

Insurance—Cash Flow and Reserve Insight

A Weekly Report Spotlighting Key Issues Driving Insurance Stocks

Highlighted Analysis:

Aon Cash Flow Valuation

Featured Stocks: Aon Corporation

Issue Summary: Cash flow generation should becomingly increasingly important given a higher level of macro uncertainty. Aon's free cash flow should rise materially in the next two years, which should provide more flexibility to increase earnings and take advantage of strategic opportunities.

Conclusion: We forecast free cash flows to increase substantially over the next five years, from \$1.1 billion in 2010 to \$2.0 billion by 2015. Growth in free cash flow will be due to revenue growth from the Hewitt acquisition, significant cost savings derived from restructuring efforts, and exposure to both global markets and core large-cap customers, which should prove more resilient over the next few years.

Stock Implications: The potential for strong increases in Aon's free cash flow does not appear to be reflected in the current stock price. Our DCF model indicates that the stock could trade near \$70 over the next few years as investors recognize the significant value associated with a drastic increase in free cash flow. The stock should begin moving as evidence of increasing cash flow becomes more visible over the next several quarters.

Insurance Trading Pattern:

Low Yields to Affect Overall Carrier Profitability

Trend to Monitor: P&C insurance stocks should struggle to maintain returns over the coming years as underwriting performance continues to be weak and investment income declines. We believe that low yields and declining asset growth will pressure companies' investment income, and in turn, their overall profitability. Therefore, we continue to favor commercial insurers who have maintained attractive combined ratios and are not as reliant on investment income to be profitable. Even more so, we believe the current environment favors the insurance brokers over the carriers, as they have little to no interest rate exposure.

Financial Services | Insurance Brokers

September 18, 2011

Stock Rating: **Outperform**
Company Profile: **Established Growth**

Symbol: AON (NYSE)
Price: \$44.02 (52-Wk.: \$38-\$55)
Market Value (mil.): \$14,299
Fiscal Year End: December
Long-Term EPS Growth Rate: 12%
Dividend/Yield: \$0.60/1.4%

	2010A	2011E	2012E
Estimates			
EPS Q1	\$0.83	A\$0.80	\$0.91
Q2	\$0.81	A\$0.83	\$0.91
Q3	\$0.61	\$0.72	\$0.83
Q4	\$0.84	\$1.03	\$1.16
FY	\$3.07	\$3.38	\$3.80
CY		\$3.38	\$3.80
Valuation			
FY P/E	14.3x	13.0x	11.6x
CY P/E		13.0x	11.6x

Trading Data (Thomson Financial)

Shares Outstanding (mil.)	327
Float (mil.)	323
Average Daily Volume	2,341,497

Financial Data (Thomson Financial)

Long-Term Debt/Total Capital (MRQ)	25.0
Book Value Per Share (MRQ)	21.2
Enterprise Value (mil.)	18,612.0
EBITDA (TTM)	2,127.0
Enterprise Value/EBITDA (TTM)	8.8x
Return on Equity (TTM)	10.5

Two-Year Price Performance Chart



Source: Thomson Financial, William Blair & Company estimates

Adam Klauber, CFA
+1 312 364 8232
aklauber@williamblair.com

John Thomas
+1 312 364 8430
jthomas@williamblair.com

Chris Leikhim
+1 312 364 8943
cleikhim@williamblair.com

Aon Corporation is a leading global insurance broker, providing risk management services, insurance and reinsurance brokerage, and human capital consulting.

William Blair & Company, L.L.C. receives or seeks to receive compensation for investment banking services from Aon Corporation. Investors should consider this report as a single factor in making an investment decision.

Please consult the last page of this report for all disclosures.

Contents

Highlighted Analysis 3

Insurance Trading Pattern 8

William Blair Insurance Universe Performance 10

Highlighted Analysis:

Aon Cash Flow Valuation

Executive Summary

Given uncertainties in the marketplace, investors are looking for businesses that not only have great balance sheets, but that can also generate substantial amounts of cash. Cash generation can be used to grow a firm's earnings even in a difficult environment, as capital management becomes a crucial component in running a profitable business.

