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

FORM 10-Q

(Mark One)
x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2006

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 000-50976

Huron Consulting Group Inc.

(Exact name of registrant as specified in its charter)

Delaware	**01-0666114**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

550 West Van Buren Street
Chicago, Illinois
60607
(Address of principal executive offices)
(Zip Code)

(312) 583-8700
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer o Accelerated filer x Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of July 31, 2006, 18,020,614 shares of the registrant's common stock, par value $0.01 per share, were outstanding.

HURON CONSULTING GROUP INC.

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PART I ¾ FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

HURON CONSULTING GROUP INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)
(Unaudited)

	June 30, 2006	December 31, 2005
Assets		
Current assets:		
Cash and cash equivalents	$ 3,381	$ 31,820
Receivables from clients, net	38,472	29,164
Unbilled services, net	23,242	18,187
Income tax receivable	3,092	232
Deferred income taxes	14,747	12,553
Other current assets	5,211	5,799
Total current assets	88,145	97,755
Property and equipment, net	23,504	13,162
Deferred income taxes	3,951	2,154
Deposits and other assets	1,273	1,147
Intangible assets, net	3,085	844
Goodwill	35,501	14,637
Total assets	$ 155,459	$ 129,699
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 2,944	$ 2,671
Accrued expenses	9,846	4,357
Accrued payroll and related benefits	23,318	32,073
Income tax payable	¾	491
Deferred revenues	5,180	4,609
Borrowings	6,500	¾
Current portion of notes payable and capital lease obligations	1,141	1,282
Total current liabilities	48,929	45,483
Non-current liabilities:		
Accrued expenses and other liabilities	604	274
Notes payable and capital lease obligations, net of current portion	1,132	2,127
Deferred lease incentives	10,175	6,283
Total non-current liabilities	11,911	8,684
Commitments and contingencies		
Stockholders' equity		
Common stock; $0.01 par value; 500,000,000 shares authorized; 17,720,301 and 17,397,312 shares issued at June 30, 2006 and December 31, 2005, respectively	177	174
Treasury stock, at cost, 294,341 and 148,933 shares at June 30, 2006 and December 31, 2005, respectively	(6,029)	(3,061)
Additional paid-in capital	69,084	58,908
Retained earnings	31,387	19,511
Total stockholders' equity	94,619	75,532
Total liabilities and stockholders equity	$ 155,459	$ 129,699

The accompanying notes are an integral part of the consolidated financial statements.

HURON CONSULTING GROUP INC.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2006	**2005**	**2006**	**2005**
Revenues and reimbursable expenses:				
Revenues	$ 67,769	$ 50,517	$ 129,956	$ 97,277
Reimbursable expenses	6,691	4,691	12,130	9,061
Total revenues and reimbursable expenses	74,460	55,208	142,086	106,338
Direct costs and reimbursable expenses (exclusive of depreciation and amortization shown in operating expenses)**:**				
Direct costs	37,436	28,754	73,426	54,698
Intangible assets amortization	1,640	385	1,716	385
Reimbursable expenses	6,795	4,704	12,333	9,091
Total direct costs and reimbursable expenses	45,871	33,843	87,475	64,174
Operating expenses:				
Selling, general and administrative	15,713	12,106	30,554	23,829
Depreciation and amortization	1,569	1,109	3,077	1,956
Total operating expenses	17,282	13,215	33,631	25,785
Operating income	11,307	8,150	20,980	16,379
Other income (expense):				
Interest income (expense), net	(193)	64	39	229
Other income	¾	¾	¾	1
Total other income (expense)	(193)	64	39	230
Income before provision for income taxes	11,114	8,214	21,019	16,609
Provision for income taxes	4,834	3,557	9,143	7,125
Net income	$ 6,280	$ 4,657	$ 11,876	$ 9,484
Earnings per share:				
Basic	$ 0.39	$ 0.30	$ 0.73	$ 0.61
Diluted	$ 0.36	$ 0.28	$ 0.69	$ 0.57
Weighted average shares used in calculating earnings per share:				
Basic	16,309	15,646	16,194	15,597
Diluted	17,244	16,773	17,120	16,725

The accompanying notes are an integral part of the consolidated financial statements.

HURON CONSULTING GROUP INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(In thousands, except share amounts)
(Unaudited)

	Common Stock					
	Shares	**Amount**	**Treasury Stock**	**Additional Paid-In Capital**	**Retained Earnings**	**Stockholders' Equity**
Balance at December 31, 2005	17,397,312	$ 174	$ (3,061)	$ 58,908	$ 19,511	$ 75,532
Net income	¾	¾	¾	¾	11,876	11,876
Issuance of common stock in connection with:						
Restricted stock awards, net of cancellations	5,000	¾	(1,954)	1,954	¾	¾
Exercise of stock options	293,429	3	¾	231	¾	234
Share-based compensation	¾	¾	¾	4,721	¾	4,721
Shares redeemed for employee tax withholdings	¾	¾	(1,014)	¾	¾	(1,014)
Income tax benefit on share-based compensation	¾	¾	¾	3,270	¾	3,270
Balance at June 30, 2006	17,695,741	$ 177	$ (6,029)	$ 69,084	$ 31,387	$ 94,619

The accompanying notes are an integral part of the consolidated financial statements.

HURON CONSULTING GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six months ended June 30,	
	2006	**2005**
Cash flows from operating activities:		
Net income	$ 11,876	$ 9,484
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,793	2,341
Deferred income taxes	(3,991)	(2,541)
Share-based compensation	4,721	3,106
Tax benefit from share-based compensation	¾	1,369
Allowances for doubtful accounts and unbilled services	241	145
Other	134	¾
Changes in operating assets and liabilities:		
Increase in receivables from clients	(9,464)	(2,928)
Increase in unbilled services	(5,140)	(4,698)
Increase in income tax receivable	(2,860)	(309)
Decrease in other current assets and other	450	19
Increase (decrease) in accounts payable and accrued expenses	4,894	(1,184)
Decrease in accrued payroll and related benefits	(8,755)	(1,618)
Decrease in income tax payable	(491)	(720)
Increase in deferred revenues	1,071	1,088
Net cash (used in) provided by operating activities	(2,521)	3,554
Cash flows from investing activities:		
Purchases of property and equipment	(13,200)	(4,285)
Purchases of businesses, net of cash acquired	(20,562)	(12,366)
Net cash used in investing activities	(33,762)	(16,651)
Cash flows from financing activities:		
Proceeds from exercise of stock options	234	104
Tax benefit from share-based compensation	3,270	¾
Shares redeemed for employee tax withholdings	(1,014)	¾
Proceeds from borrowings under line of credit	35,600	¾
Repayments on line of credit	(29,100)	¾
Principal payments of notes payable and capital lease obligations	(1,146)	¾
Net cash provided by financing activities	7,844	104
Net decrease in cash and cash equivalents	(28,439)	(12,993)
Cash and cash equivalents at beginning of the period	31,820	28,092
Cash and cash equivalents at end of the period	$ 3,381	$ 15,099
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Income taxes	$ 13,217	$ 9,327
Interest	$ 186	$ 63
Non-cash investing and financing activities:		
Liabilities incurred for purchases of businesses	$ 4,613	$ 3,000

The accompanying notes are an integral part of the consolidated financial statements.

1. Description of Business

Huron Consulting Group Inc. was formed on March 19, 2002. Huron Consulting Group Inc., together with its indirect wholly-owned operating subsidiaries, Huron Consulting Services LLC and Speltz & Weis LLC, (collectively, the "Company"), is an independent provider of financial and operational consulting services, whose clients include Fortune 500 companies, medium-sized businesses, leading academic institutions, healthcare organizations and the law firms that represent these various organizations.

2. Basis of Presentation

The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission. In the opinion of management, these financial statements reflect all adjustments of a normal, recurring nature necessary for the fair presentation of the Company's financial position, results of operations and cash flows for the interim periods presented in conformity with accounting principles generally accepted in the United States of America. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2005 included in the Company's annual report on Form 10-K and the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2006. The Company's results for any interim period are not necessarily indicative of results for a full year or any other interim period.

3. Share-based Compensation

In December 2004, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 123 (revised 2004), "Share-Based Payment," ("SFAS No. 123R"). This statement requires that the costs of employee share-based payments be measured at fair value on the awards' grant date and recognized in the financial statements over the requisite service period.

Effective January 1, 2006, the Company adopted the provisions of SFAS No. 123R using the modified prospective application transition method. Under this method, compensation cost for the portion of awards for which the requisite service has not yet been rendered that are outstanding as of the adoption date is recognized over the remaining service period. The compensation cost for that portion of awards is based on the grant-date fair value of those awards as calculated for pro forma disclosures under SFAS No. 123, as originally issued. All new awards and awards that are modified, repurchased, or cancelled after the adoption date are accounted for under the provisions of SFAS No. 123R. Prior periods have not been restated under this transition method. The Company recognizes share-based compensation ratably using the straight-line attribution method over the requisite service period. In addition, pursuant to SFAS No. 123R, the Company is required to estimate the amount of expected forfeitures when calculating share-based compensation, instead of accounting for forfeitures as they occur, which was the Company's practice prior to the adoption of SFAS No. 123R. As of January 1, 2006, the cumulative effect of adopting the estimated forfeiture method was not material.

Prior to January 1, 2006, the Company accounted for share-based compensation using the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations and elected the disclosure option of SFAS No. 123 as amended by SFAS No. 148, "Accounting for Stock-Based Compensation—Transition and Disclosure." SFAS No. 123 requires that companies either recognize compensation expense for grants of stock, stock options and other equity instruments based on fair value, or provide pro forma disclosure of net income and earnings per share in the notes to the financial statements. Accordingly, the Company measured compensation expense for stock options as the excess, if any, of the estimated fair market value of the Company's stock at the date of grant over the exercise price. The following table details the effect on net income and earnings per share for the three and six months ended June 30, 2005 had compensation expense for the stock plans been recorded based on the fair value method under SFAS No. 123.

(Tabular amounts in thousands, except per share amounts)

	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Net income	$ 4,657	$ 9,484
Add: Total share-based compensation expense included in reported net income, net of related tax effects	1,014	1,857
Deduct: Total share-based compensation expense determined under the fair value method for all awards, net of related tax effects	(1,054)	(1,946)
Pro forma net income	$ 4,617	$ 9,395
Earnings per share:		
Basic - as reported	$ 0.30	$ 0.61
Basic - pro forma	$ 0.30	$ 0.60
Diluted - as reported	$ 0.28	$ 0.57
Diluted - pro forma	$ 0.28	$ 0.56

Equity Incentive Plans

In 2004, the Company adopted the 2004 Omnibus Stock Plan (the “Omnibus Plan”), which replaced the Company’s prior share-based compensation plans. The Omnibus Plan permits the grant of stock options, restricted stock, and other share-based awards valued in whole or in part by reference to, or otherwise based on, the Company’s common stock. Under the Omnibus Plan, as originally adopted, a total of 2,141,000 shares of common stock were reserved for issuance to eligible employees, executive officers, independent contractors and outside directors. The Plan was amended effective as of May 2, 2006 to increase the number of shares of common stock available for issuance by 2,100,000. As of June 30, 2006, approximately 2,809,000 shares remain available for future issuance.

The Compensation Committee of the board of directors has the responsibility of interpreting the Omnibus Plan and determining all of the terms and conditions of share-based awards made under the Omnibus Plan, including when the awards will become exercisable or otherwise vest. Subject to acceleration under certain conditions, the majority of the Company’s stock options and restricted stock vest annually, pro-rata over 4 years. All stock options have a ten-year contractual term.

