLennan Companies, Inc. Securities Litigation*, Civil Action No. 04-CV-08144." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be received no later than December 14, 2009 and be sent to the Clerk of the Court, Lead Counsel, and Defendants' Counsel, at the addresses listed in Question 17. Individuals or entities that intend to object to the Settlement, the Plan of Allocation, and/or Lead Counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witness they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. You cannot speak at the hearing if you exclude yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Fairness Hearing by the deadline identified and in accordance with the procedures described.

IF YOU DO NOTHING

22. What happens if I do nothing at all?

If you do nothing, you will not receive any money from the Settlement. But if you are a Class Member, unless you exclude yourself from the Class, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the issues in this case, ever again.

GETTING MORE INFORMATION

23. Are there more details about the Settlement?

This notice summarizes the proposed Settlement. More details are in the Stipulation. You may obtain a copy of the Stipulation by writing to info@MMCSecuritiesLitigation.com or by visiting www.MMCSecuritiesLitigation.com.

You may also call 866-494-8404 toll-free; write to the Claims Administrator, MMC Securities Litigation, c/o Rust Consulting, Inc., P.O. Box 2262, Faribault, MN 55021-2382, or visit the website at www.MMCSecuritiesLitigation.com where you will find answers to common questions about the Settlement, a claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

24. How do I get more information?

For even more detailed information concerning the matters involved in this Action, you may refer to the pleadings, to the Stipulation, to the orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, United States Courthouse, 500 Pearl Street, New York, New York, during regular business hours.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased or otherwise acquired MMC securities during the Class Period as nominee for a beneficial owner, then within seven (7) days of your receipt of this notice, you must either: (a) send a copy of this notice and the accompanying Proof of Claim and Release by first class mail to all such beneficial owners; or (b) provide a list of the names and addresses of such beneficial owners to the Claims Administrator via one of the methods described in the answer to Question 12 above.

If you chose option (a) above, you may request enough forms from the Claims Administrator (at no charge) to complete your mailing. You may seek reimbursement of your reasonable expenses actually incurred in complying with these directives, subject to approval of Lead Counsel or the Court. All communications concerning this matter should be addressed to the Claims Administrator.

INQUIRIES

All inquiries concerning this notice, the Proof of Claim form, or any other questions by Class Members should be directed to the Claims Administrator as follows:

MMC Securities Litigation
c/o Rust Consulting, Inc.
P.O. Box 2262
Faribault, MN 55021-2382

Toll-Free: 866-494-8404

Website: www.MMCSecuritiesLitigation.com

Email: info@MMCSecuritiesLitigation.com

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.

EXHIBIT 1 - PLAN OF ALLOCATION OF NET SETTLEMENT FUND

I. GENERAL PROVISIONS

A. Definitions:¹

1. The term "notes," as used herein, includes MMC notes publicly traded during the Class Period.
2. The term "market loss" means the amount by which the actual purchase or acquisition price of that security is greater than the actual sale or holding price of that security.
3. The term "market profit" means the amount by which the actual purchase or acquisition price of that security is less than the actual sale or holding price of that security.
4. The term "net market loss" means any market loss that occurs from the trading of MMC securities during the Class Period after deducting any profits made from the trading of other MMC securities during the Class Period, as discussed in "Computation Of Net Recognized Loss For Each Class Member" below.
5. The term "Recognized Loss," as used herein, is not market loss or net market loss. Rather, it is a calculation to arrive at a loss figure for purposes of calculating an Authorized Claimant's *pro rata* participation in the Net Settlement Fund as described below.
6. The term "Net Settlement Fund" means the Settlement Fund less taxes owed, costs of notice and claims administration, attorneys' fees and out-of-pocket expenses as awarded by the Court, and reimbursement of costs and expenses for Lead Plaintiffs' representation of the Class, as awarded by the Court.

B. The Class includes all persons or entities who purchased or otherwise acquired MMC securities during the period October 14, 1999 through October 13, 2004, inclusive (the "Class Period"), and that claim to have suffered losses as a result of such purchase or acquisition.

1. Provided, however, that the Class does not include:
 - (a) those persons and entities that would otherwise be Members of the Class but that submit valid and timely requests for exclusion from the Class in accordance with the procedures described in the Notice;
 - (b) (i) MMC and Marsh and the officers, directors, employees, affiliates, parents, subsidiaries, representatives, predecessors and assigns of each of them; and (ii) individual defendants Jeffrey Greenberg and Roger Egan, and their immediate families, employees, affiliates, representatives, heirs, predecessors, successors and assigns, and any entity in which either of them has a controlling interest.

C. To Receive a Distribution from the Net Settlement Fund, a Class Member MUST:

1. Establish membership in the Class;
2. Have purchased one of the MMC securities listed in ¶ D, below.
3. Complete and sign a Proof of Claim form and supply all required documentation; and
4. Submit the completed claim form and documentation so that it is postmarked for mailing to, or otherwise actually received by, the Claims Administrator, Rust Consulting, Inc., postmarked on or before February 22, 2010.

D. Distributions Will Be Made to Those Who Purchased or Otherwise Acquired Any of the Following MMC Securities and/or to Those Who Purchased Call Options on MMC Common Stock or Sold Put Options on MMC Common Stock, During the Class Period:

1. MMC common stock;
2. The following notes (issued by MMC unless otherwise noted):
MMC 5.875% senior unsecured due 8/1/2033 – CUSIP 571748AK8

¹ All capitalized terms not defined in this Plan of Allocation of Net Settlement Fund ("Plan of Allocation") shall have the meaning ascribed to them in the Notice of Settlement of Class Action (the "Settlement Notice").

MMC 5.375% senior unsecured due 7/15/2014 – CUSIP 571748AM4
MMC 4.85% senior unsecured due 2/15/2013 – CUSIP 571748AJ1
MMC 6.25% senior unsecured due 3/15/2012 – CUSIP 571748AE2
MMC 7.125% senior unsecured due 6/15/2009 – CUSIP 571748AC6
MMC 3.625% senior unsecured due 2/15/2008 – CUSIP 571748AH5
MMC Qtr LIBOR + 14bp notes due 7/13/2007 – CUSIP 571748AL6
MMC 5.375% senior unsecured due 3/15/2007 – CUSIP 571748AD4

3. The put or call options referred to in Table C1.
4. Lead Plaintiffs' counsel and their consultant concluded that those who purchased the securities described above during the Class Period were damaged in that the prices of those securities were artificially inflated (or artificially deflated for put options). All other securities traded during the Class Period, if any, were not subject to artificial inflation, and there is no Recognized Loss associated with their purchase. Lead Plaintiffs have identified above all securities of MMC that Lead Plaintiffs' consultant believes had an artificially inflated purchase price. There will not be any recovery for trading in any other securities of MMC.
5. Those who purchased or otherwise acquired MMC securities during the Class Period other than the securities listed above nevertheless are Class Members and will be bound by all of the terms of the Stipulation and the Settlement, including the terms of the judgment to be entered in the Action and the releases provided for therein, and will be barred from bringing any Released Claims against any of the Released Parties (unless they exclude themselves from the Class as described in the Notice).

E. Each Proof of Claim Form Must Separately Set Forth:

1. The claimant's opening securities position in MMC stock, notes, or options as of the close of trading on October 13, 1999, the day before the first day of the Class Period;
2. Each transaction, *i.e.*, purchase or acquisition made during the Class Period in any MMC security, and/or sale made during the Class Period through October 19, 2004, in any MMC security; and
3. Each claimant's ending securities position in MMC stock, notes, or options as of the close of trading on October 19, 2004.

II. FACTORS CONSIDERED IN DEVELOPING THE PLAN OF ALLOCATION

A. The Recognized Loss for a claimant's transactions will be calculated by the Claims Administrator in consultation with Lead Counsel in accordance with the provisions of this Plan of Allocation. Factors considered in developing the Plan of Allocation include, among others:

1. The volume of publicly traded MMC securities (*e.g.*, common stock, notes, or options) purchased, acquired or sold during the Class Period;
2. The time period in which an MMC security was purchased or acquired, or an MMC put option was sold;
3. Whether the security was held until after the end of the Class Period (October 13, 2004) or whether it was sold during the Class Period and, if so, when it was sold and at what price;
4. The artificial inflation in the price of MMC securities ("artificial deflation" for put options) at different times during the Class Period attributable to Defendants' false statements as alleged in this case as calculated by Lead Plaintiffs' consultant. Based on the opinions of their consultant, Lead Counsel assumed, for purposes of determining the Recognized Loss, that there were varying amounts of artificial inflation in prices of MMC securities for the entire Class Period and varying amounts of artificial deflation for put options during the Class Period, based on the assumption that Lead Plaintiffs could adequately allege and prove liability for that entire period; and
5. The type of security involved (common stock, notes, call or put options).

III. BASIS FOR RECOGNIZED LOSS FOR CLAIMS

A "Recognized Loss" will be calculated for each purchase or acquisition of MMC securities that occurred during the Class Period, listed in the claim form, and for which adequate documentation is provided.

A. Computation of Recognized Losses for Common Stock Purchases/Acquisitions

For purposes of developing the Plan of Allocation, Lead Plaintiffs' consultant calculated the amount of artificial inflation in the daily closing market prices for MMC common stock for each day of the Class Period. See Table A, attached. In computing artificial inflation, Lead Plaintiffs' consultant considered price changes of MMC common stock in reaction to certain public announcements regarding MMC, and adjusted the price changes in MMC stock for changes that were attributable to market forces unrelated to the alleged fraud.

B. Computation of Recognized Losses for MMC Notes

Recognized Losses for MMC notes were computed in a manner similar to that used with respect to common stock as described above. To determine artificial inflation as to MMC notes, Lead Plaintiffs' consultant considered price changes in reaction to certain public announcements regarding each MMC note for which a claim may be made. Lead Plaintiffs' consultant then made adjustments for price changes that were attributable to market forces unrelated to the alleged fraud. The artificial inflation and Recognized Loss for MMC notes are set forth in Table B. Lead Plaintiffs' consultant relied on the calculations made to determine the effect of such market forces on the common stock's market price changes to determine the effect of such market forces on changes in the market prices of MMC notes.

C. Computation of Recognized Losses for Call and Put Options

Artificial inflation and Recognized Losses as to call options and artificial deflation and Recognized Losses as to put options were computed in a manner similar to that used with respect to common stock as described above. To determine artificial inflation for call options and artificial deflation for put options, Lead Plaintiffs' consultant considered price changes in reaction to certain public announcements regarding MMC of each outstanding call and put for which a claim may be made. Lead Plaintiffs' consultant then made adjustments for changes that were attributable to market forces unrelated to the alleged fraud in prices of such call and put options. The maximum artificial inflation and Recognized Losses for call options and artificial deflation for put options are set forth in Tables C1 and C2. Lead Plaintiffs' consultant relied on the calculations made to determine the effect of such market forces on the common stock's market price changes to determine the effect of such market forces on changes in the market prices of the call and put options.

D. Use of "FIFO" Methodology for Computation of Recognized Losses for Class Members Who Made Multiple Transactions In MMC Securities During the Class Period

For Class Members who made multiple purchases, acquisitions or sales of MMC securities during the Class Period, the earliest subsequent sale of the same type of security shall be matched first against those securities in the claimant's opening position the day before the first day of the Class Period, and then matched chronologically thereafter against each purchase or acquisition of that same type of security made during the Class Period.

E. No Recognized Losses For Certain Purchases and Sales

Purchases or acquisitions of MMC securities that matched to sales prior to the first corrective disclosure day (*i.e.*, October 14, 2004) will have a Recognized Loss of zero. This is because any losses prior to the first corrective disclosure were not caused by that disclosure, but rather by other market forces, and the artificial inflation amount remained constant or was increasing during this time period.

F. Acquisition by Gift, Inheritance or Operation of Law

If a Class Member acquired MMC securities during the Class Period by way of gift, inheritance or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. To the extent those MMC securities were originally purchased prior to commencement of the Class Period, the Recognized Loss for that acquisition shall be zero.

G. Payments Less Than \$10

A payment to any Class Member that would amount to less than \$10.00 in total will not be included in the calculation of the Net Settlement Fund, and no payment to these Class Members will be distributed.

IV. CALCULATION OF RECOGNIZED LOSS

A. Purchases or Exchange Acquisitions of MMC Common Stock

For shares of MMC common stock purchased or otherwise acquired on or after October 14, 1999 through and including October 13, 2004, and:

1. Sold on or before October 13, 2004, the Recognized Loss per share is \$0;
2. Sold on or after October 14, 2004, but before the close of trading on October 19, 2004, the Recognized Loss per share is the lesser of: (i) the purchase price minus the sale price; or (ii) the Artificial Inflation at purchase shown on Table A minus the Artificial Inflation at sale shown on Table A;
3. Still held as of the close of business on October 19, 2004, the Recognized Loss per share is the lesser of: (i) the purchase price minus the Holding Price in Table A; or (ii) Artificial Inflation at purchase as shown in Table A.

B. Purchases or Acquisition of Notes

For MMC notes purchased or otherwise acquired on or after October 14, 1999 through and including October 13, 2004, and:

1. Sold on or before October 13, 2004, the Recognized Loss per note is \$0;
2. Sold on or after October 14, 2004, but before the close of trading on October 19, 2004, the Recognized Loss per note is the lesser of: (i) the purchase price minus the sale price; or (ii) the Artificial Inflation at purchase shown on Table B minus the Artificial Inflation at sale shown on Table B per \$1,000 of face value;
3. Still held as of the close of business on October 19, 2004, the Recognized Loss per note is the lesser of: (i) the purchase price minus the Holding Price in Table B per \$1,000 of face value; or (ii) Artificial Inflation at purchase as shown on Table B per \$1,000 of face value.

C. Purchases of MMC Call Options or Sales of Put Options

1. For publicly traded call options on MMC common stock purchased or otherwise acquired on or after October 14, 1999 through and including October 13, 2004, and:

- (a) *not open* at the close of business on October 13, 2004, the Recognized Loss per call option is \$0;
- (b) *closed out* on any day from October 14, 2004 through and including October 19, 2004, the Recognized Loss per call option contract is the lesser of: (i) price paid for the call option contract less the proceeds received upon the settlement of the call option contract; or (ii) the Maximum Artificial Inflation as shown on Table C1 multiplied by 100 and multiplied by the Inflation Adjustment Ratio in Table C2 for the period in which the date of purchase and close out falls;
- (c) *open* as of the close of business on October 19, 2004, the Recognized Loss per option contract is the lesser of: (i) the price paid for the call option contract less the Holding Price in Table C1 multiplied by 100; or (ii) the Maximum Artificial Inflation as shown on Table C1 multiplied by 100 and multiplied by the Inflation Adjustment Ratio in Table C2 for the period in which the date of purchase falls;
- (d) In the case where the publicly traded call option was exercised for MMC common stock, the amount paid, or proceeds received, upon the settlement of the option contract equals the intrinsic value of the option using MMC common stock's closing price on the date the option was exercised.

2. For publicly traded put options on MMC common stock written on or after October 14, 1999 through and including October 13, 2004, and:

- (a) *not open* at the close of business on October 13, 2004, the Recognized Loss per put option is \$0;
- (b) *closed out* on any day from October 14, 2004 through October 19, 2004, the claim per put option contract is the lesser of: (i) the amount paid upon the settlement of the put option contract less the price for which the put option contract was sold; or (ii) the Maximum Artificial Deflation as shown on Table C1 multiplied by 100 and multiplied by the Inflation Adjustment Ratio in Table C2 for the period in which the date of sale and close out falls;
- (c) *open* as of the close of business on October 19, 2004, the Recognized Loss per option contract is the lesser of: (i) the Holding Price in Table C1 multiplied by 100 less the price for which the put option contract was sold; or (ii)

the Maximum Artificial Deflation as shown on Table C1 multiplied by 100 and multiplied by the Inflation Adjustment Ratio in Table C2 for the period in which the date of sale falls;

- (d) In the case the publicly traded put option was exercised for MMC common stock, the amount paid, or proceeds received, upon the settlement of the option contract equals the intrinsic value of the option using MMC common stock's closing price on the date the option was exercised.

V. COMPUTATION OF NET RECOGNIZED LOSS FOR EACH CLASS MEMBER

The Recognized Loss with respect to a purchase or acquisition of a MMC security (*e.g.*, stock, option or note), is calculated by multiplying the number of units of each such security by the appropriate recognized loss for a single unit of that security, as set forth in Tables A, B or C, as described above. For the Recognized Loss calculation above, a Recognized Loss cannot be less than zero.

The *Net* Recognized Loss for each Class Member is calculated by (1) adding the Recognized Losses for each MMC security purchased or acquired by the Class Member during the Class Period (*i.e.* adding all Recognized Losses for stocks, notes, and/or options); and (2) subtracting any recognized gains for each MMC security purchased or acquired by the Class Member during the Class Period (*i.e.* subtracting all recognized gains for stocks, notes, and/or options). For the *Net* Recognized Loss calculation, a recognized gain for each MMC security purchased during the Class Period is calculated as follows, but cannot be less than zero: for MMC Common Stock and Notes, Artificial Inflation at sale less Artificial Inflation at purchase (based on Tables A and B); for MMC Call Options, Artificial Inflation at sale (closing position) less Artificial Inflation at purchase (based on Tables C1 and C2); and MMC Put Options, Artificial Deflation at closing less Artificial Deflation at sale (based on Tables C1 and C2).