Aon should generate increasingly higher levels of cash flow over the next several years, even with a more challenging economic environment. We are projecting that annual free cash flow generation will rise from \$1.1 billion in 2010 to more than \$2 billion by 2015 and grow at a 5% rate in the long run. Growth in cash flow should be driven by the Hewitt acquisition, cost-saving initiatives, and moderate incremental growth in the brokerage segment. This takes into consideration our recent 4% reduction in earnings (from \$3.97 to \$3.80 in 2012) and cash flow per share estimate to reflect the potential for a slower-growth economy.


From a cash flow perspective, Aon appears undervalued based on its free cash flow growth rate. Discounted cash flow modeling suggests that Aon could be more than 50% undervalued. More traditional comparative valuation techniques put the stock's upside at closer to 25% to 30%, assuming multiples return to historical averages. Importantly, increasing cash flow for Aon gives the company more flexibility on the capital management front, which should provide additional leverage to earnings growth in the future.

AON Corporation
Valuation Using Common Methodologies

	Estimate Type	2012 Estimate	Current Multiple	Historic Multiple	Price Given Historic Multiple	Peak Multiple	Price Given Peak Multiple
P/E	EPS	\$3.80	11.6x	14.3x	\$54.34	18.0x	\$68.40
EV/ EBITDA	EBITDA	\$2,607	7.1x	9.3x	\$58.35	11.0x	\$71.27
DCF	Cash Flow	\$1,757			\$72.78		

Source: Company Reports, SNL, and William Blair & Company LLC Estimates

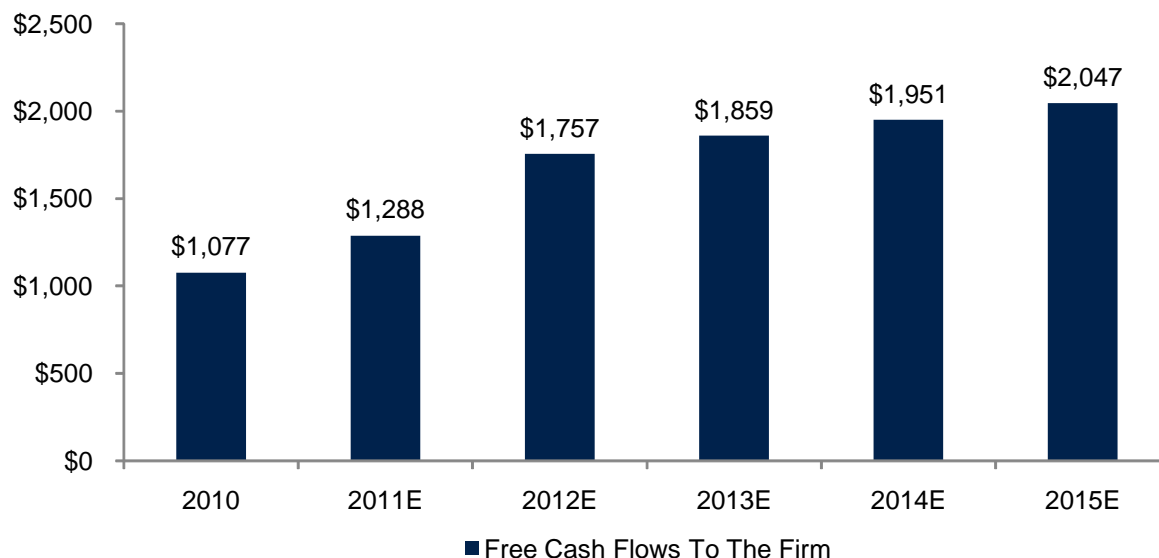
Featured Stock

	Ticker	Rating	Price	2011 EPS Estimate	2012 EPS Estimate	2011 P/E	2012 P/E
	AON	Outperform	\$44.02	\$3.38	\$3.80	13.0x	11.6x
	Investment Summary: Progress with the Hewitt merger is proceeding as management expected, which we believe is a modest positive over initial expectations. A stronger second half for organic growth—both brokerage and consulting—should help provide a boost to performance for the latter half of the year. Given that the stock is trading at only 9.5 times 2012 cash earnings, we believe it is one of the best buying opportunities in the sector.						

Aon Cash Flow Analysis

Strong cash flow growth should lead to materially higher earnings power. Aon should begin a strong period of substantial cash flow growth. We forecast that cash flow will increase to more than \$2 billion by 2015, driven primarily by Hewitt, cost savings, and moderate expected growth in the brokerage unit. A potential property-and-casualty cycle turn in 2013 or 2014 could result in cash flow materially above our forecast.

Aon Corporation
Projected Free Cash Flow To the Firm
 (\$ in millions)



Source: Company Reports, SNL, and William Blair & Company LLC Estimates

Accelerating cash flow has the potential to increase earnings growth. The ability to increase share buybacks, acquisitions, and internal investments should augment earnings between 2013 and 2015. We believe that share buybacks and dividends in particular should become a much bigger part of Aon's capital management philosophy as its free cash flow nearly doubles over the next five years.

Discounted cash flow modeling suggests Aon is substantially undervalued. DCF modeling is a particularly useful valuation metric when future cash flows closely mirror the profitability of the firm. We believe this to be the case for Aon in the intermediate term, after integration and restructuring efforts are complete.

Aon Corporation
Free Cash Flow Summary
 (\$ in millions, except per share)

	2010	2011E	2012E	2013E	2014E	2015E
Earnings before interest and after tax	875.8	1,116.4	1,326.5	1,459.2	1,590.5	1,701.8
Add: Depreciation and Amortization	305.0	570.0	620.0	600.0	570.0	560.0
Add: Other Non-Cash Charges	297.0	282.0	260.0	275.0	290.0	310.0
Less: Change in NWC	221.0	480.0	250.0	250.0	250.0	250.0
Operating Cash Flow	1,256.8	1,488.4	1,956.5	2,084.2	2,200.5	2,321.8
Less: Capital expenditures	(180.0)	(200.0)	(200.0)	(225.0)	(250.0)	(275.0)
= Free Cash Flows To The Firm (\$ millions)	1,076.8	1,288.4	1,756.5	1,859.2	1,950.5	2,046.8
Growth Rate of Free Cash Flows	-41%	20%	36%	6%	5%	5%
PV Multiplier		0.95	0.86	0.77	0.69	0.63
PV of Free Cash Flows To The Firm		1,222.9	1,502.0	1,432.2	1,353.7	1,279.8

Source: Company Reports, SNL, and William Blair & Company LLC Estimates

Our DCF model projects a potential stock price for Aon of \$72.82, compared with the current price of \$44.02, which presents a substantial upside opportunity. For our projections, we assume a 5% long-run growth rate for free cash flow and a discount rate of 11%. To be conservative, we are assuming that the WACC is influenced by the 10-year average risk-free rate, and a 10-year average beta, as we do not believe that current conditions will persist in the long run.

Aon Corporation
Free Cash Flow Valuation
(\$ in millions, except per share)

Valuation:	Current
Terminal Value (perpetuity)	\$35,820
PV of Terminal Value	\$22,396
Sum of Present Value of FCF's through 2015	\$6,791
Firm Value	\$29,186
Debt Value, Net of Cash	\$4,231
Value of Firm Equity	\$24,955
Number of Shares Outstanding	343
Per-Share DCF Value of AON Equity	\$72.82

Assumptions:	
Long Term FCFF Growth Rate	5.0%
Long Term Discount Rate	11.0%

Source: Company Reports, SNL, and William Blair & Company LLC Estimates

Below is a sensitivity table that shows what happens to our projections if our long-term free cash flow growth rates or discount rates are adjusted. Our current expected scenario, with a 5% long-term growth rate and an 11% discount rate, is \$73. Our bear-case scenario of 3% growth and an 11% discount rate suggests a stock price of \$56. Our bull-case scenario of 6% growth, with an 11% discount rate, suggests a stock price of \$87.

