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## News from Aon

### **Radford Surveys + Consulting's 2006 Overall Practices Report Reveals Restricted Stock Usage Increases for the Fourth Year in a Row**

*Wider Use of New-Hire and Retention Bonuses Among Findings in Latest Study of 855 High-Tech Companies*

**San Jose, Calif. – August 21, 2006** – Radford Surveys + Consulting, a San Jose-based business unit of Aon Consulting that provides market-leading compensation surveys and consulting to the technology and life sciences industries, has announced the results of its 2006 Radford Overall Practices Report (OPR). The report, which included survey results from 855 technology companies, revealed use of restricted stock rose for the fourth straight year, and utilization of both new-hire and retention bonuses increased over the last year as normal hiring resumed.

In light of new accounting regulations for stock option expensing, companies continue to incorporate restricted stock and other full-value shares in their equity compensation programs. Radford's latest OPR revealed the number of companies allowed to grant restricted stock rose to 53 percent. This is up from, respectively, 36 percent, 29 percent and 26 percent of companies in the three previous years. Furthermore, a number of companies offering employee stock purchase plans (ESPP) made changes to mitigate expense, with 29 percent modifying some component of their plan (discount, offering period or price) and 9 percent of companies eliminating their ESPP plan.

"The increased use of full-value shares, while scaling back ESPPs, is indicative of the real challenges and trade-offs that companies face right now in mitigating stock option expense, and still providing competitive equity incentives and ownership opportunities to executives and employees," said Linda E. Amuso, senior vice president, Radford Surveys + Consulting.

Companies report using various other compensation tools in order to attract and retain top talent as hiring picks up. Within the last year, 73 percent of participating companies provided new-hire (sign-on) bonus awards, up from 67 percent the year before. Retention bonus awards increased to 35 percent of all companies, up from 27 percent the previous year.

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"More than a quarter of our technology clients report they are aggressively hiring," said John Radford, senior vice president, Radford Surveys + Consulting. "It is no surprise to see an increased use of hiring and retention bonuses as companies seek out key employees, while simultaneously trying to hold on to the talent they have."

Published once a year, the 2006 Overall Practices Report surveys technology companies who participate in the Radford Benchmark and/or Executive Surveys. The Benchmark and Executive Surveys collect detailed compensation data by job for more than 1,600 Director-and-below level jobs and 70 Executive positions, respectively.

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### **About Radford Surveys + Consulting**

For more than 30 years, Radford Surveys + Consulting has provided compensation and benefits surveys and consulting to the technology industries. Global survey databases, which include nearly two million incumbents, offer current, reliable data to more than 2,000 clients. Comprised of leading industry experts, our compensation consulting group offers a broad range of services and thought leadership to tech and biotech firms. The Radford Network, an exclusive client-only extranet, provides access to survey data, tools and resources on demand and has nearly 7,000 registered users. Radford's suite of global surveys includes the Radford Benchmark Survey, Executive Survey, Sales Survey, Benefits Survey, Biotechnology Survey, International Survey and Canada Survey.

### **About Aon**

Aon Corporation ([www.aon.com](http://www.aon.com)) is a leading provider of risk management services, insurance and reinsurance brokerage, human capital and management consulting, and specialty insurance underwriting. There are 46,000 employees working in Aon's 500 offices in more than 120 countries. Backed by broad resources, industry knowledge and technical expertise, Aon professionals help a wide range of clients develop effective risk management and workforce productivity solutions.

Aon Consulting is among the top global human resources consulting firms, with 2005 revenues of \$1.255 billion and 7,000 professionals in 120 offices throughout the world. Aon Consulting delivers integrated consulting solutions to help clients with employee benefits, human resources outsourcing, compensation, communication and management consulting.

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This press release contains certain statements related to future results, or states our intentions, beliefs and expectations or predictions for the future which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. Potential factors that could impact results include: general economic conditions in different countries in which we do business around the world, changes in global equity and fixed income markets that could affect the return on invested assets, fluctuations in exchange and interest rates that could influence revenue and expense, rating agency actions that could affect our ability to borrow funds, funding of our various pension plans, changes in the competitive environment, our ability to implement restructuring initiatives and other initiatives intended to yield cost savings, our ability to execute the stock repurchase program, our ability to execute the planned sale of the Aon Warranty Group, changes in commercial property and casualty markets and commercial premium rates that could impact revenues, changes in revenues and earnings due to the elimination of contingent commissions, other uncertainties surrounding a new compensation model, the impact of investigations brought by state attorneys general, state insurance regulators, federal prosecutors, and federal regulators, the impact of class actions and individual lawsuits including client class actions, securities class actions, derivative actions, and ERISA class actions, the cost of resolution of other contingent liabilities and loss contingencies, and the difference in ultimate paid claims in our underwriting companies from actuarial estimates. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, is contained in the Company's filings with the Securities and Exchange Commission.