The weighted average fair values of options granted during the six months ended June 30, 2006 and 2005 were $15.31 and $19.38, respectively, which were estimated using the Black-Scholes option-pricing model with the following weighted average assumptions for both periods:

Expected dividend yield	0%
Expected volatility	40%
Risk-free interest rate	5.1%
Expected option life (in years)	4

Stock option activity for the six months ended June 30, 2006 was as follows:

	Number of Options (in thousands)	Weighted Average Exercise Price (in dollars)	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2006	1,305	$ 2.15		
Granted:				
Exercise price = fair market value	8	$ 30.29		
Exercised	(294)	$ 0.80		
Forfeited or expired	(67)	$ 3.68		
Outstanding at June 30, 2006	952	$ 2.71	7.2	$ 30.8
Exercisable at June 30, 2006	553	$ 1.99	6.9	$ 18.3

The total intrinsic value of options exercised during the six months ended June 30, 2006 and 2005 was $8.5 million and $2.1 million, respectively.

Restricted stock activity for the six months ended June 30, 2006 was as follows:

	Number of Shares (in thousands)	Weighted Average Grant-Date Fair Value (in dollars)
Restricted stock at January 1, 2006	1,279	$ 19.24
Granted	43	$ 32.37
Vested	(133)	$ 21.29
Forfeited	(113)	$ 17.81
Restricted stock at June 30, 2006	1,076	$ 19.67

The aggregate fair value of restricted stock that vested during the six months ended June 30, 2006 was $3.7 million. There was no restricted stock vesting during the six months ended June 30, 2005. On July 1, 2006, the Company granted a total of 504,500 shares of restricted stock to certain employees. Although these restricted shares were not issued to the grantees until July 1, 2006, a grant date was established for measurement purposes under SFAS No. 123R on February 28, 2006, the date that the Company's Compensation Committee approved the award. As such, the Company began to recognize the expense relating to this award effective February 28, 2006.

Total share-based compensation cost recognized for the three months ended June 30, 2006 and 2005 was $2.5 million and $1.7 million, respectively, with related income tax benefits of $1.0 million and $0.7 million, respectively. Total share-based compensation cost recognized for the six months ended June 30, 2006 and 2005 was $4.7 million and $3.1 million, respectively, with related income tax benefits of $1.9 million and $1.3 million, respectively. As of June 30, 2006, there was $31.6 million of total unrecognized compensation cost related to nonvested share-based awards. This cost is expected to be recognized over a weighted-average period of 3.2 years.

4. Business Combinations

Acquisition of MSGalt & Company, LLC
On April 3, 2006, the Company acquired substantially all of the assets of MSGalt & Company, LLC ("Galt"), a specialized advisory firm consisting of 25 consultants that designs and implements corporate-wide programs to improve shareholder returns. The aggregate purchase price of the acquisition was $25.2 million, which consisted of $20.4 million cash paid at closing, $0.2 million of transaction costs, and $4.6 million of additional purchase price earned by Galt during the quarter as certain performance targets were met. The Company financed this acquisition with cash on hand and borrowings of $6.5 million under the Company's bank credit agreement. Additional purchase consideration may be payable if specific performance targets are met over a four-year period. Such amounts will be recorded as an adjustment to goodwill if payable. Also, additional payments may be made based on the amount of revenues the Company receives from referrals made by Galt employees over a four-year period. Such amounts will be recorded as an expense if payable. The acquisition was accounted for under the purchase method of accounting. It was consummated on April 3, 2006 and the results of operations of Galt have been included within the Operational Consulting segment since that date.

The identifiable intangible assets that were acquired totaled $4.3 million and have an estimated weighted average useful life of 20.0 months, which consisted of customer contracts totaling $1.7 million (3.2 months weighted average useful life), customer relationships totaling $1.4 million (6.1 months weighted average useful life), and non-competition agreements totaling $1.2 million (60.0 months weighted average useful life). Amortization expense relating to customer contracts is classified as a component of total direct costs on the Company's consolidated statement of income while amortization expense relating to customer relationships and non-competition agreements are classified as a component of operating expenses. Additionally, the Company recorded $20.9 million of goodwill, which the Company intends to deduct for income tax purposes.

Acquisition of Speltz & Weis LLC
On May 9, 2005, Huron Consulting Group Inc. acquired Speltz & Weis LLC ("S&W"), a specialized consulting firm that consisted of 26 consultants. The aggregate purchase price of the acquisition was $17.2 million, which consisted of $14.0 million cash paid at closing, notes payable totaling $3.0 million payable in three equal annual installments of $1.0 million (together with accrued interest at 4% per annum) that began on May 8, 2006, and $0.2 million of transaction costs. Additional purchase consideration may be payable based on the performance of S&W over a three-year period. Such amounts will be recorded as an adjustment to goodwill if payable. Also, additional payments may be made based on the amount of revenues the Company receives from certain referrals made by S&W employees. Such amounts will be recorded as an expense if payable. The acquisition was accounted for under the purchase method of accounting. It was consummated on May 9, 2005 and the results of operations of S&W have been included within the Financial Consulting segment since that date.

The identifiable intangible assets that were acquired consisted of customer contracts of $1.9 million (8.4 months weighted average useful life) and customer relationships of $0.7 million (15.1 months weighted average useful life). Additionally, the Company recorded $14.6 million of goodwill, which the Company intends to deduct for income tax purposes.

(Tabular amounts in thousands, except per share amounts)

Purchase Price Allocations

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of the acquisitions.

Assets Acquired:	Galt April 3, 2006	S&W May 9, 2005
Current assets	$ —	$ 2,291
Equipment	11	16
Intangible assets	4,300	2,600
Goodwill	20,864	14,637
	25,175	19,544
Liabilities Assumed:		
Current liabilities	—	2,307
Net Assets Acquired	$ 25,175	$ 17,237

Pro Forma Financial Data

The following unaudited pro forma financial data gives effect to the acquisitions of Galt and S&W as if they had been completed at the beginning of the period presented. The unaudited pro forma financial data are not necessarily indicative of the operating results that would have been achieved if the acquisition had occurred on the dates indicated, nor are they necessarily indicative of future results.

	Historical Huron and Historical Galt			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2006 Actual	2005 Pro forma	2006 Pro forma	2005 Pro forma
Revenues, net of reimbursable expenses	$ 67,769	$ 54,133	$ 134,025	$ 103,997
Operating income	$ 11,307	$ 8,907	$ 22,700	$ 16,652
Income before provision for income taxes	$ 11,114	$ 8,719	$ 22,526	$ 16,503
Net income	$ 6,280	$ 4,953	$ 12,777	$ 9,420
Earnings per share:				
Basic	$ 0.39	$ 0.32	$ 0.79	$ 0.60
Diluted	$ 0.36	$ 0.30	$ 0.75	$ 0.56

	Historical Huron and Historical S&W			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2006 Actual	2005 Pro forma	2006 Actual	2005 Pro forma
Revenues, net of reimbursable expenses	$ 67,769	$ 52,853	$ 129,956	$ 105,559
Operating income	$ 11,307	$ 8,212	$ 20,980	$ 17,248
Income before provision for income taxes	$ 11,114	$ 8,263	$ 21,019	$ 17,441
Net income	$ 6,280	$ 4,664	$ 11,876	$ 9,855
Earnings per share:				
Basic	$ 0.39	$ 0.30	$ 0.73	$ 0.63
Diluted	$ 0.36	$ 0.28	$ 0.69	$ 0.59

(Tabular amounts in thousands, except per share amounts)

5. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill by segment for the six months ended June 30, 2006 were as follows:

	Financial Consulting	Operational Consulting	Total
Balance as of January 1, 2006	$ 11,739	$ 2,898	$ 14,637
Goodwill acquired	—	20,864	20,864
Balance as of June 30, 2006	$ 11,739	$ 23,762	$ 35,501

Identifiable intangible assets with finite lives are amortized over their estimated useful lives. Intangible assets amortization expense was $1.8 million and $2.1 million for the three and six months ended June 30, 2006, respectively. Intangible assets amortization expense was $0.5 million for both the three and six months ended June 30, 2005. Estimated intangible assets amortization expense is $3.8 million for 2006, $0.3 million for each of 2007, 2008, 2009 and 2010 and $0.1 million for 2011. These amounts are based on intangible assets recorded as of June 30, 2006 and actual amortization expense could differ from these estimated amounts as a result of future acquisitions and other factors. Intangible assets are as follows:

	June 30, 2006		December 31, 2005	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer contracts	$ 3,600	$ 3,516	$ 1,900	$ 1,848
Customer relationships	2,100	638	700	359
Non-competition agreements	1,200	65	—	—
Technology	475	71	475	24
Total	$ 7,375	$ 4,290	$ 3,075	$ 2,231

6. Property and Equipment

Property and equipment at June 30, 2006 and December 31, 2005 are detailed below:

	June 30, 2006	December 31, 2005
Computers, related equipment and software	$ 11,471	$ 9,747
Furniture and fixtures	5,979	3,721
Leasehold improvements	16,235	6,122
Assets under capital lease	409	409
Assets under construction	—	1,229
Property and equipment	34,094	21,228
Accumulated depreciation and amortization	(10,590)	(8,066)
Property and equipment, net	$ 23,504	$ 13,162

(Tabular amounts in thousands, except per share amounts)

7. Earnings Per Share

Basic earnings per share excludes dilution and is computed by dividing net income by the weighted average number of common shares outstanding for the period, excluding unvested restricted common stock. Diluted earnings per share reflects the potential reduction in earnings per share that could occur if securities or other contracts to issue common stock were exercised or converted into common stock under the treasury stock method. Earnings per share under the basic and diluted computations are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Net income	$ 6,280	$ 4,657	$ 11,876	$ 9,484
Weighted average common shares outstanding - basic	16,309	15,646	16,194	15,597
Weighted average common stock equivalents	935	1,127	926	1,128
Weighted average common shares outstanding - diluted	17,244	16,773	17,120	16,725
Basic earnings per share	$ 0.39	$ 0.30	$ 0.73	$ 0.61
Diluted earnings per share	$ 0.36	$ 0.28	$ 0.69	$ 0.57

There were no anti-dilutive securities for the three and six months ended June 30, 2006 and 2005.

8. Line of Credit

The Company has a bank credit agreement that originally expired on February 10, 2006. On January 17, 2006, the Company extended the credit agreement for ninety days to May 10, 2006. On March 28, 2006, the Company further extended the credit agreement for another sixty days to July 10, 2006, and also amended certain terms of the original agreement.

On June 7, 2006, the Company entered into a new credit agreement with various financial institutions. Under the terms of this new unsecured revolving credit facility, the Company may borrow up to $75.0 million. Additionally, the Company may elect to increase the revolver by $25.0 million. Fees and interest on borrowings vary based on the Company’s total debt to earnings before interest, taxes, depreciation and amortization (“EBITDA”) ratio as set forth in the credit agreement and will be based on a spread over LIBOR or a spread over the base rate, which is the greater of the Federal Funds Rate plus 0.5% or the Prime Rate, as selected by the Company. All outstanding principal is due upon expiration of the credit agreement on May 31, 2011. The credit agreement includes financial covenants that require the Company to maintain certain interest coverage ratio, total debt to EBITDA ratio and net worth levels. In addition, certain acquisitions and similar transactions will need to be approved by the lenders. The amount outstanding under this credit facility at June 30, 2006 was $6.5 million and bears interest at 5.7%. The Company had no borrowings outstanding under the bank credit agreement at December 31, 2005. At both June 30, 2006 and December 31, 2005, the Company was in compliance with its debt covenants.