NOTE: ALL MARKET PROFITS SHALL BE SUBTRACTED FROM ALL MARKET LOSSES ON ALL TRANSACTIONS IN MMC, DURING THE CLASS PERIOD TO DETERMINE THE NET MARKET LOSS OF EACH CLASS MEMBER.

For purposes of determining whether a Claimant had a market profit or suffered a market loss from his, her or its overall transactions in any MMC security during the Class Period, the Claims Administrator shall: (i) total the amount paid (excluding commissions and other charges) for all MMC securities purchased during the Class Period by the Claimant (the "Total Purchase Amount"); (ii) match any sales of each respective MMC security during the Class Period first against the Claimant's opening position in each respective MMC security (the proceeds of those sales will not be considered for purposes of calculating gains or losses); (iii) total the amount received (excluding commissions) for sales of the remaining MMC securities sold during the Class Period and through October 19, 2004 (the "Sales Proceeds"); and (iv) assign the holding price indicated on the respective Table for each security (the closing price of each MMC security on October 19, 2004) for the number of MMC securities transacted during the Class Period and still held as of the close of business on October 19, 2004 ("Holding Value"). The Total Purchase Amount (i) less the Sales Proceeds (ii) and less the Holding Value (iii) will be deemed a Claimant's market profit or market loss (a profit occurs if a negative number is calculated) on his, her or its overall transactions in each MMC security during the Class Period.

IF, DURING THE CLASS PERIOD, A CLASS MEMBER MADE A NET MARKET PROFIT IN HIS, HER OR ITS TRANSACTIONS IN MMC SECURITIES, THE AMOUNT OF THE CLASS MEMBER'S RECOGNIZED LOSS SHALL BE ZERO.

IF, DURING THE CLASS PERIOD, A CLASS MEMBER HAS A NET MARKET LOSS IN HIS, HER OR ITS TRADING IN MMC SECURITIES THAT IS LESS THAN HIS, HER OR ITS RECOGNIZED LOSS, THE CLASS MEMBER'S CLAIM SHALL BE LIMITED TO THE CLASS MEMBER'S NET MARKET LOSS.

VI. DISTRIBUTION OF THE NET SETTLEMENT FUND

Net Recognized Loss will be used for calculating the relative amount of participation by Authorized Claimants in the Net Settlement Fund and does **not** reflect the actual amount an Authorized Claimant can expect to recover from the Net Settlement Fund. The Net Recognized Losses of all Authorized Claimants may be greater than the Net Settlement Fund. In such event, each Authorized Claimant shall receive his, her or its *pro rata* share of the Net Settlement Fund, which shall be his, her or its Net Recognized Loss divided by the total of all Net Recognized Losses to be paid, multiplied by the total amount in the Net Settlement Fund.

Based on the estimate of damages from Lead Plaintiffs' consultant for each class of MMC securities, and their relative strength of claims, Lead counsel allocated the Net Settlement Fund as follows: 95% for MMC common stock; and 5% for MMC notes and publicly traded options.

TABLE A

Transaction Dates		Artificial Inflation Per Share
From	To	
10/14/1999	4/17/2001	\$7.44
4/18/2001	4/22/2002	\$8.68
4/23/2002	4/22/2003	\$11.41
4/23/2003	10/13/2004	\$15.55
10/14/2004	10/14/2004	\$5.08
10/15/2004	10/19/2004	\$0.00

Holding price is the closing price on October 19, 2004: \$24.10.

TABLE B

Transaction Dates		Artificial Inflation Per Note							
From	To	571748AK8	571748AM4	571748AJ1	571748AE2	571748AC6	571748AH5	571748AL6	571748AD4
		5.875% Due 2033	5.375% Due 2014	4.85% Due 2013	6.25% Due 2012	7.125% Due 2009	3.625% Due 2008	LIB + 14bp Due 2007	5.375% Due 2007
10/14/1999	4/17/2001	n/a	n/a	n/a	n/a	\$32.45	n/a	n/a	n/a
4/18/2001	4/22/2002	n/a	n/a	n/a	n/a	\$37.85	n/a	n/a	n/a
4/23/2002	5/30/2002	n/a	n/a	n/a	n/a	\$49.75	n/a	n/a	n/a
5/31/2002	7/10/2002	n/a	n/a	n/a	n/a	\$49.75	n/a	n/a	\$29.24
7/11/2002	2/17/2003	n/a	n/a	n/a	\$64.69	\$49.75	n/a	n/a	\$29.24
2/18/2003	4/22/2003	n/a	n/a	\$53.61	\$64.69	\$49.75	\$36.74	n/a	\$29.24
4/23/2003	7/28/2003	n/a	n/a	\$73.05	\$88.15	\$67.79	\$50.06	n/a	\$39.84
7/29/2003	7/8/2004	\$99.49	n/a	\$73.05	\$88.15	\$67.79	\$50.06	n/a	\$39.84
7/9/2004	7/11/2004	\$99.49	n/a	\$73.05	\$88.15	\$67.79	\$50.06	\$37.67	\$39.84
7/12/2004	10/13/2004	\$99.49	\$73.06	\$73.05	\$88.15	\$67.79	\$50.06	\$37.67	\$39.84
10/14/2004	10/14/2004	\$81.18	\$58.06	\$67.06	\$82.26	\$62.63	\$45.55	\$37.58	\$34.98
10/15/2004	10/19/2004	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Holding Price on	10/19/2004	\$843.05	\$916.99	\$884.01	\$995.19	\$1,037.15	\$933.36	\$932.50	\$994.19

Notes:

Artificial Inflation is shown per \$1,000 face value

TABLE C1

Expiration Date	Exercise Price	Maximum Artificial Inflation/Deflation Per Share		Holding Price Per Share		Expiration Date	Exercise Price	Maximum Artificial Inflation/Deflation Per Share		Holding Price Per Share	
		Call	Put	Call	Put			Call	Put	Call	Put
10/16/2004	40	4.34	7.62	0.00	10.80	4/16/2005	40	4.57	11.10	0.38	16.40
10/16/2004	45	0.86	11.06	0.00	15.80	4/16/2005	45	2.03	13.53	0.15	21.10
10/16/2004	50	0.00	11.93	0.00	20.80	4/16/2005	50	0.58	14.96	0.00	26.00
10/16/2004	55	0.00	11.93	0.00	25.80	4/16/2005	55	0.11	15.46	0.00	31.00
10/16/2004	60	0.00	11.96	0.00	30.80	1/21/2006	30	9.46	6.11	2.95	9.05
11/20/2004	35	7.76	7.76	0.15	11.00	1/21/2006	35	7.06	8.42	1.75	12.70
11/20/2004	40	4.41	11.19	0.00	15.85	1/21/2006	40	4.80	10.53	0.95	16.80
11/20/2004	45	1.27	14.45	0.00	21.10	1/21/2006	45	2.79	12.60	0.50	21.25
11/20/2004	50	0.07	15.49	0.00	25.85	1/21/2006	50	1.43	13.91	0.25	25.95
11/20/2004	55	0.00	15.53	0.00	30.85	1/21/2006	55	0.69	14.82	0.00	30.90
1/22/2005	25	12.92	2.72	2.90	3.85	1/21/2006	60	0.25	15.28	0.00	35.85
1/22/2005	30	10.55	5.08	1.25	7.20	1/21/2006	70	0.07	15.49	0.00	45.90
1/22/2005	35	7.62	8.12	0.50	11.50	1/20/2007	30	8.86	6.65	4.10	10.25
1/22/2005	40	4.48	11.28	0.15	16.20	1/20/2007	35	6.90	8.45	2.78	13.70
1/22/2005	45	1.55	13.99	0.10	21.05	1/20/2007	40	5.06	10.09	1.73	17.50
1/22/2005	50	0.26	15.28	0.00	26.00	1/20/2007	45	3.34	11.75	1.28	21.70
1/22/2005	55	0.00	15.60	0.00	31.00	1/20/2007	50	2.03	13.23	0.88	26.20
1/22/2005	60	0.00	15.53	0.00	35.95	1/20/2007	55	1.20	14.08	0.60	30.90
1/22/2005	70	0.00	15.56	0.00	45.95	1/20/2007	60	0.74	14.86	0.35	35.70
4/16/2005	35	7.39	8.24	0.88	11.90	1/20/2007	70	0.14	15.42	0.15	45.90

Notes:

For options expiring on October 16, 2004, the Holding Price Per Share is the intrinsic value as of October 15, 2004. For all other options, the Holding Price Per Share is the mid-point of the closing bid and ask price as of October 19, 2004, or zero if the bid equals zero. Prices are per underlying share. One contract is for 100 underlying shares.

TABLE C2

Transaction Dates		Closed Out On	Retained through
From	To	October 14, 2004	October 14, 2004
10/14/1999	4/17/2001	32.23%	47.87%
4/18/2001	4/22/2002	37.59%	55.83%
4/23/2002	4/22/2003	49.41%	73.39%
4/23/2003	10/13/2004	67.33%	100.00%