

TRUST AGREEMENT

MADE AS OF THE

____ DAY OF _____, 2004

BETWEEN

MCKINSEY & COMPANY, INC.

AND

[TRUSTEE]

AGREEMENT made as of the _____ day of _____, 2004 between McKinsey & Company, Inc., a corporation organized under the laws of the State of New York (“McKinsey”) and [*the trustee*] (“the Trustee”).

WITNESSETH:

Whereas, McKinsey & Company, Inc. (“McKinsey”) wishes to establish a trust for the benefit of _____ (“Beneficiary”), who is one of its management group members (“MGMs”), as contemplated by Section 9(a) of its Restated Certificate of Incorporation; and

Whereas, the trust is designed to adhere to the terms and conditions of an Application for Exemption from Registration Under Section 12(g) of the Securities Exchange Act of 1934, as amended, Pursuant To Section 12(h) of that Act (the “Application”), and filed by McKinsey on May 25, 1994, and of the Order of the Commission dated June 28, 1994, file number 81-919, granting McKinsey’s Application, as supplemented by a no-action letter response, dated October _____, 2004, received from the Staff of the Securities and Exchange Commission.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants in this Agreement, McKinsey and the Trustee do hereby covenant and agree as follows:

1. DESIGNATION OF TRUSTEE; AMENDMENT OF PRIOR AGREEMENT

McKinsey hereby designates [*wholly-owned subsidiary or another MGM*] as the Trustee of the Trust to act under the terms of this Agreement, and the Trustee hereby accepts its designation and agrees to act as the Trustee under the terms of this Agreement, all effective as of the date of this Agreement.

2. GENERAL DUTIES OF THE TRUSTEE

The Trustee shall hold all property received by it hereunder, which, together with the income and gains therefrom and additions thereto, shall constitute the trust fund (“Trust Fund”). Any shares of common stock of McKinsey that become part of the Trust Fund shall at all times be held in a separate account designated to hold such shares (the “Stock Account”) and in respect of such shares the Trustee shall observe all transfer and other restrictions set forth or specified in this Agreement, the Restated Certificate (as defined in paragraph 4 below), and the Shareholders Agreement (as defined in paragraph 5 below). Other assets will be held in one or more other accounts (the “Other Accounts”), and the Trustee shall administer such other assets under the terms and conditions as provided for in the Agreement.

3. TRUSTEE POWERS

With respect to shares of common stock of McKinsey held in the Stock Account, the powers of the Trustee are expressly limited as set forth in this Agreement. With respect to other assets held in the Other Accounts, the Trustee's powers are general, except as otherwise set forth in this Agreement. Subject to those limitations, the Trustee shall have, with respect to any property held by it at any time as part of the Trust Fund, and without in any way limiting the powers and discretions conferred upon the Trustee by any other provision of this Agreement or by law, the following traditional powers and authority in the investment and administration of the Trust Fund:

- A. To invest and reinvest in any assets;
- B. To retain any property received by it at any time;
- C. To make any payments or distributions in cash or in kind, subject to any restrictions contained in this Agreement;
- D. To sell or exchange any property, for cash or on credit, at public or private sale; to grant options for the purchase or exchange of any property; or otherwise to sell, exchange, convey, transfer, or dispose of any property held by it at any time;
- E. To vote shares of stock, including the shares held in the Stock Account, subject to the restrictions set forth in this Agreement; and
- F. Generally to do all acts, and to make, execute, and deliver all such deeds, contracts, and other instruments, whether or not expressly authorized, which the Trustee may deem necessary or desirable to carry out the purposes of the foregoing powers or for the protection of the Trust Fund.

4. NON-TRANSFERABILITY OF SHARES OF STOCK IN THE STOCK FUND/NO PLEDGE OF STOCK PERMITTED

A. The Trustee confirms its agreement to abide by Article NINTH of the Restated Certificate of Incorporation of McKinsey & Company, Inc. (the "Restated Certificate") as it may be amended from time to time, and all determinations of McKinsey's Board of Directors made pursuant thereto. Article NINTH precludes the transfer of any shares of common stock of McKinsey except, under limited circumstances, to McKinsey or another permitted holder, and any attempted transfer in violation of these restrictions shall not be recognized in McKinsey's transfer books.

