## WORLD’S 10 LARGEST INSURANCE BROKERS

Ranked by 2014 brokerage revenue

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company/address</th>
<th>Phone/website</th>
<th>Officers</th>
<th>2014 brokerage revenue</th>
<th>Percent change</th>
<th>Employees</th>
<th>Offices</th>
<th>Commercial</th>
<th>Wholesale</th>
<th>Reinsurance</th>
<th>Human resources</th>
<th>Employee benefits</th>
<th>Services</th>
<th>Investments</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Marsh &amp; McLennan Cos. Inc.</td>
<td>212-345-6000 <a href="http://www.mmc.com">www.mmc.com</a></td>
<td>Daniel S. Glaser, president/CEO</td>
<td>$12,966,000,000</td>
<td>5.7%</td>
<td>57,000</td>
<td>585</td>
<td>44.4%</td>
<td>0</td>
<td>8.9%</td>
<td>0</td>
<td>33.5%</td>
<td>12.2%</td>
<td>0.4%</td>
<td>(0.3%)</td>
</tr>
<tr>
<td>2</td>
<td>Aon P.L.C.</td>
<td>44-207-623-5500 <a href="http://www.aon.com">www.aon.com</a></td>
<td>Gregory C. Case, president/CEO</td>
<td>$12,019,000,000</td>
<td>2.0%</td>
<td>69,000</td>
<td>500</td>
<td>43.7%</td>
<td>0</td>
<td>12.2%</td>
<td>0</td>
<td>22.2%</td>
<td>21.6%</td>
<td>0.2%</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>Willis Group Holdings P.L.C.</td>
<td>44-203-124-6000 <a href="http://www.willis.com">www.willis.com</a></td>
<td>Dominic Casserley CEO</td>
<td>$3,767,000,000</td>
<td>3.7%</td>
<td>18,500</td>
<td>400</td>
<td>50.6%</td>
<td>4.7%</td>
<td>22.6%</td>
<td>2.7%</td>
<td>15.2%</td>
<td>3.2%</td>
<td>0.4%</td>
<td>0.5%</td>
</tr>
<tr>
<td>4</td>
<td>Arthur J. Gallagher &amp; Co. The Gallagher Centre 2 Pierce Place Itasca, IL 60143</td>
<td>630-773-3800 <a href="http://www.oig.com">www.oig.com</a></td>
<td>J. Patrick Gallagher Jr., chairman/CEO</td>
<td>$3,530,000,000</td>
<td>28.7%</td>
<td>20,240</td>
<td>550</td>
<td>33.4%</td>
<td>9.8%</td>
<td>0</td>
<td>4.2%</td>
<td>14.5%</td>
<td>14.3%</td>
<td>23.7%</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Jardine Lloyd Thompson Group P.L.C. The St. Botolph Building 138 Houndsditch London EC3A 7AW, England</td>
<td>44-207-528-4444 <a href="http://www.jlt.com">www.jlt.com</a></td>
<td>Geoffrey Howe, chairman; Dominic Burke, group chief executive</td>
<td>$1,713,992,420</td>
<td>6.4%</td>
<td>5,475</td>
<td>114</td>
<td>36.2%</td>
<td>6.8%</td>
<td>21.8%</td>
<td>2.1%</td>
<td>25.7%</td>
<td>6.8%</td>
<td>0.5%</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>BB&amp;T Insurance Holdings Inc. 3605 Glenwood Ave. Suite 201 Raleigh, NC 27612</td>
<td>919-716-9777 <a href="http://www.insurance.bbt.com">www.insurance.bbt.com</a></td>
<td>H. Wade Reece, chairman/CEO</td>
<td>$1,713,527,200</td>
<td>8.3%</td>
<td>6,168</td>
<td>118</td>
<td>39.0%</td>
<td>41.3%</td>
<td>0</td>
<td>5.5%</td>
<td>9.9%</td>
<td>0</td>
<td>0.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td>7</td>
<td>Brown &amp; Brown Inc. 220 S. Ridgewood Ave. Daytona Beach, FL 32114</td>
<td>386-252-9601 <a href="http://www.bbinsurance.com">www.bbinsurance.com</a></td>
<td>J. Powell Brown, president/CEO</td>
<td>$1,567,459,943</td>
<td>15.6%</td>
<td>7,591</td>
<td>235</td>
<td>54.8%</td>
<td>13.9%</td>
<td>0.9%</td>
<td>5.5%</td>
<td>15.7%</td>
<td>8.7%</td>
<td>0.1%</td>
<td>0.5%</td>
</tr>
<tr>
<td>8</td>
<td>Wells Fargo Insurance Services USA Inc. 150 N. Michigan Ave. Suite 3900 Chicago, IL 60601</td>
<td>312-423-2500 wjis.wellsfargo.com</td>
<td>Laura Schupbach, head of insurance</td>
<td>$1,298,864,000</td>
<td>(3.8%)</td>
<td>5,419</td>
<td>56</td>
<td>39.0%</td>
<td>0.1%</td>
<td>0</td>
<td>13.2%</td>
<td>14.9%</td>
<td>16.5%</td>
<td>0.3%</td>
<td>16.0%</td>
</tr>
<tr>
<td>9</td>
<td>Hub International Ltd. 300 N. LaSalle St. 21st Floor Chicago, IL 60654</td>
<td>877-402-6601 <a href="http://www.hubinternational.com">www.hubinternational.com</a></td>
<td>Martin P. Hughes, chairman/CEO</td>
<td>$1,295,808,000</td>
<td>12.9%</td>
<td>7,838</td>
<td>322</td>
<td>55.2%</td>
<td>5.6%</td>
<td>0</td>
<td>18.0%</td>
<td>20.3%</td>
<td>0.8%</td>
<td>0.2%</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>Lockton Cos. L.L.C. 444 W. 47th St. Suite 900 Kansas City, MO 64112</td>
<td>816-960-9000 <a href="http://www.lockton.com">www.lockton.com</a></td>
<td>John L. Lumelleau, president/CEO; David M. Lockton, executive chairman</td>
<td>$1,230,504,000</td>
<td>10.2%</td>
<td>5,600</td>
<td>65</td>
<td>64.1%</td>
<td>3.0%</td>
<td>3.5%</td>
<td>0.7%</td>
<td>28.0%</td>
<td>0</td>
<td>0.8%</td>
<td>0</td>
</tr>
</tbody>
</table>

*Percentage of revenue may not add up to 100% due to rounding. 1 British pound = $1.5586. 2 2013 restated. 3 Fiscal year ending April 30.

Source: BI survey
Even for a brokerage known for its strategy of growth by acquisition, 2014 was a banner year for Arthur J. Gallagher & Co.

Before the year was halfway through, the Itasca, Illinois-based broker announced a series of international acquisitions that established it as a global player — Toronto-based Noraxis Capital Corp., Perth, Australia-based Wesfarmers Ltd. and London-based Oval Group of Cos. It acquired three more Australian brokerages before year-end while also acquiring U.S. producers.

The series of international acquisitions “really made Gallagher more of an international broker with a focus on English-speaking countries,” said Meyer Shields, managing director at Keefe, Bruyette & Woods Inc. in Baltimore.

“I couldn’t be happier,” said Chairman, President and CEO J. Patrick Gallagher Jr. “2014 was a seminal year for Gallagher, comparable to when we took Gallagher public in 1984.”

And “we have a pipeline of acquisitions as long as it has ever been, and now we have a global pipeline,” said Mr. Gallagher, who noted Gallagher has closed more than 500 acquisitions since 1986 and that “no two are alike.”

The pipeline continued to flow this year, with Gallagher announcing in June that it had acquired Boston-based William Gallagher Associates Insurance Brokers Inc., which is No. 63 on this year’s ranking of the top 100 brokers of U.S. business.

Gallagher reported 2014 brokerage revenue of $3.53 billion, a 28.7% increase over 2013 and a reflection of its acquisitions’ performance. That allowed Gallagher to maintain its place as No. 4 in Business Insurance’s annual ranking of the world’s largest brokerages.

“We change a lot every year, but what we’re trying to do stays the same,” Mr. Gallagher said. “We focus on organic growth, we take care of our customers, and we’re aggressive about going out and telling people how we can help them.”

“Because so much of their growth is through acquisition, they do an excellent job integrating their acquisitions post-close,” said Timothy J. Cunningham, managing director with investment banking and consulting firm Optis Partners L.L.C. in Chicago.

Mr. Gallagher said the broker works very hard on “what we know is a unique culture. We’re incredibly team-based.” He said that 99% of Gallagher’s due diligence in considering acquisitions is spent on culture.

“I don’t see any obstacles to growth,” he said. “We toil in business that has about $5 trillion in total premium” including all lines of insurance.

“The biggest challenge to growth is making sure we pick the spots we want to play in,” Mr. Gallagher said. That includes careful recruitment of the right people and careful execution of the right mergers and acquisitions, he said.

Opportunities for organic growth are also increasing, Mr. Gallagher said.

“Wherever you are in the world there are new things coming and going — the world’s getting riskier by the day,” he said noting that when he entered the business directors and officers liability was a new coverage.

Today, risk managers face new concerns, including data management and cyber security.

He added that enterprise risk management continues to be an area in which clients want help.

One area in which Gallagher has been particularly active is employee benefits, and Mr. Gallagher said the Patient Protection and Affordable Care Act has created opportunities.

“I think it was terrible public policy. It’s not a good law for America, but it’s a great thing for Gallagher,” he said of the federal health care reform law.

“The small benefits brokers are dead; they just haven’t laid down yet,” Mr. Gallagher added.

“Because so much of their growth is through acquisition, they do an excellent job integrating their acquisitions post-close.”

Timothy J. Cunningham, Optis Partners L.L.C

He said small benefits brokers have great value and bring great value to Gallagher, “but they need our expertise,” such as the 27 people in Gallagher’s compliance department, 20 of whom are lawyers.

Unlike its three larger rivals, Gallagher does not have its own private health insurance exchange. It does, however, work with Liazon Corp.’s Bright Choices Exchange.

But not everything positive about Gallagher’s performance is measured in dollars and cents, Mr. Gallagher said.

He noted that this year was the fourth year in a row that the brokerage was named one of the world’s most ethical companies by New York-based think tank Ethisphere Institute.

“That is a huge deal for me,” Mr. Gallagher said.

By Mark A. Hofmann