Aon Corporation
Stock Price Sensitivity Table

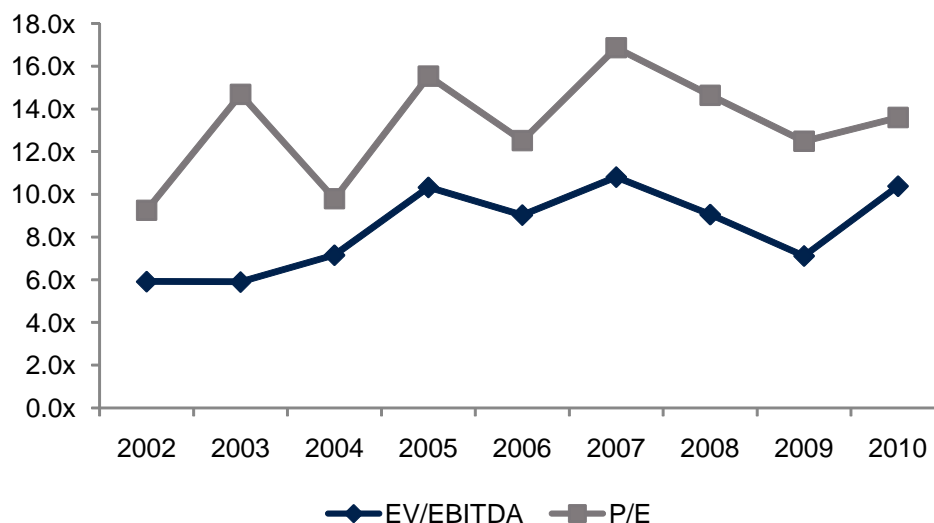
		Long-Term FCFF Growth Rate			
		3%	4%	5%	6%
Long-Term Discount Rate	9%	\$77.97	\$92.69	\$114.78	\$151.59
	10%	\$65.16	\$75.34	\$89.60	\$111.00
	11%	\$55.55	\$62.95	\$72.82	\$86.64
	12%	\$48.08	\$53.66	\$60.83	\$70.40

 =Selected Values

Source: Company Reports, SNL, and William Blair & Company LLC Estimates

Other valuation techniques yield similar results. More traditional relative valuation techniques, such as the P/E and EV/EBITDA ratios, also show that Aon is undervalued on a historical basis. The current 2012 P/E ratio is 12 times, well below its historical average of 14 times. Similarly, the EV/EBITDA ratio is at 7 times, well below its historic average of 9 times.

Aon Corporation Historic EV/EBITDA and P/E Trading Ranges



Source: Company Reports, SNL, and William Blair & Company LLC Estimates

While not indicating as much upside as the DCF model, the P/E and EV/EBITDA ratios suggest that the current point still represents a very attractive entry into the stock, with potential upside of 25% to 50%, depending on how much multiple expansion occurs.

AON Corporation Valuation Using Common Methodologies

	Estimate Type	2012 Estimate	Current Multiple	Historic Multiple	Price Given Historic Multiple	Peak Multiple	Price Given Peak Multiple
P/E	EPS	\$3.80	11.6x	14.3x	\$54.34	18.0x	\$68.40
EV/EBITDA	EBITDA	\$2,607	7.1x	9.3x	\$58.35	11.0x	\$71.27
DCF	Cash Flow	\$1,757			\$72.78		

Source: Company Reports, SNL, and William Blair & Company LLC Estimates

Within the universe of publicly traded brokers, the stock also appears very attractively valued. The stock is among the cheapest in the group on a cash P/E basis and an EV/EBITDA basis.

			Insurance Brokers Valuation Comparison											
			GAAP EPS			GAAP P/E			Cash P/E			EV / EBITDA		
Ticker	Rating	Price	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E	2010	2011E	2012E
AON	O	44.02	\$3.07	\$3.38	\$3.80	14.3x	13.0x	11.6x	13.3x	11.8x	9.3x	10.2x	7.6x	7.1x
AJG	M	28.28	\$1.36	\$1.33	\$1.68	20.7x	21.3x	16.9x	15.2x	16.1x	13.3x	10.9x	9.0x	7.5x
BRO	M	19.01	\$1.13	\$1.10	\$1.18	16.8x	17.3x	16.1x	12.8x	12.9x	12.0x	7.8x	7.9x	7.5x
MMC	M	28.57	\$1.66	\$1.91	\$2.24	17.2x	15.0x	12.8x	16.6x	14.4x	12.2x	8.9x	8.2x	7.4x
WSH	O	36.26	\$2.69	\$2.83	\$3.55	13.5x	12.8x	10.2x	11.9x	19.1x	9.4x	9.1x	8.8x	7.5x
Average						16.5x	15.9x	13.5x	14.0x	14.9x	11.2x	9.4x	8.3x	7.4x
Median						16.8x	15.0x	12.8x	13.3x	14.4x	12.0x	9.1x	8.2x	7.5x

Sources: Company reports, Thomson One, and William Blair & Company L.L.C.

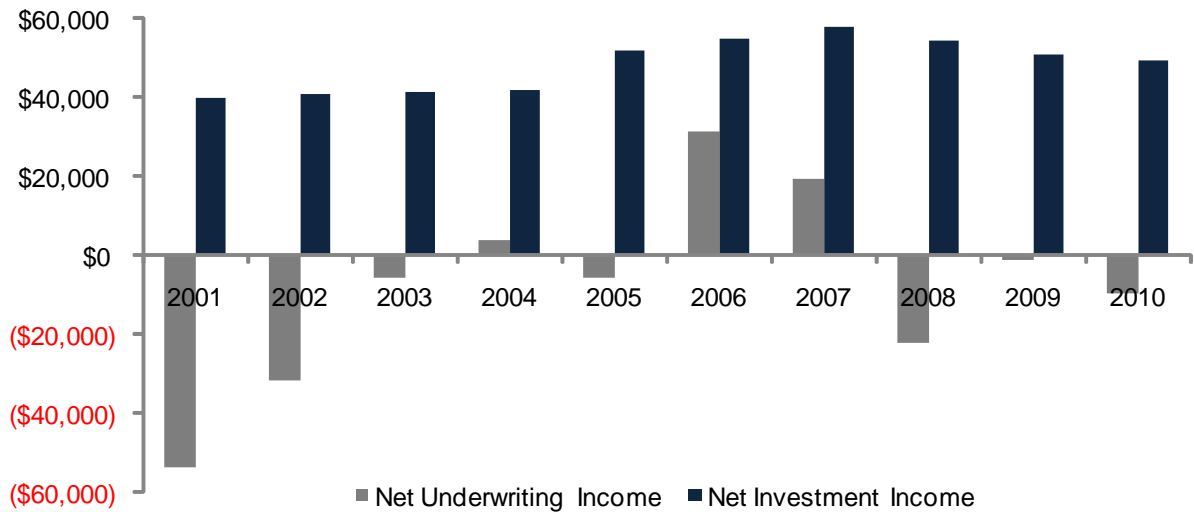
Earnings Reduced To Reflect Lower-Growth Environment

Due to continuing economic headwinds and the legislative and regulatory overhangs clouding the world's outlook, we have decreased our 2012 EPS estimates by roughly 4%, from \$3.97 to \$3.80. We have lowered our overall organic growth estimate from 3.7% to 2.2% in the brokerage business to account for a serious slowdown in the EMEA region, as well as less-robust growth domestically. We have also lowered our consulting segment growth rate from 4% to 2% as we continue to wait for clarity in the marketplace, particularly around healthcare reform.

Insurance Trading Pattern: Low Yields to Affect Overall Carrier Profitability

P&C insurance stocks have become far more reliant on investment income over the last three years, as underwriting results have deteriorated materially due to higher losses and soft market conditions. We forecast underwriting results to continue weakening, particularly on the commercial side, as rates remain flat to down slightly and economic and regulatory overhangs continue to slow exposure growth.