5. VOTING POWERS

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Successor Trustee

A. Each of the Beneficiary and the Trustee shall vote the shares in the Stock Fund subject to the irrevocable proxy to which the Beneficiary is already bound under the Agreement Among Common Shareholders of McKinsey & Company, Inc., dated March 1, 1991, as may amended from time to time (the “Shareholders Agreement”).

B. Each of the Beneficiary and the Trustee shall become a party to the Shareholders Agreement no later than the date of this Agreement.

6. COMPENSATION OF TRUSTEE

A. Trustee Compensation

The Trustee shall not receive compensation for services as Trustee.

7. ACCOUNTINGS

A. Trustee Accounts

The Trustee shall keep accurate and detailed accounts of all its receipts, disbursements, and other transactions hereunder, and all accounts, books, and records related thereto, and shall make them available for inspection by McKinsey and the Beneficiary.

8. RESIGNATION, REMOVAL OF TRUSTEE; SUCCESSOR TRUSTEE

A. Resignation of Trustee

The Trustee may resign at any time by submitting to McKinsey, with a copy to the Beneficiary, its written resignation. Such resignation shall not take effect prior to sixty (60) days from the date of such submission, or upon appointment of a successor.

B. Removal of Trustee

McKinsey may remove the Trustee at any time by delivering to the Trustee, with a copy to the Beneficiary, a written notice of its removal.

C. Appointment of Successor Trustee

In the event of the resignation or removal of the Trustee, McKinsey shall appoint a successor trustee.

9. DURATION AND TERMINATION OF TRUST

This Trust shall continue for such time as may be necessary to accomplish the purpose for which it was created but may be terminated at any time by McKinsey, or by the Beneficiary, in consultation with each other, with advance notice of 30 calendar days, unless both parties agree to a shorter notice period. Notice of such termination shall be given to the Trustee by an instrument in writing executed by either McKinsey or the Beneficiary, as applicable, and each shall send a copy to the other.

10. AMENDMENT

This Agreement may be amended by McKinsey at any time or from time to time by an instrument in writing delivered to the Trustee; provided, however, that the Beneficiary shall have notice of such amendment, and the duties and responsibilities of the Trustee shall not be increased without the Trustee's written consent.

11. RESPONSIBILITIES OF TRUSTEE

The Trustee shall discharge its duties hereunder with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Trustee shall not be liable for any loss sustained by the Trust Fund by reason of the purchase, retention, sale, or exchange of any investment in good faith, nor for any other action by the Trustee, which is taken in accordance with the provisions of this Agreement, the provisions of the Restated Certificate, of any other internal policy of McKinsey, or the Shareholders Agreement, or any applicable law or rule of the United States, any State, or any non-U.S. jurisdiction.

12. INDEMNIFICATION

To the maximum extent permitted by law, but only to that extent, the Beneficiary indemnifies and holds harmless each of the Trust, McKinsey, any affiliate of McKinsey, and the Trustee, for any costs, losses, penalties, and any other form of expense or liability of any kind incurred (whether asserted or incurred in the United States or elsewhere, and whether asserted or charged by the Beneficiary or his or her representative or by a third party, including legal fees and expenses) that relates or is alleged to relate in whole or in part to any action that the Trust, McKinsey, any affiliate of McKinsey, or the Trustee and its affiliates, may have taken or not taken, or is alleged to have taken or not to have taken, as a party to this Agreement, or in administering the Trust contemplated by this Agreement.

13. GOVERNING LAW

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This Agreement shall be administered, construed, and enforced according to the laws of the State of New York, without regard to principles relating to the conflicts of laws.

14. TITLES AND HEADINGS

The titles and headings in this Agreement are for convenience and reference only and shall not limit or affect in any manner any provision contained herein.

15. TRUST TITLE

This Trust shall be known as the _____ Trust.

IN WITNESS WHEREOF, this instrument has been executed as of the day and year first above written.

McKinsey & Company., Inc.

By _____

Attest:

[Trustee]

By _____

Attest:

[Beneficiary]

By _____

Attest:
