

AON CORP
Form 4
October 05, 2010

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FRADIN RUSSELL P

(Last) (First) (Middle)

AON CORPORATION -
CORPORATE LAW DEPT, 200
EAST RANDOLPH STREET, 8TH
FLOOR

(Street)

CHICAGO, IL 60601

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AON CORP [AOC]

3. Date of Earliest Transaction
(Month/Day/Year)
10/01/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
CEO/Chair - Aon Hewitt

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 10/01/2010 | | A | | 27,114 | A | (1) 27,114 |
| Common Stock | 10/01/2010 | | A | | 35,453 (4) | A | (2) 62,567 |
| Common Stock | 10/01/2010 | | A | | 50,663 (4) | A | (3) 113,230 |
| Common Stock | 10/01/2010 | | A | | 127,291 | A | (5) 240,521 |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Restricted Stock Unit Award (Right to Receive) | (6) | 10/01/2010 | | A | 50,917 | 10/01/2012(7) 10/01/2015(7) | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 29.15 | 10/01/2010 | | A | 149,613 | (8) 12/03/2017 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 20.44 | 10/01/2010 | | A | 271,320 | (8) 12/01/2018 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 17.65 | 10/01/2010 | | A | 193,800 | (8) 02/15/2015 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 31.99 | 10/01/2010 | | A | 147,006 | (8) 12/01/2019 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 17.65 | 10/01/2010 | | A | 234,627 | (8) 09/05/2016 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------------------------------|------------|
| | Director | 10% Owner | Officer | Other |
| FRADIN RUSSELL P AON CORPORATION - CORPORATE LAW DEPT 200 EAST RANDOLPH STREET, 8TH FLOOR CHICAGO, IL 60601 | | | CEO/Chair - Aon Hewitt | |
| /s/ Jennifer L. Kraft - by Jennifer L. Kraft pursuant to a power of attorney from Russell P. Fradin | | | | 10/05/2010 |
| | | | **Signature of Reporting Person | Date |

Signatures

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Received pursuant to the Agreement and Plan of Merger, dated as of July 11, 2010, among Aon Corporation ("Aon"), Alps Merger Corp., Alps Merger LLC and Hewitt Associates, Inc. (the "Merger Agreement") in exchange for 42,620 shares of Hewitt common stock held directly. On the effective date of the merger, the closing price of Aon's common stock was \$39.28.
 - (2) Received pursuant to the Merger Agreement in exchange for 55,727 shares of Hewitt common stock resulting from the settlement of Hewitt restricted stock units. On the effective date of the merger, the closing price of Aon's common stock was \$39.28.
 - (3) Received pursuant to the Merger Agreement in exchange for 79,634 shares of Hewitt common stock resulting from the settlement of Hewitt performance share units. On the effective date of the merger, the closing price of Aon's common stock was \$39.28.
 - (4) Current estimate based on anticipated tax withholding.
 - (5) Represents a fully vested restricted stock unit award that will be distributed upon the reporting person's departure from Aon. Received pursuant to the Employment Agreement dated as of September 30, 2010 between Aon Corporation and Russell P. Fradin.
 - (6) The restricted stock unit award will convert to shares of Aon common stock on a 1-for-1 basis.
 - (7) Restricted stock units will vest in accordance with the Aon Stock Incentive Plan as follows: 25% of the shares will vest on each of the second through fifth anniversaries of the date of grant.
 - (8) Represents an option to purchase shares of Hewitt common stock that was converted to an option to purchase shares of Aon common stock pursuant to the Merger Agreement. The option is fully vested and immediately exercisable.
 - (9) Represents a stock option granted pursuant to the Aon Stock Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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