

AP - 21st July 1998

3512757

DATED 21st July, 1998

T. M. Gateley
W.M.T. Fowle,
A.S. Hunter
and
A.A.E. Benzie

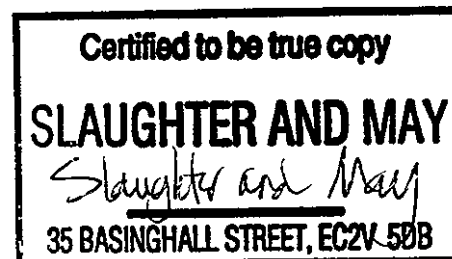
and

KPMG Holdings Limited

SHARE PURCHASE AGREEMENT
in respect of the shares of KPMG Audit Plc,
KPMG (SSBA) Limited, KPMG (CBA) Limited and KPMG (NBA) Limited

Slaughter and May
35 Basinghall Street
London EC2V 5DB
(JEFR/FMNL)

CA981050.058



30/7/98



THIS AGREEMENT is made 21st July, 1998

Ads
exempt
Jan 27/7

BETWEEN:-

- (1) Terence Michael Gateley, William Michael Thomas Fowle, Archibald Sinclair Hunter and Alan Athol Emslie Benzie all c/o 8 Salisbury Square, London, EC4Y 8BB (the "Sellers")
- (2) KPMG Holdings Limited incorporated in England and Wales with registered number 3512757) whose registered office is at 8 Salisbury Square, London, EC4Y 8BB (the "Purchaser")



WHEREAS:-

A. The Sellers are the owners of:-

- (i) 50,000,000 shares of KPMG Audit Plc, (incorporated in England and Wales with registered number 3110745) whose registered office is 8 Salisbury Square, London, EC4Y 8BB;
- (ii) 100 shares of KPMG (SSBA) Limited (incorporated in England and Wales with registered number 3384263) whose registered office is at Aquis Court, 31 Fishpool Street, St. Albans, Herts, AL3 4RF;
- (iii) 100 shares of KPMG (CBA) Limited (incorporated in England and Wales with registered number 3384264) whose registered office is at Aquis Court, 31 Fishpool Street, St. Albans, Herts, AL3 4RF; and
- (iv) 100 shares of KPMG (NBA) Limited (incorporated in England and Wales with registered number 3384265) whose registered office is at Aquis Court, 31 Fishpool Street, St. Albans, Herts, AL3 4RF,

(the "Companies").

B. The Sellers have agreed to sell and the Purchaser has agreed to purchase the Shares (as defined in this agreement) on the terms and subject to the conditions of this agreement in consideration for the allotment of shares in the Purchaser in favour of the Sellers.

WHEREBY IT IS AGREED as follows:-

1. Interpretation

1.1 In this agreement

"Completion" means completion of the sale and purchase of the Shares under this agreement;

"Pre-contractual Statement" has the meaning set out in clause 5;

"Shares" means all the issued shares in the capital of the Companies.

1.2 In this agreement, unless otherwise specified:-

- (A) references to clauses, sub-clauses, paragraphs and sub-paragraphs are to clauses, sub-clauses, paragraphs and sub-paragraphs of this agreement;
- (B) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (C) headings to clauses are for convenience only and do not affect the interpretation of this agreement.

2. Sale and Purchase

2.1 The Sellers shall sell and the Purchaser shall purchase the Shares free from all claims, liens, charges, encumbrances and equities and from all other rights exercisable by or claims by third parties and together with all rights attached or accruing to them.

2.2 For the avoidance of doubt, Part 1 Law of Property (Miscellaneous Provisions) Act 1994 shall not apply for the purposes of this clause.

3. Consideration

The total consideration for the sale of the Shares shall be the issue and allotment to the Sellers of 50,000 shares in the share capital of the Purchaser payable in accordance with clause 4 (Completion).

4. Completion

4.1 Completion shall take place as soon as reasonably practicable after signature of this agreement.

4.2 At Completion:-

- (A) the Sellers shall deliver to the Purchaser duly executed transfers in respect of the Shares in favour of the Purchaser and share certificates for the Shares in the name of the relevant transferors; and

- (B) such waivers or consents as the Purchaser or its nominees may require to enable the Purchaser or its nominees to be registered as holders of the shares; and.
- (C) on receipt of the duly executed transfers and share certificates referred to in sub-clause 4.2(A), the Purchaser shall execute each transfer and deliver to the Sellers share certificates representing the consideration referred to in clause 3 (Consideration) and the Purchaser shall ensure that the names of the Sellers are entered on its register of members.

5. Entire Agreement

- 5.1 For the purpose of this clause, “**Pre-contractual Statement**” means a representation, warranty or arrangement of any nature whatsoever relating to this agreement made or given by a party to this agreement or any other person at any time prior to the date of this agreement.
- 5.2 This agreement constitutes the whole and only agreement between the parties relating to the sale and purchase of the Shares and except to the extent repeated in this agreement, this agreement supersedes and extinguishes any Pre-contractual Statement.
- 5.3 None of the parties shall have any right of action against any other party to this agreement arising out of or in connection with any Pre-contractual Statement (except in the case of fraud) except to the extent repeated in this agreement.

6. Choice of Governing Law

This agreement shall be governed by and construed in accordance with English law.

This agreement has been entered into on the date stated at the beginning of this agreement.

Signed by Terence Michael Gateley in
the presence of:-

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X T.M. Gateley

X

Mr Chalton

8 Salisbury Square
London EC4V 8BB.

Signed by William Michael Thomas
Fowle in the presence of:-

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W.M. Thomas

Mr Chalton

Signed by Archibald Sinclair Hunter
in the presence of:-

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A.S. Hunter

Mr Chalton

Signed by Alan Athol Emslie Benzie
in the presence of:-

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A.A. Benzie

Mr Chalton

Signed by C M Shuman
for and on behalf of KPMG Holdings
Limited in the presence of:-

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C.M. Shuman

Mr Chalton

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