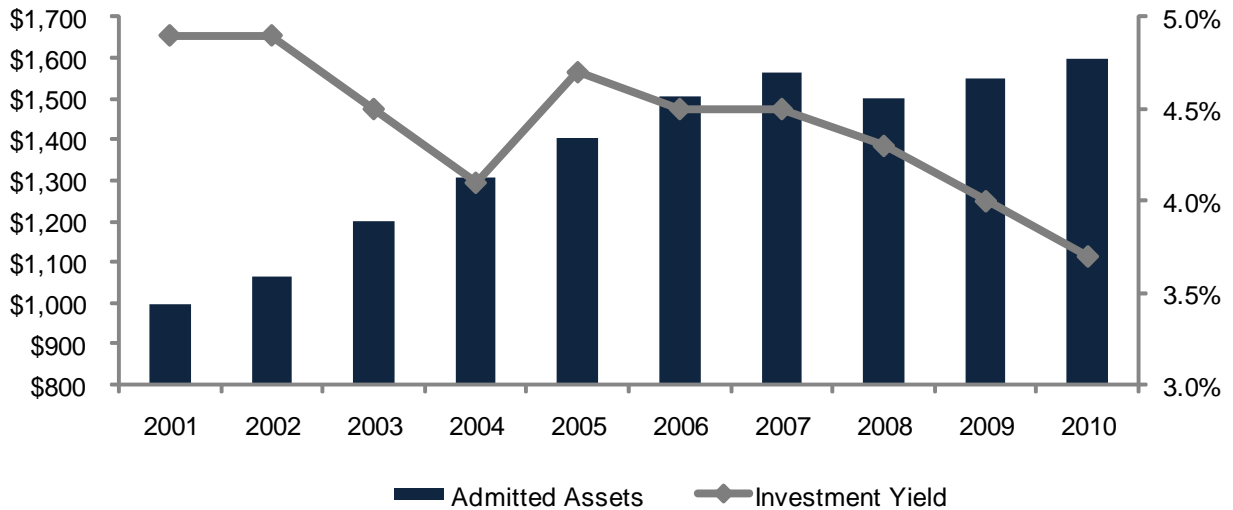
P&C Insurance Industry
Industry Underwriting and Net Investment Income
(\$ in millions)



Source: AMBEST, William Blair & Company LLC.

At the same time, yields on investment portfolios have been dropping precipitously, as economic uncertainty and the financial crisis have led to a flight to the safety of Treasuries and forced yields down across the fixed-income spectrum. As firms are faced with reinvesting their bond portfolios at lower rates, we expect investment income to decline materially over the next few years. Though portfolio yields have been declining for the majority of the past decade, most of the effect was mitigated by a sharp increase in admitted investment assets as premiums grew quickly during the last hard market. We believe that asset growth is likely to slow dramatically over the next several years, which should further compound the negative effect of declining yields on the industry's overall investment income.

P&C Insurance Industry
Industry Underwriting and Net Investment Income
(\$ in billions)



Source: AM BEST, William Blair & Company LLC.

As we are forecasting both weak underwriting performance and declining investment income, it becomes clear why we are currently favoring insurance brokers over carriers, as they have little to no exposure to low-yield environment. We will dig deeper into investment yields and how they affect our coverage universe in a subsequent piece.

Insurance Industry: Cash Flow and Reserve Insight
 William Blair Insurance Universe Performance
 (Week of 9/19/2011-9/23/2011)

PERFORMANCE UPDATE:																			
Stock Fundamentals							Stock Performance							Estimates					
Ticker	Market Cap (\$BN)	Rating	Current Price 9/16/11	52-Week Range		Week Ending 9/16/2011	MTD	QTD	YTD	March 9, 2009' to Date	P/E 2011E	P/E 2012E	Price to Book	William Blair 2011 EPS Estimate	Consensus 2011 EPS Estimate	William Blair 2012 EPS Estimate	Consensus 2012 EPS Estimate		
S&P 500 Index			\$1,216.01	\$1,370.58	-	\$1,101.54	-2%	0%	-8%	-3%	80%								
S&P Financials Index			\$174.00	\$231.20	-	\$158.91	-3%	-3%	-16%	-19%	108%								
S&P Insurance Index			\$161.55	\$202.30	-	\$151.86	-2%	-2%	-14%	-14%	111%								
Insurance Brokers																			
AON Corporation	AON	\$14,299	Outperform	\$44.02	\$54.58	-	\$38.00	-3%	-6%	-14%	-4%	14%	13.0x	11.6x	1.7x	\$3.38	\$3.40	\$3.80	\$3.85
Arthur J. Gallagher & Co.	AJG	\$3,143	Market Perform	\$28.28	\$31.92	-	\$24.29	0%	0%	-1%	-3%	83%	21.3x	16.8x	2.8x	\$1.33	\$1.35	\$1.68	\$1.76
Brown & Brown, Inc.	BRO	\$2,720	Market Perform	\$19.01	\$27.07	-	\$18.19	-2%	-10%	-26%	-21%	21%	17.3x	16.1x	1.8x	\$1.10	\$1.12	\$1.18	\$1.26
Marsh & McLennan Companies, Inc.	MMC	\$15,535	Market Perform	\$28.57	\$31.57	-	\$23.40	-1%	-4%	-8%	4%	58%	15.0x	12.8x	2.4x	\$1.91	\$1.82	\$2.24	\$2.17
Willis Group Holdings PLC	WSH	\$6,174	Outperform	\$36.26	\$42.42	-	\$30.32	-3%	-7%	-12%	5%	93%	12.8x	10.2x	2.4x	\$2.83	\$2.87	\$3.55	\$3.33
Average Insurance Broker							-2%	-5%	-12%	-4%	54%	15.9x	13.5x	2.2x					
Commercial Insurers																			
AmTrust Financial Services, Inc.	AFSI	\$1,370	Outperform	\$22.84	\$24.74	-	\$14.10	-1%	-6%	0%	31%	231%	7.9x	7.6x	1.9x	\$2.90	\$2.82	\$3.00	\$2.87
The Chubb Corporation	CB	\$17,110	Underperform	\$60.39	\$66.00	-	\$55.39	-2%	-2%	-4%	1%	73%	10.7x	11.1x	1.2x	\$5.64	\$5.72	\$5.42	\$6.08
HCC Insurance Holdings, Inc.	HCC	\$3,147	Underperform	\$28.32	\$33.12	-	\$24.66	-1%	-3%	-10%	-2%	39%	10.8x	10.2x	1.0x	\$2.63	\$2.56	\$2.78	\$3.01
National Interstate Corporation	NATL	\$429	Market Perform	\$22.42	\$24.36	-	\$18.66	2%	-2%	-2%	5%	54%	11.8x	10.8x	1.4x	\$1.90	\$1.84	\$2.08	\$2.08
RLI Corp.	RLI	\$1,341	Market Perform	\$63.87	\$66.53	-	\$50.86	1%	1%	3%	21%	48%	12.7x	12.7x	1.9x	\$5.01	\$5.09	\$5.02	\$4.29
The Travelers Companies, Inc.	TRV	\$21,083	Market Perform	\$50.61	\$64.17	-	\$46.62	-1%	0%	-13%	-9%	51%	12.4x	8.3x	0.9x	\$4.07	\$4.02	\$6.10	\$6.01
Tower Group, Inc.	TWGP	\$947	Market Perform	\$22.99	\$27.86	-	\$20.00	-2%	-4%	-3%	-10%	5%	8.8x	7.4x	0.9x	\$2.61	\$2.62	\$3.10	\$3.12
Average Commercial Insurer							-1%	-2%	-4%	5%	71%	10.7x	9.7x	1.3x					
Insurance Services																			
The Crawford Company	CRD'B	\$291	Outperform	\$6.72	\$8.39	-	\$2.35	-13%	-6%	-5%	98%	0%	9.7x	8.8x	3.7x	\$0.69	\$0.72	\$0.76	\$0.60
Fortegra Financial Corporation	FRF	\$106	Market Perform	\$5.14	\$12.20	-	\$4.88	2%	0%	-34%	-53%	NA	8.2x	6.7x	0.9x	\$0.63	\$0.67	\$0.77	\$0.90
Average Insurance Services							-6%	-3%	-20%	22%	0%	8.9x	7.8x	2.3x					

A principal or employee of William Blair & Company, L.L.C. is a member of the board of directors or advisory board of Aon Corporation.

William Blair & Company, L.L.C. is a market maker in the security of Aon Corporation and may have a long or short position.

Additional information is available upon request.



Current Rating Distribution (as of 08/31/11)

Coverage Universe	Percent	Inv. Banking Relationships*	Percent
Outperform (Buy)	59	Outperform (Buy)	8
Market Perform (Hold)	31	Market Perform (Hold)	2
Underperform (Sell)	1	Underperform (Sell)	0

*Percentage of companies in each rating category that are investment banking clients, defined as companies for which William Blair has received compensation for investment banking services within the past 12 months.

Adam Klauber attests that 1) all of the views expressed in this research report accurately reflect his/her personal views about any and all of the securities and companies covered by this report, and 2) no part of his/her compensation was, is, or will be related, directly or indirectly, to the specific recommendations or views expressed by him/her in this report. We seek to update our research as appropriate, but various regulations may prohibit us from doing so. Other than certain periodical industry reports, the majority of reports are published at irregular intervals as deemed appropriate by the analyst.

Stock ratings, price targets, and valuation methodologies: William Blair & Company, L.L.C. uses a three-point system to rate stocks. Individual ratings and price targets (where used) reflect the expected performance of the stock relative to the broader market (generally the S&P 500, unless otherwise indicated) over the next 12 months. The assessment of expected performance is a function of near-, intermediate-, and long-term company fundamentals, industry outlook, confidence in earnings estimates, valuation (and our valuation methodology), and other factors. Outperform (O) – stock expected to outperform the broader market over the next 12 months; Market Perform (M) – stock expected to perform approximately in line with the broader market over the next 12 months; Underperform (U) – stock expected to underperform the broader market over the next 12 months; not rated (NR) – the stock is not currently rated. The valuation methodologies used to determine price targets (where used) include (but are not limited to) price-to-earnings multiple (P/E), relative P/E (compared with the relevant market), P/E-to-growth-rate (PEG) ratio, market capitalization/revenue multiple, enterprise value/EBITDA ratio, discounted cash flow, and others.

Company Profile: The William Blair research philosophy is focused on quality growth companies. Growth companies by their nature tend to be more volatile than the overall stock market. Company profile is a fundamental assessment, over a longer-term horizon, of the business risk of the company relative to the broader William Blair universe. Factors assessed include: 1) durability and strength of franchise (management strength and track record, market leadership, distinctive capabilities); 2) financial profile (earnings growth rate/consistency, cash flow generation, return on investment, balance sheet, accounting); 3) other factors such as sector or industry conditions, economic environment, confidence in long-term growth prospects, etc. Established Growth (E) – Fundamental risk is lower relative to the broader William Blair universe; Core Growth (C) – Fundamental risk is approximately in line with the broader William Blair universe; Aggressive Growth (A) – Fundamental risk is higher relative to the broader William Blair universe.

The ratings, price targets (where used), valuation methodologies, and company profile assessments reflect the opinion of the individual analyst and are subject to change at any time.

The compensation of the research analyst is based on a variety of factors, including performance of his or her stock recommendations; contributions to all of the firm's departments, including asset management, corporate finance, institutional sales, and retail brokerage; firm profitability; and competitive factors.

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies—to our clients and our trading desks—that are contrary to opinions expressed in this research. Our asset management and trading desks may make investment decisions that are inconsistent with recommendations or views expressed in this report. We will from time to time have long or short positions in, act as principal in, and buy or sell the securities referred to in this report. Our research is disseminated primarily electronically, and in some instances in printed form. Electronic research is simultaneously available to all clients. This research is for our clients only. No part of this material may be copied or duplicated in any form by any means or redistributed without the prior written consent of William Blair & Company, L.L.C.

THIS IS NOT IN ANY SENSE A SOLICITATION OR OFFER OF THE PURCHASE OR SALE OF SECURITIES. THE FACTUAL STATEMENTS HEREIN HAVE BEEN TAKEN FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT SUCH STATEMENTS ARE MADE WITHOUT ANY REPRESENTATION AS TO ACCURACY OR COMPLETENESS OR OTHERWISE. OPINIONS EXPRESSED ARE OUR OWN UNLESS OTHERWISE STATED. PRICES SHOWN ARE APPROXIMATE.

THIS MATERIAL HAS BEEN APPROVED FOR DISTRIBUTION IN THE UNITED KINGDOM BY WILLIAM BLAIR INTERNATIONAL, LIMITED, REGULATED BY THE FINANCIAL SERVICES AUTHORITY (FSA), AND IS DIRECTED ONLY AT, AND IS ONLY MADE AVAILABLE TO, PERSONS FALLING WITHIN COB 3.5 AND 3.6 OF THE FSA HANDBOOK (BEING "ELIGIBLE COUNTERPARTIES" AND "PROFESSIONAL CLIENTS"). THIS DOCUMENT IS NOT TO BE DISTRIBUTED OR PASSED ON TO ANY "RETAIL CLIENTS." NO PERSONS OTHER THAN PERSONS TO WHOM THIS DOCUMENT IS DIRECTED SHOULD RELY ON IT OR ITS CONTENTS OR USE IT AS THE BASIS TO MAKE AN INVESTMENT DECISION.

Copyright 2011, William Blair & Company, L.L.C.