9. Commitments and Contingencies

Litigation
From time to time, the Company is involved in various legal matters arising out of the ordinary course of business. Although the outcome of these matters cannot presently be determined, in the opinion of management, disposition of these matters will not have a material adverse effect on the financial position or results of operations of the Company.

Guarantees
Guarantees in the form of letters of credit totaling $6.2 million and $6.5 million were outstanding at June 30, 2006 and December 31, 2005, respectively, to support certain office lease obligations.

To the extent permitted by law, the Company's by-laws and articles of incorporation require that the Company indemnify its officers and directors against judgments, fines, and amounts paid in settlement, including attorneys' fees, incurred in connection with civil or criminal action or proceedings, as it relates to their services to the Company if such person acted in good faith. Although there is no limit on the amount of indemnification, the Company may have recourse against its insurance carrier for certain payments made.

10. Segment Information

Segments are defined by SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," as components of a company in which separate financial information is available and is evaluated regularly by the chief operating decision maker, or decision making group, in deciding how to allocate resources and in assessing performance.

The Company provides services through two segments: Financial Consulting and Operational Consulting. The Financial Consulting segment provides services that help clients effectively address complex challenges that arise from litigation, disputes, investigations, regulation, financial distress and other sources of significant conflict or change. The Operational Consulting segment provides services that help clients improve the overall efficiency and effectiveness of their operations by enhancing revenue, reducing costs, managing regulatory compliance and maximizing procurement efficiency.

Segment operating income consists of the revenues generated by a segment, less the direct costs of revenue and selling, general and administrative costs that are incurred directly by the segment. Unallocated corporate costs include costs related to administrative functions that are performed in a centralized manner that are not attributable to a particular segment. These administrative function costs include costs for corporate office support, all office facility costs, costs relating to accounting and finance, human resources, legal, marketing, information technology and company-wide business development functions, as well as costs related to overall corporate management.

The following table presents information about reported segments along with the items necessary to reconcile the segment information to the totals reported in the accompanying consolidated financial statements:

(Tabular amounts in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	**2005**	**2006**	**2005**
Financial Consulting:				
Revenues	$ 31,432	$ 29,890	$ 66,629	$ 54,443
Operating income	$ 12,648	$ 12,457	$ 26,094	$ 22,444
Segment operating income as a percent of segment revenues	40.2%	41.7%	39.2%	41.2%
Operational Consulting:				
Revenues	$ 36,337	$ 20,627	$ 63,327	$ 42,834
Operating income	$ 12,801	$ 7,237	$ 22,730	$ 15,988
Segment operating income as a percent of segment revenues	35.2%	35.1%	35.9%	37.3%
Total Company:				
Revenues	$ 67,769	$ 50,517	$ 129,956	$ 97,277
Reimbursable expenses	6,691	4,691	12,130	9,061
Total revenues and reimbursable expenses	$ 74,460	$ 55,208	$ 142,086	$ 106,338
Statement of operations reconciliation:				
Segment operating income	$ 25,449	$ 19,694	$ 48,824	$ 38,432
Charges not allocated at the segment level:				
Other selling, general and administrative expenses	12,573	10,435	24,767	20,097
Depreciation and amortization	1,569	1,109	3,077	1,956
Other expense (income)	193	(64)	(39)	(230)
Income before provision for income taxes	$ 11,114	$ 8,214	$ 21,019	$ 16,609

No single client generated greater than 10.0% of the Company’s consolidated revenues during the three and six months ended June 30, 2006. At June 30, 2006, no single client’s total receivables and unbilled services balance represented greater than 10.0% of the Company’s total receivables and unbilled services balance.

During the three and six months ended June 30, 2005, revenues from one client represented greater than 10.0% of the Company's consolidated revenues as presented in the table below. This client’s total receivables and unbilled services balance at June 30, 2005 represented 12.2% of the Company’s total receivables and unbilled services balance.

	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Financial Consulting	$ 4,821	$ 10,343
Operational Consulting	938	1,879
Total	$ 5,759	$ 12,222
Percentage of Consolidated Revenues	11.4%	12.6%

11. Subsequent Events

On July 31, 2006, the Company acquired Aaxis Technologies and Document Review Consulting Services LLC to enhance the Company’s service offerings to the office of the general counsel and law firms. Under the terms of the purchase agreements, the Company has acquired the two companies, including approximately $6 million of accounts receivable, for an aggregate purchase price of approximately $24 million.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In this Quarterly Report on Form 10-Q, unless the context otherwise requires, the terms "Huron," "Company," "we," "us" and "our" refer to Huron Consulting Group Inc. and its indirect operating subsidiaries, Huron Consulting Services LLC and Speltz & Weis LLC.

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are identified by words such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," or "continues." These forward-looking statements reflect our current expectation about our future results, levels of activity, performance or achievements, including without limitation, that our business continues to grow at the current expectations; that we are able to expand our service offerings through our existing consultants and new hires; that we successfully integrate the businesses we acquire; and that existing market conditions do not change from current expectations. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Please see "Risk Factors" in our 2005 annual report on Form 10-K for a complete description of the material risks we face.

OVERVIEW

Our History

Huron was formed in March 2002 and commenced operations in May 2002. We were founded by a core group of experienced financial and operational consultants that consisted primarily of former Arthur Andersen LLP partners and professionals, with equity sponsorship from a group of investors led by Lake Capital Management LLC. For purposes of holding their investment in us, these investors formed HCG Holdings LLC, a Delaware limited liability company. On October 18, 2004, we completed our initial public offering ("IPO") and became a publicly traded company. During the first quarter of 2006, HCG Holdings LLC sold 7,245,000 shares of our common stock in a secondary offering.

On May 9, 2005, we acquired Speltz & Weis LLC ("S&W"), a specialized consulting firm that consisted of 26 consultants. With the acquisition of S&W, the Company provides interim management, organizational renewal and turnaround services, and other crisis management services to distressed hospitals and other healthcare facilities. The results of operations of S&W have been included within the Financial Consulting segment since the date of acquisition.

On April 3, 2006, the Company acquired substantially all of the assets of MSGalt & Company, LLC ("Galt"), a specialized advisory firm consisting of 25 consultants that designs and implements corporate-wide programs to improve shareholder returns. The results of operations of Galt have been included within the Operational Consulting segment since the date of acquisition.

Our Business

Huron is an independent provider of financial and operational consulting services, with clients that include Fortune 500 companies, medium-sized businesses, leading academic institutions, healthcare organizations and the law firms that represent these various organizations.

We provide our services through two segments: Financial Consulting and Operational Consulting. Our Financial Consulting segment provides services that help clients effectively address complex challenges that arise from litigation, disputes, investigations, regulation, financial distress and other sources of significant conflict or change. Our Operational Consulting segment provides services that help clients improve the overall efficiency and effectiveness of their operations, reduce costs, manage regulatory compliance and maximize procurement efficiency.

We derive all of our revenues through three principal types of billing arrangements consisting of time and expense, fixed fee and performance-based. We manage our business on the basis of revenues before reimbursable expenses. We believe this is the most accurate reflection of our consulting services because it eliminates the effect of reimbursable expenses that we bill to our clients at cost.

Most of our revenues are generated from time and expense engagements. In time and expense engagements, fees are based on the hours incurred at agreed upon billing rates. Time and expense engagements represented approximately 78.6% and 82.8% of our revenues in the three and six months ended June 30, 2006, respectively.

In fixed fee engagements, we agree to a pre-established fee in exchange for a pre-determined set of consulting services. We set the fees based on our estimates of the costs and timing for completing the fixed fee engagements. It is the client's expectation in these engagements that the pre-established fee will not be exceeded except in mutually agreed upon circumstances. For the three and six months ended June 30, 2006, fixed fee engagements represented approximately 17.1% and 13.9% of our revenues, respectively.

Performance-based fee engagements generally tie fees to the attainment of contractually defined objectives. We enter into performance-based engagements in essentially two forms. First, we generally earn fees that are directly related to the savings formally acknowledged by the client as a result of adopting our recommendations for improving cost effectiveness in the procurement area. Second, we have performance-based engagements in which we earn a success fee when and if certain pre-defined outcomes occur. Often this type of success fee supplements time and expense or fixed fee engagements. While performance-based fee revenues represented only approximately 4.3% and 3.3% of our revenues for the three and six months ended June 30, 2006, such revenues in the future may cause significant variations in quarterly revenues and operating results due to the timing of achieving the performance-based criteria.

Business Strategy, Opportunities and Challenges

Our primary strategy is to meet the needs of our financial consulting and operational consulting clients by providing a balanced portfolio of service offerings and capabilities, so that we can adapt quickly and effectively to emerging opportunities in the marketplace. To achieve this, we continue to hire highly qualified consultants. Since we commenced operations, we more than tripled the number of our consultants from 213 on May 31, 2002 to 670 as of June 30, 2006. To expand our business, we will remain focused on growing our existing relationships and developing new relationships, continue to promote and provide an integrated approach to service delivery, broaden the scope of our existing services, and enter into select acquisitions of complementary businesses. Additionally, we intend to enhance our visibility in the marketplace by continuing to build our brand.

CRITICAL ACCOUNTING POLICIES

Management's discussion and analysis of financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of financial statements in conformity with GAAP requires management to make assessments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Critical accounting policies are those policies that we believe present the most complex or subjective measurements and have the most potential to impact our financial position and operating results. While all decisions regarding accounting policies are important, we believe that there are five accounting policies that could be considered critical. These critical accounting policies include revenue recognition, the allowances for doubtful accounts and unbilled services, carrying value of goodwill and other intangible assets, valuation of net deferred tax assets, and share-based compensation.

Revenue Recognition

We recognize revenues in accordance with Staff Accounting Bulletin, or SAB, No. 101, "Revenue Recognition in Financial Statements," as amended by SAB No. 104, "Revenue Recognition." Revenue is recognized when persuasive evidence of an arrangement exists, the related services are provided, the price is fixed and determinable and collectibility is reasonably assured. Our services are primarily rendered under engagements that require the client to pay on a time and expense basis. Fees are based on the hours incurred at agreed-upon rates and recognized as services are provided. Revenues related to fixed fee engagements are recognized based on estimates of services provided versus the total services to be provided under the engagement. Losses, if any, on fixed fee engagements are recognized in the period in which the loss first becomes probable and reasonably estimable. To date, such losses have not been significant. Revenues related to performance-based engagements are recognized when all performance-based criteria are met. We also have contracts with clients to deliver multiple services that are covered under both individual and separate engagement letters. These arrangements allow for our services to be valued and accounted for on a separate basis. Reimbursable expenses related to time and expense and fixed fee engagements are recognized as revenue in the period in which the expense is incurred. Reimbursable expenses subject to performance-based criteria are recognized as revenue when all performance criteria are met. Direct costs incurred on all types of engagements, including performance-based engagements, are recognized in the period in which incurred.

Differences between the timing of billings and the recognition of revenue are recorded as either unbilled services or deferred revenue. Revenues recognized for services performed but not yet billed to clients are recorded as unbilled services. Amounts billed to clients but not yet recognized as revenues are recorded as deferred revenue. Client prepayments and retainers that are unearned are also classified as deferred revenue and recognized over future periods as earned in accordance with the applicable engagement agreement.

Allowances for Doubtful Accounts and Unbilled Services

We maintain allowances for doubtful accounts and for services performed but not yet billed for estimated losses based on several factors, including the historical percentages of fee adjustments and write-offs by service group, an assessment of a client's ability to make required payments and the estimated cash realization from amounts due from clients. The allowances are assessed by management on a regular basis. If the financial condition of a client deteriorates in the future, impacting the client's ability to make payments, an increase to our allowance might be required or our allowance may not be sufficient to cover actual write-offs.

The provision for doubtful accounts and unbilled services is recorded as a reduction in revenue to the extent the provision relates to fee adjustments and other discretionary pricing adjustments. To the extent the provision relates to a client's inability to make required payments, the provision is recorded in operating expenses.

Carrying Value of Goodwill and Other Intangible Assets

Goodwill represents the excess of the cost of an acquired entity over the net of the amounts assigned to assets acquired and liabilities assumed. Our goodwill balance as of June 30, 2006 was $35.5 million, which resulted from our acquisitions of S&W and Galt. Pursuant to the provisions of SFAS No. 142, "Goodwill and Other Intangible Assets," we test goodwill for impairment on April 30 of each year or whenever indications of impairment arise, such as loss of key personnel, unanticipated competition, or other unforeseen developments. Impairment exists when the carrying amount of goodwill exceeds its implied fair value, resulting in an impairment charge for this excess. An impairment test involves considerable management judgment and estimates regarding future operating results and cash flows. We tested goodwill as of April 30, 2006 and determined that no impairment of goodwill existed as of that date.

Intangible assets represent purchased assets that lack physical substance but can be distinguished from goodwill. Our intangible assets balances, net of accumulated amortization, totaled $3.1 million at June 30, 2006 and consist of customer relationships, customer contracts and non-competition agreements relating to our acquisitions, as well as purchased technology. We use valuation techniques in estimating the initial fair value of acquired intangible assets. These valuations are primarily based on the present value of the estimated net cash flows expected to be derived from the client contracts and relationships, discounted for assumptions about future customer attrition. We evaluate our intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Therefore, higher or earlier-than-expected customer attrition may result in higher future amortization charges or an impairment charge for customer-related intangible assets.

Valuation of Net Deferred Tax Assets

We have recorded net deferred tax assets as we expect to realize future tax benefits related to the utilization of these assets. Although we experienced net losses early in our history, no valuation allowance has been recorded relating to these deferred tax assets because we believe that it is more likely than not that future taxable income will be sufficient to allow us to utilize these assets. Should we determine in the future that we will not be able to fully utilize all or part of these deferred tax assets, we would need to establish a valuation allowance, which would be recorded as a charge to income in the period the determination was made. While utilization of these deferred tax assets will provide future cash flow benefits, they will not have an effect on future income tax provisions.

Share-based Compensation
Effective January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123 (revised 2004), “Share-Based Payment,” which requires that companies recognize compensation expense for grants of stock, stock options and other equity instruments based on fair value. Given the lack of a public market for our common stock prior to our IPO, we established an estimated fair value of the common stock as well as the exercise price for the options to purchase this stock. We estimated the fair value of our common stock by evaluating our results of business activities and projections of our future results of operations.

RESULTS OF OPERATIONS

The following table sets forth selected segment and consolidated operating results and other operating data for the periods indicated. Segment operating income consists of the revenues generated by a segment, less the direct costs of revenue and selling, general and administrative costs that are incurred directly by the segment. Unallocated corporate costs include costs related to administrative functions that are performed in a centralized manner that are not attributable to a particular segment.

Segment and Consolidated Operating Results	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands):	**2006**	**2005**	**2006**	**2005**
Revenues and reimbursable expenses:				
Financial Consulting	$ 31,432	$ 29,890	$ 66,629	$ 54,443
Operational Consulting	36,337	20,627	63,327	42,834
Total revenues	67,769	50,517	129,956	97,277
Total reimbursable expenses	6,691	4,691	12,130	9,061
Total revenues and reimbursable expenses	$ 74,460	$ 55,208	$ 142,086	$ 106,338
Operating income:				
Financial Consulting	$ 12,648	$ 12,457	$ 26,094	$ 22,444
Operational Consulting	12,801	7,237	22,730	15,988
Total segment operating income	25,449	19,694	48,824	38,432
Unallocated corporate costs	12,573	10,435	24,767	20,097
Depreciation and amortization expense	1,569	1,109	3,077	1,956
Total operating expenses	14,142	11,544	27,844	22,053
Operating income	$ 11,307	$ 8,150	$ 20,980	$ 16,379
Other Operating Data:				
Number of consultants (at period end) (1):				
Financial Consulting	300	284		
Operational Consulting	370	273		
Total	670	557		
Average number of consultants (for the period):				
Financial Consulting	300	270	304	270
Operational Consulting	355	256	344	243
Total	655	526	648	513
Utilization rate (2):				
Financial Consulting	74.1%	80.4%	79.0%	77.5%
Operational Consulting	78.7%	71.6%	75.5%	75.0%
Total	76.7%	76.1%	77.1%	76.3%
Average billing rate per hour (3):				
Financial Consulting	$ 294	$ 282	$ 285	$ 278
Operational Consulting	$ 247	$ 223	$ 240	$ 226
Total	$ 267	$ 254	$ 261	$ 252

(1) Consultants consist of our billable professionals, excluding interns and independent contractors.
(2) We calculate the utilization rate for our consultants by dividing the number of hours all our consultants worked on client assignments during a period by the total available working hours for all of our consultants during the same period, assuming a forty-hour work week, less paid holidays and vacation days.
(3) Average billing rate per hour is calculated by dividing revenues for a period by the number of hours worked on client assignments during the same period.

Three Months Ended June 30, 2006 Compared to Three Months Ended June 30, 2005

Revenues
Revenues increased $17.3 million, or 34.2%, to $67.8 million for the three months ended June 30, 2006 from $50.5 million for the three months ended June 30, 2005. Revenues for the three months ended June 30, 2006 included revenues generated by Galt since April 3, 2006. Revenues from time and expense engagements increased $10.1 million, or 23.4%, to $53.2 million for the second quarter of 2006 from $43.1 million for the second quarter of 2005. Revenues from fixed fee engagements increased $5.2 million, or 81.3%, to $11.6 million for the three months ended June 30, 2006 from $6.4 million for the three months ended June 30, 2005. Revenues from performance-based engagements increased $2.0 million, or 200.0%, to $3.0 million for the three months ended June 30, 2006 from $1.0 million for the three months ended June 30, 2005.

Of the overall $17.3 million increase in revenues, $13.8 million was attributable to an increase in the number of consultants, $3.1 million was attributable to an increase in the average billing rate per hour, and $0.4 million was attributable to an increase in the utilization rate of our consultants. The increases were reflective of growing demand for our services from new and existing clients. The average number of consultants increased to 655 for the three months ended June 30, 2006 from 526 for the three months ended June 30, 2005, as we added a significant number of consultants in our Operational Consulting segment. The increase in consultants was also reflective of our acquisitions. Our average billing rate per hour increased 5.1% to $267 for the three months ended June 30, 2006 from $254 for the three months ended June 30, 2005. Average billing rate per hour for any given period is calculated by dividing revenues for the period by the number of hours worked on client assignments during the same period. Our utilization rate increased slightly to 76.7% for the three months ended June 30, 2006 from 76.1% for the three months ended June 30, 2005. The utilization rate for any given period is calculated by dividing the number of hours all our consultants worked on client assignments during the period by the total available working hours for all of our consultants during the same period, assuming a 40-hour work week, less paid holidays and vacation days.

Total Direct Costs
Our direct costs increased $8.6 million, or 30.2%, to $37.4 million in the three months ended June 30, 2006 from $28.8 million in the three months ended June 30, 2005. Approximately $8.1 million of the increase was attributable to the increase in the average number of consultants described above, the promotion of nine of our employees to the managing director level effective January 1, 2006, and their related compensation and benefit costs. Additionally, share-based compensation expense associated with our billable professionals increased $0.4 million, or 33.3%, to $1.6 million in the second quarter of 2006 from $1.2 million in the second quarter of 2005. We expect to continue to hire additional managing directors during 2006, as well as hire additional managers, associates and analysts to expand support for our existing practices and better leverage our managing directors and directors. As such, we expect direct costs will continue to increase in the near term.

Total direct costs for the three months ended June 30, 2006 and 2005 included $1.6 million and $0.4 million, respectively, of intangible assets amortization expense. The increase in 2006 was attributable to the acquisition of Galt in the second quarter of 2006, in which customer contracts with a value of $1.7 million were acquired and are being amortized over 3.2 months.

Operating Expenses
Selling, general and administrative expenses increased $3.6 million, or 29.8%, to $15.7 million in the three months ended June 30, 2006 from $12.1 million in the three months ended June 30, 2005. This increase was due to $1.0 million of higher facilities costs attributable to two new leases that we entered into during the second half of 2005, $0.9 million increase in training and recruiting costs, and $0.8 million increase in marketing expenses. The remaining increase in selling, general and administrative costs in the three months ended June 30, 2006 compared to

the same period last year was due to increases in salaries and share-based compensation associated with our non-billable professionals.

Depreciation expense increased $0.4 million, or 40.0%, to $1.4 million in the three months ended June 30, 2006 from $1.0 million in the three months ended June 30, 2005 as computers, network equipment, furniture and fixtures, and leasehold improvements were added to support our increase in employees. Non-direct intangible assets amortization expense for the three months ended June 30, 2006 and 2005 was $0.2 million and $0.1 million, respectively.

Operating Income

Operating income increased $3.1 million, or 38.7%, to $11.3 million for the three months ended June 30, 2006 from $8.2 million for the three months ended June 30, 2005. The increase in operating income was primarily due to the increase in revenues, partially offset by the increases in direct costs, selling, general and administrative expense and intangible assets amortization as discussed above. Operating margin, which is defined as operating income expressed as a percentage of revenues, increased slightly to 16.7% in the three months ended June 30, 2006 from 16.1% in the three months ended June 30, 2005.

Net Income

Net income increased $1.6 million, or 34.9%, to $6.3 million for the three months ended June 30, 2006 from $4.7 million for the three months ended June 30, 2005. Diluted earnings per share increased to $0.36 for the three months ended June 30, 2006 from $0.28 for the comparable period last year.

Segment Results

Financial Consulting

Revenues

Financial Consulting segment revenues increased $1.5 million, or 5.2%, to $31.4 million for the three months ended June 30, 2006 from $29.9 million for the three months ended June 30, 2005. Revenues from time and expense engagements increased $1.9 million, or 6.7%, to $30.4 million for the three months ended June 30, 2006 from $28.5 million for the three months ended June 30, 2005. Revenues from fixed fee engagements decreased $0.8 million, or 57.1%, to $0.6 million for the three months ended June 30, 2006 from $1.4 million for the three months ended June 30, 2005. Revenues from performance-based engagements totaled $0.4 million for the second quarter of 2006. There were no revenues from performance-based engagements for the second quarter of 2005.

Of the overall $1.5 million increase in revenues, $2.5 million was attributable to an increase in the number of consultants, $1.3 million was attributable to an increase in the average billing rate per hour, partially offset by a decrease of $2.3 million in revenues attributable to a decrease in the utilization rate of our consultants. The average number of consultants increased to 300 for the three months ended June 30, 2006 from 270 for the three months ended June 30, 2005. The average billing rate per hour increased to $294 for the three months ended June 30, 2006 from $282 for the three months ended June 30, 2005. The utilization rate for the Financial Consulting segment decreased to 74.1% for the three months ended June 30, 2006 from 80.4% for the comparable quarter last year.

Operating Income

Financial Consulting segment operating income increased slightly to $12.6 million in the three months ended June 30, 2006 from $12.5 million in the three months ended June 30, 2005. Segment operating margin, defined as segment operating income expressed as a percentage of segment revenues, decreased to 40.2% for the second quarter of 2006 from 41.7% in the same period last year, primarily due to the increase in consultants and their related compensation costs, as well as lower utilization as described above.

Operational Consulting

Revenues
Operational Consulting segment revenues increased $15.7 million, or 76.2%, to $36.3 million for the three months ended June 30, 2006 from $20.6 million for the three months ended June 30, 2005. Revenues for the three months ended June 30, 2006 included revenues generated by Galt since April 3, 2006. Revenues from time and expense engagements increased $8.1 million, or 55.5%, to $22.7 million for the three months ended June 30, 2006 from $14.6 million for the comparable period last year. Revenues from fixed fee engagements increased $6.0 million, or 120.0%, to $11.0 million for the three months ended June 30, 2006 from $5.0 million for the three months ended June 30, 2005. Revenues from performance-based engagements increased $1.6 million, or 160.0%, to $2.6 million for the three months ended June 30, 2006 from $1.0 million for the three months ended June 30, 2005.

Of the overall $15.7 million increase in revenues, $11.2 million was attributable to an increase in the number of consultants and growth in client engagements, $2.7 million was attributable to an increase in the utilization rate of our consultants, and $1.8 million was attributable to an increase in the average billing rate per hour. The average number of consultants increased to 355 for the three months ended June 30, 2006 from 256 for the three months ended June 30, 2005, as we added a significant number of consultants over the past year. The increase in consultants also reflects the acquisition of Galt. The utilization rate for the Operational Consulting segment increased to 78.7% for the three months ended June 30, 2006 from 71.6% for the three months ended June 30, 2005. The average billing rate per hour increased 10.8% to $247 for the second quarter of 2006 from $223 for the comparable period last year.

Operating Income
Operational Consulting segment operating income increased $5.6 million, or 76.9%, to $12.8 million for the three months ended June 30, 2006 from $7.2 million for the three months ended June 30, 2005. Segment operating margin remained steady at 35.2% for the second quarter of 2006 compared to 35.1% in the same period last year.

Six Months Ended June 30, 2006 Compared to Six Months Ended June 30, 2005

Revenues
Revenues increased $32.7 million, or 33.6%, to $130.0 million for the six months ended June 30, 2006 from $97.3 million for the six months ended June 30, 2005. Revenues for the six months ended June 30, 2006 included revenues generated by Galt since April 3, 2006. Revenues from time and expense engagements increased $26.2 million, or 32.2%, to $107.5 million for the first half of 2006 from $81.3 million for the first half of 2005. Revenues from fixed fee engagements increased $4.1 million, or 29.3%, to $18.1 million for the six months ended June 30, 2006 from $14.0 million for the six months ended June 30, 2005. Revenues from performance-based engagements increased $2.4 million, or 120.0%, to $4.4 million for the six months ended June 30, 2006 from $2.0 million for the six months ended June 30, 2005.

Of the overall $32.7 million increase in revenues, $27.54 million was attributable to an increase in the number of consultants, $4.2 million was attributable to an increase in the average billing rate per hour, and $1.0 million was attributable to an increase in the utilization rate of our consultants. These increases were reflective of growing demand for our services from new and existing clients. The average number of consultants increased to 648 for the six months ended June 30, 2006 from 513 for the six months ended June 30, 2005, as we added a significant number of consultants in our Operational Consulting segment. The increase in consultants was also reflective of our acquisitions. Our average billing rate per hour increased to $261 for the six months ended June 30, 2006 from $252 for the six months ended June 30, 2005. Additionally, our utilization rate increased to 77.1% for the six months ended June 30, 2006 from 76.3% for the six months ended June 30, 2005.

Total Direct Costs
Our direct costs increased $18.7 million, or 34.2%, to $73.4 million in the six months ended June 30, 2006 from $54.7 million in the six months ended June 30, 2005. Approximately $16.8 million of the increase was attributable to the increase in the average number of consultants described above, the promotion of nine of our employees to the managing director level effective January 1, 2006, and their related compensation and benefit costs. Additionally, share-based compensation expense associated with our billable professionals increased $1.1 million, or 50.0%, to $3.3 million in the first half of 2006 from $2.2 million in the first half of 2005.

Total direct costs for the six months ended June 30, 2006 and 2005 included $1.7 million and $0.4 million, respectively, of intangible assets amortization expense. The increase in 2006 was attributable to the acquisition of Galt in the second quarter of 2006, in which customer contracts with a value of $1.7 million were acquired and are being amortized over 3.2 months.

Operating Expenses
Selling, general and administrative expenses increased $6.8 million, or 28.2%, to $30.6 million in the six months ended June 30, 2006 from $23.8 million in the six months ended June 30, 2005. Approximately $2.0 million of this increase was due to higher facilities costs attributable to two new leases that we entered into during the second half of 2005. In connection with a secondary offering that was completed in February 2006, we incurred costs totaling $0.6 million after tax, or $0.03 per diluted share, during the first quarter of 2006. These costs were expensed in the period incurred because we did not issue securities in the offering. The remaining increase in selling, general and administrative costs in the six months ended June 30, 2006 compared to the same period last year was due to increases in marketing expenses, training and recruiting costs, as well as salaries and share-based compensation associated with our non-billable professionals.

Depreciation expense increased $0.8 million, or 42.1%, to $2.7 million in the six months ended June 30, 2006 from $1.9 million in the six months ended June 30, 2005 as computers, network equipment, furniture and fixtures, and leasehold improvements were added to support our increase in employees. Non-direct intangible assets amortization expense for the six months ended June 30, 2006 and 2005 was $0.3 million and $0.1 million, respectively.

Operating Income
Operating income increased $4.6 million, or 28.1%, to $21.0 million for the six months ended June 30, 2006 from $16.4 million for the six months ended June 30, 2005. The increase in operating income was primarily due to the increase in revenues, partially offset by the increases in direct costs, selling, general and administrative expense and intangible assets amortization as discussed above. Operating margin decreased slightly to 16.1% in the six months ended June 30, 2006 from 16.8% in the comparable period last year.

Net Income
Net income increased $2.4 million, or 25.2%, to $11.9 million for the six months ended June 30, 2006 from $9.5 million for the six months ended June 30, 2005. Diluted earnings per share increased to $0.69 for the six months ended June 30, 2006 from $0.57 for the comparable period last year.

Segment Results

Financial Consulting

Revenues
Financial Consulting segment revenues increased $12.2 million, or 22.4%, to $66.6 million for the six months ended June 30, 2006 from $54.4 million for the six months ended June 30, 2005. Revenues from time and expense engagements increased $13.0 million, or 25.1%, to $64.7 million for the six months ended June 30, 2006 from $51.7 million for the six months ended June 30, 2005. Revenues from fixed fee engagements decreased $1.2 million, or 44.4%, to $1.5 million for the six months ended June 30, 2006 from $2.7 million for the six months ended June 30, 2005. Revenues from performance-based engagements for the first half of 2006 totaled $0.4 million and were immaterial for the first half of 2005.

Of the overall $12.2 million increase in revenues, $9.7 million was attributable to an increase in the number of consultants, $1.5 million was attributable to an increase in the average billing rate per hour, and $1.0 million was attributable to an increase in the utilization rate of our consultants. The average number of consultants increased to 304 for the six months ended June 30, 2006 from 270 for the six months ended June 30, 2005. The utilization rate for the Financial Consulting segment increased to 79.0% for the six months ended June 30, 2006 from 77.5% for the comparable period last year. The average billing rate per hour increased to $285 for the six months ended June 30, 2006 from $278 for the six months ended June 30, 2005.

Operating Income
Financial Consulting segment operating income increased $3.7 million, or 16.3%, to $26.1 million in the six months ended June 30, 2006 from $22.4 million in the six months ended June 30, 2005. Segment operating margin decreased to 39.2% for the first half of 2006 from 41.2% in the same period last year, primarily due to the increase in consultants, particularly at the managing director level, and their related compensation costs.

Operational Consulting

Revenues
Operational Consulting segment revenues increased $20.5 million, or 47.8%, to $63.3 million for the six months ended June 30, 2006 from $42.8 million for the six months ended June 30, 2005. Revenues for the six months ended June 30, 2006 included revenues generated by Galt since April 3, 2006. Revenues from time and expense engagements increased $13.2 million, or 44.7%, to $42.7 million for the six months ended June 30, 2006 from $29.5 million for the comparable period last year. Revenues from fixed fee engagements increased $5.3 million, or 46.9%, to $16.6 million for the six months ended June 30, 2006 from $11.3 million for the six months ended June 30, 2005. Revenues from performance-based engagements increased $2.0 million, or 100.0%, to $4.0 million for the six months ended June 30, 2006 from $2.0 million for the six months ended June 30, 2005.

Of the overall $20.5 million increase in revenues, $17.8 million was attributable to an increase in the number of consultants and growth in client engagements and $2.7 million was attributable to an increase in the average billing rate per hour. The average number of consultants increased to 344 for the six months ended June 30, 2006 from 243 for the six months ended June 30, 2005, as we added a significant number of consultants over the past year. The increase in consultants also reflects the acquisition of Galt. The average billing rate per hour increased 6.2% to $240 for the first half of 2006 from $226 for the comparable period last year. The utilization rate for the Operational Consulting segment increased slightly to 75.5% for the six months ended June 30, 2006 from 75.0% for the six months ended June 30, 2005.

Operating Income
Operational Consulting segment operating income increased $6.7 million, or 42.2%, to $22.7 million for the six months ended June 30, 2006 from $16.0 million for the six months ended June 30, 2005. Segment operating margin decreased to 35.9% for the second quarter of 2006 from 37.3% in the same period last year, primarily due to the amortization of customer contracts related to the Galt acquisition as described above.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash flows from operations, existing cash and cash equivalents and debt capacity available under our credit facility. Cash and cash equivalents, consisting of demand deposits and short-term commercial paper, decreased $28.4 million from $31.8 million at December 31, 2005 to $3.4 million at June 30, 2006 primarily due to the acquisition of Galt and purchases of property and equipment.

Cash used in operating activities totaled $2.5 million for the six months ended June 30, 2006, compared to cash provided by operating activities of $3.6 million for the same period last year. Our operating assets and liabilities consist primarily of receivables from billed and unbilled services, accounts payable and accrued expenses, and accrued payroll and related benefits. The volume of billings and timing of collections and payments affect these account balances. Cash used for operations during the six months ended June 30, 2006 primarily consisted of cash payments for bonuses, payroll and related benefits that were accrued for at December 31, 2005. Receivables from clients and unbilled services increased $14.6 million during the six months ended June 30, 2006, primarily due to increased revenues generated and billed.

Cash used in investing activities was $33.8 million for the six months ended June 30, 2006 and $16.7 million for the same period last year. The use of cash in the first half of 2006 primarily related to the acquisition of Galt and leasehold improvements at our offices in New York City and Boston. The use of cash in the first half of 2005 primarily related to the acquisition of S&W.

We have a bank credit agreement that originally expired on February 10, 2006. On January 17, 2006, we extended the credit agreement for ninety days to May 10, 2006. On March 28, 2006, we further extended the credit agreement for another sixty days to July 10, 2006, and also amended certain terms of the original agreement.

On June 7, 2006, we entered into a new credit agreement with various financial institutions. Under the terms of this new unsecured revolving credit facility, we may borrow up to $75.0 million. Additionally, we may elect to increase the revolver by $25.0 million. Fees and interest on borrowings vary based on total debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio as set forth in the credit agreement and will be based on a spread over LIBOR or a spread over the base rate, which is the greater of the Federal Funds Rate plus 0.5% or the Prime Rate, as selected by us. All outstanding principal is due upon expiration of the credit agreement on May 31, 2011. The credit agreement includes financial covenants that require the maintenance of certain interest coverage ratio, total debt to EBITDA ratio and net worth levels. In addition, certain acquisitions and similar transactions will need to be approved by the lenders.

During the six months ended June 30, 2006, the average daily outstanding balance under our credit facility was $4.0 million. The amount outstanding at June 30, 2006 was $6.5 million and bears interest at 5.7%. We had no borrowings outstanding under the bank credit agreement at December 31, 2005. At both June 30, 2006 and December 31, 2005, we were in compliance with the debt covenants under the credit facilities.

On July 31, 2006, we acquired Aaxis Technologies and Document Review Consulting Services LLC for an aggregate purchase price of approximately $24 million (see "Subsequent Events" below). To fund these acquisitions, we borrowed $22 million under our credit facility.

Future Needs

Our primary financing need has been to fund our growth. Our growth strategy includes hiring additional consultants and expanding our service offerings through existing consultants, new hires or acquisitions. We intend to fund such growth with funds generated from operations and borrowings under our credit agreement. Because we expect that our future annual growth rate in revenues and related percentage increases in working capital balances will moderate, we believe cash generated from operations, supplemented as necessary by borrowings under our credit facility, will be adequate to fund this growth. Our ability to secure short-term and long-term financing in the future will depend on several factors, including our future profitability, the quality of our accounts receivable and unbilled services, our relative levels of debt and equity and overall condition of the credit markets.

CONTRACTUAL OBLIGATIONS

The following table represents our obligations and commitments to make future payments under contracts, such as lease agreements, and under contingent commitments as of December 31, 2005 (in thousands).

	Less than 1 Year	1 to 3 Years	4 to 5 Years	After 5 Years	Total
Notes payable	$ 1,000	$ 2,000	$ ¾	$ ¾	$ 3,000
Interest on notes payable	120	120	¾	¾	240
Capital lease obligations	282	127	¾	¾	409
Operating lease obligations	7,003	27,010	14,916	25,629	74,558
Purchase obligations	997	322	¾	¾	1,319
Total contractual obligations	$ 9,402	$ 29,579	$ 14,916	$ 25,629	$ 79,526

We lease our facilities and certain equipment under operating lease arrangements expiring on various dates through 2016, with various renewal options. We lease office facilities under noncancelable operating leases that include fixed or minimum payments plus, in some cases, scheduled base rent increases over the term of the lease. Certain leases provide for monthly payments of real estate taxes, insurance and other operating expense applicable to the property. Some of the leases contain provisions whereby the future rental payments may be adjusted for increases in operating expense above the specified amount.

Purchase obligations include sponsorships, subscriptions to research tools and other commitments to purchase services where we cannot cancel or would be required to pay a termination fee in the event of cancellation.

As of June 30, 2006, we had bank borrowings outstanding under our credit agreement totaling $6.5 million, which is due upon expiration of the credit agreement on May 31, 2011.

OFF BALANCE SHEET ARRANGEMENTS

We have not entered into any off-balance sheet arrangements.

SUBSEQUENT EVENTS

On July 31, 2006, we acquired Aaxis Technologies and Document Review Consulting Services LLC to enhance our service offerings to the office of the general counsel and law firms. Under the terms of the purchase agreements, we acquired the two companies, including approximately $6 million of accounts receivable, for an aggregate purchase price of approximately $24 million.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks related to changes in interest rates and changes in the market value of our investments. We do not enter into interest rate swaps, caps or collars or other hedging instruments.

Our exposure to changes in interest rates is limited to borrowings under our bank credit agreement, which has variable interest rates tied to the LIBOR, Federal Funds rate or prime rate. At June 30, 2006, we had borrowings outstanding totaling $6.5 million that bear interest at 5.7%. A one percent change in this interest rate would not have a material effect on our financial position or operating results.

At June 30, 2006, we had notes payable totaling $2.0 million that are payable in $1.0 million installments in May 2007 and 2008. We are not exposed to interest rate risks in respect to these notes as they bear a fixed interest rate at 4% per annum.

From time to time, we invest excess cash in marketable securities. These investments principally consist of overnight sweep accounts and short-term commercial paper. Due to the short maturity of our investments, we have concluded that we do not have material market risk exposure.

ITEM 4. CONTROLS AND PROCEDURES

Our management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2006. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2006, our disclosure controls and procedures were effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by us in the reports we file or submit under the Exchange Act and such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

There has been no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the "Exchange Act") that occurred during the quarter ended June 30, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II ¾ OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company is involved in various legal matters arising out of the ordinary course of business. Although the outcome of these matters cannot presently be determined, in the opinion of management, disposition of these matters will not have a material adverse effect on the financial position or results of operations of the Company.

ITEM 1A. RISK FACTORS

See “Risk Factors” in the Company’s 2005 annual report on Form 10-K for a complete description of the material risks it faces. There have been no material changes to our business risk factors since December 31, 2005.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our 2004 Omnibus Stock Plan permits the netting of common stock upon vesting of restricted stock awards to satisfy individual tax withholding requirements. During the quarter ended June 30, 2006, the Company redeemed such shares as presented in the table below.

Period	Total Number of Shares Redeemed to Satisfy Employee Tax Withholding Requirements	Weighted-Average Fair Market Value Per Share Redeemed	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
May 2006	4,342	$ 34.43	N/A	N/A

N/A - Not applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Annual Meeting of Stockholders of Huron Consulting Group Inc. was held on May 2, 2006, and a total of 16,649,887 shares were present in person or by proxy at the meeting. The shareholders of Huron Consulting Group Inc. voted on the following proposals:

Proposal No. 1 - Election of directors

Name	Shares For	Shares Withheld
Dubose Ausley	15,349,806	1,300,081
John S. Moody	15,867,761	782,126

Proposal No. 2 - To approve an amendment to the Company’s 2004 Omnibus Stock Plan.

Shares For	Shares Against	Shares Abstain	Non-vote
9,035,342	6,405,380	66,572	1,142,593

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

(a) The following exhibits are filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Exhibit
10.37	Senior Management Agreement, effective as of May 15, 2002, between Huron Consulting Services LLC (formerly known as Huron Consulting Group LLC) and Susan Gallagher.
10.38	First Amendment to Senior Management Agreement between Huron Consulting Services LLC (formerly known as Huron Consulting Group LLC) and Susan Gallagher.
10.39	Senior Management Agreement, effective as of April 1, 2006, between Huron Consulting Group Inc. and Stanley N. Logan.
31.1	Certification of the Chief Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Huron Consulting Group Inc.
(Registrant)

Date: August 8, 2006

/s/ Gary L. Burge
Gary L. Burge
Vice President,
Chief Financial Officer and Treasurer

EXHIBIT 10.37

SENIOR MANAGEMENT AGREEMENT

BY AND BETWEEN

HURON CONSULTING GROUP LLC

AND

SUSAN GALLAGHER

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SENIOR MANAGEMENT AGREEMENT

SENIOR MANAGEMENT AGREEMENT (the "**Agreement**"), effective as of May 15, 2002 (the "**Effective Date**"), by and between Huron Consulting Group LLC, a Delaware limited liability company (the "**Company**"), and Susan Gallagher (the "**Executive**").

PRELIMINARY RECITALS

A. WHEREAS, the Company is engaged in the business of providing diversified business consulting services (the "**Business**"). For purposes of this Agreement, the term the "Company" shall include the Company, its subsidiaries and assignees and any successors in interest of the Company and its subsidiaries; and

B. WHEREAS, the Company desires to employ Executive as of the Effective Date, and Executive desires to be so employed by the Company, as set forth herein.

NOW, THEREFORE, in consideration of the premises, the mutual covenants of the parties hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Employment.

1.1 Title and Duties. The Company agrees to employ Executive, and Executive agrees to accept employment with the Company, as Director for the Employment Period, in accordance with the terms and conditions of this Agreement. During the Employment Period, Executive shall have such responsibilities, duties and authorities as are customarily assigned to such position and shall render such services or act in such capacity for the Company and its affiliates, as the Company's President (the "**President**") shall from time to time direct. Executive shall perform the duties and carry out the responsibilities assigned to her, to the best of her ability, in a trustworthy and businesslike manner for the purpose of advancing the business of the Company. Executive acknowledges that her duties and responsibilities hereunder will require her full business time and effort and agrees that, during the Employment Period, she will not engage in any other business activity or have any business pursuits or interests which materially interfere or conflict with the performance of her duties hereunder. Executive shall engage in travel as reasonably required in the performance of Executive's duties.

1.2 Employment Period. The employment of Executive under this Agreement shall begin on the Effective Date and shall continue through the third anniversary of the Effective Date (the "**Initial Period**"). Commencing on the third anniversary of the Effective Date and on each anniversary thereafter, the employment of Executive under this Agreement shall automatically renew and extend for an additional year, unless one of the parties shall deliver to the other sixty (60) days' advance written notice of the cessation of such automatic renewal. "**Employment Period**" shall mean the Initial Period and any automatic extensions of Executive's employment under this Agreement. Notwithstanding anything to the contrary contained herein, the Employment Period is subject to termination pursuant to **Section 1.3, 1.4** and **1.5**.

1.3 Termination Upon Death. If Executive dies during the Employment Period, Executive's employment shall automatically terminate on the date of Executive's death.

1.4 Termination by the Company.

(a) The Company may terminate Executive's employment hereunder upon written notice to Executive as described in (i) and (ii) below. Such termination shall be effective upon the date of service of such notice pursuant to **Section 10.6**.

(i) Prior to the third (3rd) anniversary of the Effective Date, the Company may terminate Executive's employment only: (i) due to the Permanent Disability of Executive or (ii) for Cause.

(ii) On and after the third (3rd) anniversary of the Effective Date, the Company may terminate Executive's employment: (i) due to the Permanent Disability of Executive, (ii) for Cause, or (iii) without Cause for any or no reason.

(b) For purpose of this Agreement, "**Cause**" means the occurrence of any of the following events, as determined in the reasonable good faith judgment of the President:

(i) the failure of Executive to perform her material duties which failure continues for ten (10) days after the Company has given written notice to Executive specifying in reasonable detail the manner in which Executive has failed to perform such duties;

(ii) commission by Executive of an act or omission constituting (x) a felony, (y) dishonesty with respect to the Company or (z) fraud;

(iii) commission by Executive of an act or omission that (x) could adversely and materially affect the Company's business or reputation, or (y) involves moral turpitude;

(iv) the breach, non-performance or non-observance of any of the material terms of this Agreement (other than a breach, non-performance or non-observance described in clause (v) of this Section 1.4(b)), or any other agreement to which Executive and the Company are parties, by Executive, if such breach, non-performance or non-observance shall continue beyond a period of ten (10) days immediately after written notice thereof by the Company to Executive; or

(v) any breach, non-performance or non-observance of **Sections 7.3, 7.4** or **7.5**, of this Agreement.

(c) Executive shall be deemed to have a "**Permanent Disability**" for purposes of this Agreement if Executive is eligible to receive benefits under the Company's long-term disability plan then-covering Executive.

1.5 Termination by Executive. Executive shall give sixty (60) days' prior written notice to the Company prior to the effectiveness of any resignation of her employment with the Company. If Executive's resignation is effective within the ninety (90) days immediately following the Company's written notice to Executive that her primary location of employment with the Company will change to a location that is more than seventy-five (75) miles from Executive's primary location of employment with the Company as of the Effective Date, then Executive's resignation shall be deemed for "**Good Reason**."

2. Compensation and Benefits.

2.1 Base Salary. As consideration for the services of Executive hereunder, during the Employment Period the Company shall pay Executive an annual base salary of $300,000 (the "**Base Salary**"), payable in accordance with the Company's customary payroll practices as in effect from time to time. The President shall perform an annual review of Executive's compensation based on Executive's performance of her duties and the Company's other compensation policies, provided that Executive's Base Salary shall not be reduced without Executive's consent unless such reduction is part of a comparable overall reduction for members of senior management. The term Base Salary shall include any changes to the Base Salary from time to time.

2.2 Bonus Programs.

(a) Annual Bonus.

(i) During the Employment Period, Executive shall be eligible for an annual bonus in an amount determined by the President based on Executive's performance of her duties and the Company's other compensation policies (the "**Annual Bonus**"). For the three year period commencing on the Effective Date through the third anniversary thereof, the target for the Executive's Annual Bonus shall be one hundred and fifty thousand dollars ($150,000) (the "**Target Amount**") per year. The Executive's right to any bonus payable pursuant to this Section 2.2 shall be contingent upon Executive being employed by the Company on the date of an installment payment of a bonus described in 2.2(a)(ii), (iii) or (iv) or, for other Annual Bonuses, the date such Annual Bonus is generally paid to executives of the Company; provided, however, that if Executive is not employed by the Company as of the date of payment of the last installment bonus pursuant to Section 2(a)(iv) due to the Company's decision not to renew the Employment Period beyond the Initial Period, then Executive shall receive such last installment bonus payment when it is generally paid to other members of senior management.

(ii) For the twelve (12) month period commencing on the Effective Date, Executive shall be entitled to an Annual Bonus not less than the 'Target Amount, which shall be paid in four equal quarterly installments commencing on or about July 31, 2002.

(iii) For the twelve (12) month period commencing on the first anniversary of the Effective Date, Executive shall be entitled to an Annual Bonus not less than fifty percent (50%) of the Target Amount, which shall be paid in four equal quarterly installments commencing on or about July 31, 2003.

(iv) For the twelve (12) month period commencing on the second anniversary of the Effective Date, Executive shall be entitled to an Annual Bonus not less than twenty-five percent (25%) of the Target Amount, which shall be paid in four equal quarterly installments commencing on or about July 31, 2004.

(b) Performance Bonus. For each calendar year in which the Company's EBITDA margin is greater than twenty-five percent (25%) as determined by the Company's Board of Directors (the "**Board**") with reference to the Company's audited financial statements, Executive shall be eligible for a special performance bonus (the "**Performance Bonus**") in addition to the Annual Bonus, which would be in an amount determined by the President with approval by the Board, provided that Executive is employed by the Company as of the date such Performance Bonus is generally paid to executives of the Company.

3. Options on Common Interests.

3.1 Within 90 days of the Effective Date, Executive shall be granted options (the "**Options**") with respect to thirty thousand (30,000) common membership interests (the "**Interests**") in the parent company of the Company (the "**Parent**"), which Options shall have an exercise price of one cent ($.01) per option. These Options shall vest in four equal increments, with one-quarter vesting on the first anniversary of the Effective Date and one-quarter vesting on each of the next three anniversaries of the Effective Date; provided, however, that no Options shall vest if Executive is not employed by the Company as of such vesting date. Such Options shall be subject to the terms of the Company's Equity Incentive Plan (the "**Equity Plan**") and granting agreement, which shall be made effective prior to the grant of the Options.

3.2 Executive hereby acknowledges and agrees that the issuance of the Options to Executive does not affect the right of the Company to terminate Executive's employment as provided in this Agreement or otherwise at law.

4. Accelerated Vesting. Notwithstanding the foregoing or anything to the contrary contained herein, vesting of the Options shall accelerate as follows:

4.1 Qualified Change of Control.

(a) Prior to a Qualified Change of Control, the vesting of the Options shall accelerate so that no less than fifty percent (50%) of the Options are vested (which, for the avoidance of doubt, includes Options that may have already vested as of such date).

(b) "**Qualified Change of Control**" means any sale, transfer, issuance or redemption or series of sales, transfers, issuances or redemptions (or any combination thereof) of membership interests in the Parent by the holders thereof or the Parent that results in any person or entity or group of affiliated persons or entities (other than the holders of membership interests in the Parent) (on a fully diluted basis) as of immediately prior to any such transaction or series of transactions) owning more than 50% of the outstanding common membership interests of the Parent so long as such transaction or series of transactions is designated as a Qualified Change of Control by the Parent Board.

4.2 Qualified Public Offering.

(a) Prior to a Qualified Public Offering, the vesting of the Options shall fully accelerate so that all the Options are vested.

(b) "**Qualified Public Offering**" means the closing of a public offering pursuant to a registration statement declared effective under the Securities Act of 1933, as amended, covering the offer and sale of class A and class B common limited liability company membership interests of the Parent that is designated as a Qualified Public Offering by the Parent Board.

4.3 Upon termination of Executive's employment, any Interests then-owned by Executive due to the exercise of Options shall be subject to repurchase by the Company. If such termination is (i) by the Company without Cause, (ii) a resignation by Executive for Good Reason, (iii) due to Permanent Disability, or (iv) due to death, such repurchase shall be at the fair market value of the Interests on the date of termination of Executive's employment with the Company under the terms of the Equity Plan ("**Fair Market Value**"). If Executive (i) is terminated by the Company for Cause, (ii) resigns not for Good Reason, or (iii) is in breach of the covenants in Section 7, such repurchase shall be at the lesser of Fair Market Value or the amount paid by the Executive for the Interests.

5. Fringe Benefits and Expenses.

5.1 During the Employment Period, Executive shall be eligible to participate in the various health and welfare benefit plans maintained by the Company for its key management employees from time to time.

5.2 During the Employment Period, the Company shall provide Executive with twenty (20) vacation days per calendar year, and, for periods which are less than a full calendar year, with vacation days for such period equal to the product of the number of vacation days stated in this paragraph for a calendar year, multiplied by a fraction with a numerator equal to the number of days in such period Executive is employed by the Company and a denominator equal to three hundred sixty-five (365), with any partial days rounded to the nearest whole number. Such vacation days for a calendar year or such other period shall accrue to Executive on a monthly basis, at the rate of one-twelfth (1/12th) of the number of vacation days for such period per full month of employment with the Company, rounded to the nearest whole number. Unused vacation days for one calendar year may be carried over through the first ninety (90) days of the immediately subsequent calendar year.

5.3 During the Employment Period, the Company shall reimburse Executive for all ordinary, necessary and reasonable travel and other business expenses incurred by Executive in connection with the performance of her duties hereunder, in accordance with the Company policy. Such reimbursement shall be made upon presentation of itemized expense statements and such other supporting documentation as the Company may reasonably require.

6. Compensation After Termination.

6.1 If Executive is terminated by the Company for Cause or if Executive resigns other than for Good Reason, then, except as required by law, the Company shall have no further obligations to Executive (except payment of the Base Salary accrued through the date of said termination), and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

6.2 If Executive is terminated by the Company without Cause, which may only happen after the third anniversary of the Effective Date, or if Executive resigns for Good Reason, Executive shall be entitled to receive: (i) as severance pay, an amount equal to the Base Salary that would otherwise have been payable if Executive continued her employment hereunder for six (6) months (such six (6)-month period, the "**Severance Period**"), payable in accordance with the Company's policies that would otherwise apply to the payment of the Base Salary, and (ii) continuation of medical benefits during the Severance Period upon the same terms as exist immediately prior to the termination of employment. The Company shall, except as required by law, have no other obligations hereunder or otherwise with respect to Executive's employment from and after the termination date, and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity). Notwithstanding the foregoing, amounts payable under this Section 6.2 shall be reduced by the amount of compensation earned, received or receivable by Executive relating to Executive's employment with, or other provision of services to, third parties during the Severance Period, (such compensation "**Subsequent Pay**") and Executive shall use all reasonable efforts to obtain such employment or engagement for services as soon as possible after the date of termination hereunder. Executive shall notify the Company of the existence of Subsequent Pay as soon as possible after Executive has knowledge of such Subsequent Pay.

6.3 If Executive is terminated due to Executive's Permanent Disability or if Executive dies during the Employment Period, then (i) Executive or Executive's estate, as the case may be, shall be entitled to receive as severance pay an amount equal to the Base Salary for three (3) months which amount shall be payable in accordance with the Company's policies that would otherwise apply to the payment of the Base Salary, and (ii) Executive and/or her eligible dependents shall receive continuation of medical benefits upon the same terms as exist immediately prior to the termination of employment for the three (3)-month period immediately following the termination of employment. The Company shall have no other obligations hereunder or otherwise with respect to Executive's employment from and after the termination date, and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

7. Restrictive Covenants.

7.1 Executive's Acknowledgment. Executive agrees and acknowledges that in order to assure the Company that it will retain its value and that of the Business as a going concern, it is necessary that Executive not utilize special knowledge of the Business and its relationships with customers to compete with the Company. Executive further acknowledges that:

(a) the Company is and will be engaged in the Business during the Employment Period and thereafter;

(b) Executive will occupy a position of trust and confidence with the Company, and during the Employment Period, Executive will become familiar with the Company's trade secrets and with other proprietary and Confidential Information concerning the Company and the Business;

(c) the agreements and covenants contained in **Sections 7, 8** and **9** are essential to protect the Company and the goodwill of the Business and compliance with such agreements and covenants will not impair Executive's ability to procure subsequent and comparable employment; and

(d) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this Agreement.

7.2 Confidential Information. As used in this **Section 7**, "**Confidential Information**" shall mean the Company's trade secrets and other non-public information relating to the Company or the Business, including, without limitation, information relating to financial statements, customer identities, potential customers, employees, suppliers, acquisition targets, servicing methods, equipment, programs, strategies and information, analyses, marketing plans and strategies, profit margins and other information developed or used by the Company in connection with the Business that is not known generally to the public or the industry and that gives the Company an advantage in the marketplace. Confidential Information shall not include any information that is in the public domain or becomes known in the public domain through no wrongful act on the part of Executive. Executive agrees to deliver to the Company at the termination of Executive's employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports and other documents (and copies thereof) relating to the Business or the Company or other forms of Confidential Information which Executive may then possess or have under her control.

7.3 Non-Disclosure. Executive agrees that during employment with the Company and thereafter, Executive shall not reveal to any competitor or other person or entity (other than current employees of the Company) any Confidential Information regarding Clients (as defined herein) that Executive obtains while performing services for the Company. Executive further agrees that Executive will not use or disclose any Confidential Information of the Company, other than in connection with Executive's work for the Company, until such information becomes generally known in the industry through no fault of Executive.

7.4 Non-Solicitation of Clients. Executive acknowledges that Executive will learn and develop Confidential Information relating to the Company's Clients and relating to the Company's servicing of those Clients. Executive recognizes that the Company's relationships with its Clients are extremely valuable to it and that the protection of the Company's relationships with its Clients is essential.

Accordingly, and in consideration of the Company's employment of Executive and the various benefits and payments provided in conjunction therewith, Executive agrees that for a period of twelve (12) months following termination of employment with the Company that is not mutually agreed in writing by Executive and the Company, Executive will not, whether or not Executive is then self employed or employed by another, directly or through another, provide services that are the same or similar to those services offered for sale and/or under any stage of development by the Company at the time of Executive's termination, to any Client of the Company whom Executive:

(a) obtained as a Client for the Company; or

(b) consulted with, provided services for, or supervised the provision of services for during the twelve (12) month period immediately preceding termination of Executive's employment; or

(c) submitted or assisted in the submission of a proposal for the provision of services during the six (6) month period immediately preceding termination of Executive's employment.

"Client" shall mean those persons or firms for whom the Company has either directly or indirectly provided services within the twenty-four (24)-month period immediately preceding termination of Executive's employment and therefore includes both the referral source or entity that consults with the Company and the entity to which the consultation related. "Client" also includes those persons or firms to whom executive has submitted a proposal (or assisted in the submission of a proposal) to perform services during the six (6) month period immediately preceding termination of Executive's employment.

7.5 Non-Interference with Relationships. Executive shall not directly or indirectly solicit, induce or encourage (i) any executive or employee of the Company, or (ii) any customer, client, supplier, lender, professional advisor or other business relation of the Company to leave, alter or cease her or her relationship with the Company, for any reason whatsoever, for twelve (12) months after Executive's termination, for any reason, of employment with the Company. Executive shall not hire or assist in the hiring of any executive or employee of the Company for that same time period, whether or not Executive is then self employed or employed by another business. Executive shall not directly or indirectly make disparaging remarks about the Company.

7.6 Modification. If any court of competent jurisdiction shall at any time deem that the term of any Restrictive Covenant is too lengthy, or the scope or subject matter of any Restrictive Covenant exceeds the limitations imposed by applicable law, the parties agree that provisions of **Sections 7.3, 7.4** and **7.5** shall be amended to the minimum extent necessary such that the provision is enforceable or permissible by such applicable law and be enforced as amended.

8. Effect on Termination. If, for any reason, Executive's employment with the Company shall terminate, then, notwithstanding such termination, those provisions contained in **Sections 4.3, 6, 7, 8, 9** and **10** hereof shall remain in full force and effect.

9. Remedies.

9.1 Non-Exclusive Remedy for Restrictive Covenants. Executive acknowledges and agrees that the covenants set forth in **Sections 7.3, 7.4,** and **7.5** of this Agreement (collectively, the "**Restrictive Covenants**") are reasonable and necessary for the protection of the Company's business interests, that irreparable injury will result to the Company if Executive breaches any of the terms of the Restrictive Covenants, and that in the event of Executive's actual or threatened breach of any such Restrictive Covenants, the Company will have no adequate remedy at law. Executive accordingly agrees that in the event of any actual or threatened breach by her of any of the Restrictive Covenants, the Company shall be entitled to immediate temporary injunctive and other equitable relief, without the necessity of showing actual monetary damages or the posting of bond. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of damages.

9.2 Arbitration. Except as set forth in **Section 10.1**, any controversy or claim arising out of or related to (i) this Agreement, (ii) the breach thereof, (iii) Executive's employment with the Company or the termination of such employment, or (iv) Employment Discrimination, shall be settled by arbitration in Chicago, Illinois before a single arbitrator administered by the American Arbitration Association ("**AAA**") under its National Rules for the Resolution of Employment Disputes, effective as of January 1, 2001 (the "**Employment Rules**"), and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, Rule 36 of the AAA's Commercial Arbitration Rules effective as of September 1, 2000 (instead of Rule 27 of the Employment Rules) shall apply to interim measures. References herein to any arbitration rule(s) shall be construed as referring to such rule(s) as amended or renumbered from time to time and to any successor rules. References to the AAA include any successor organization. "**Employment Discrimination**" means any discrimination against or harassment of Executive in connection with Executive's employment with the Company or the termination of such employment, including any discrimination or harassment prohibited under federal, state or local statute or other applicable law, including the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Americans with Disability Act, the Family and Medical Leave Act, the Fair Labor Standards Act, or any similar federal, state or local statute. Without limitation of the foregoing, any controversy or claim arising out of related to the repurchase right in **Section 4.3** shall be subject to arbitration hereunder.

10. Miscellaneous.

10.1 General Release. Executive acknowledges and agrees that Executive's right to receive severance pay and other benefits pursuant to Section 6.1 and Section 6.2 of this Agreement is contingent upon Executive's compliance with the covenants set forth in Section 7 of this Agreement and Executive's execution and acceptance of the terms and conditions of, and the effectiveness of, a general release in a form substantially similar to that attached hereto as Exhibit A (the "**Release**"). If the Executive fails to comply with the covenants set forth in Section 7 or if the Executive fails to execute the Release or revokes the Release during the seven (7)-day period following her execution of the Release, then the Executive shall not be entitled to any severance payments or other benefits to which the Executive would otherwise be entitled under **Sections 6.1** or **6.2**.

10.2 Assignment. Executive may not assign any of her rights or obligations hereunder without the written consent of the Company. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

10.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity and without invalidating the remainder of this Agreement.

10.4 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement.

10.5 Descriptive Headings; Interpretation. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement. The use of the word “including” in this Agreement shall be by way of example rather than by limitation.

10.6 Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered personally to the recipient, (ii) sent to the recipient by reputable express courier service (charges prepaid) or mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, or (iii) transmitted by telecopy to the recipient with a confirmation copy to follow the next day to be delivered by overnight carrier. Such notices, demands and other communications shall be sent to the addresses indicated below:

To The Company:

Huron Consulting Group LLC
c/o Lake Capital, LLC
676 North Michigan Ave.
Suite 3900
Chicago, IL 60611
Attention: Kathleen M. Johnston
Facsimile: (312) 640-7065

with copy to:

Lake Capital, LLC
676 North Michigan Ave.
Suite 3900
Chicago, IL 60611
Attention: Kathleen M. Johnston
Facsimile: (312) 640-7065

To Executive: Susan Gallagher
1530 S. Western Avenue
Park Ridge, IL 60068

or to such other address or to the attention of such other person as the recipient party shall have specified by prior written notice to the sending party. Date of service of such notice shall be (w) the date such notice is personally delivered, (x) three days after the date of mailing if sent by certified or registered mail, (y) one day after the date of delivery to the overnight courier if sent by overnight courier or (z) the next business day after the date of transmittal by telecopy.

10.7 Preamble; Preliminary Recitals. The Preliminary Recitals set forth in the Preamble hereto are hereby incorporated and made part of this Agreement.

10.8 Taxes. All compensation payable to Executive from the Company shall be subject to all applicable withholding taxes, normal payroll withholding and any other amounts required by law to be withheld.

10.9 Entire Agreement. Except as otherwise expressly set forth herein, this Agreement sets forth the entire understanding of the parties, and supersedes and preempts all prior oral or written understandings and agreements with respect to the subject matter hereof.

10.10 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Agreement shall be governed by, the laws of the State of Illinois without giving effect to provisions thereof regarding conflict of laws.

10.11 No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party hereto.

10.12 Amendment and Waivers. Any provisions of the Agreement may be amended or waived only with the prior written consent of the Company and Executive.

SIGNATURE PAGE FOLLOWS.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates written below.

THE COMPANY:

HURON CONSULTING GROUP LLC

By: /s/ Terence M. Graunke
Its: ______________________________
Date: ______________________________

EXECUTIVE

/s/ Susan Gallagher
Susan Gallagher

May 13, 2002
Date

Exhibit A

GENERAL RELEASE OF ALL CLAIMS

1. For valuable consideration, the adequacy of which is hereby acknowledged, the undersigned ("**Executive**"), for himself, her spouse, heirs, administrators, children, representatives, executors, successors, assigns, and all other persons claiming through Executive, if any (collectively, "**Releasers**"), does hereby release, waive, and forever discharge Huron Consulting Group LLC (the "**Huron**") and the parent company to Huron ("**Parent**") (collectively Huron and Parent being "**Company**"), Company's agents, subsidiaries, parents affiliates, related organizations, employees, officers, directors, attorneys, successors, and assigns (collectively, the "**Releasees**") from, and does fully waive any obligations of Releasees to Releasers for, any and all liability, actions, charges, causes of action, demands, damages, or claims for relief, remuneration, sums of money, accounts or expenses (including attorneys' fees and costs) of any kind whatsoever, whether known or unknown or contingent or absolute, which heretofore has been or which hereafter may be suffered or sustained, directly or indirectly, by Releasers in consequence of, arising out of, or in any way relating to Executive's employment with the Company or any of its affiliates and the termination of Executive's employment. The foregoing release and discharge, waiver and covenant not to sue includes, but is not limited to, all claims and any obligations or causes of action arising from such claims, under common law including wrongful or retaliatory discharge, breach of contract (including but not limited to any claims under the Senior Management Agreement between Huron and Executive, dated _______________, as amended from time to time (the "**Senior Management Agreement**") (but excluding claims regarding severance pay and benefits) and any claims under any stock option agreements between Executive and Huron or Parent) and any action arising in tort including libel, slander, defamation or intentional infliction of emotional distress, and claims under any federal, state or local statute including Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866 and 1871 (42 U.S.C. § 1981), the National Labor Relations Act, the Age Discrimination in Employment Act (ADEA), the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, the Illinois Human Rights Act, or the discrimination or employment laws of any state or municipality, and/or any claims under any express or implied contract which Releasers may claim existed with Releasees. This also includes a release by Executive of any claims for breach of contract, wrongful discharge and all claims for alleged physical or personal injury, emotional distress relating to or arising out of Executive's employment with the Company or the termination of that employment; and any claims under the WARN Act or any similar law, which requires, among other things, that advance notice be given of certain work force reductions. This release and waiver does not apply to any claims or rights that may arise after the date Executive signs this General Release. The foregoing release does not cover any right to indemnification now existing under the Operating Agreement of Huron or the Parent regardless of when any claim is filed.

2. Excluded from this release and waiver are any claims which cannot be waived by law, including but not limited to the right to participate in an investigation conducted by certain government agencies. Executive does, however, waive Executive's right to any monetary recovery should any agency (such as the Equal Employment Opportunity Commission) pursue any claims on Executive's behalf. Executive represents and warrants that Executive has not filed

any complaint, charge, or lawsuit against the Releasees with any government agency or any court.

3. Executive agrees never to sue Releasees in any forum for any claim covered by the above waiver and release language, except that Executive may bring a claim under the ADEA to challenge this General Release. If Executive violates this General Release by suing Releasees, other than under the ADEA or as otherwise set forth in Section 1 hereof, Executive shall be liable to the Company for its reasonable attorneys' fees and other litigation costs incurred in defending against such a suit. Nothing in this General Release is intended to reflect any party's belief that Executive's waiver of claims under ADEA is invalid or unenforceable, it being the interest of the parties that such claims are waived.

4. Executive acknowledges and recites that:

(a) Executive has executed this General Release knowingly and voluntarily;

(b) Executive has read and understands this General Release in its entirety;

(c) Executive has been advised and directed orally and in writing (and this subparagraph (c) constitutes such written direction) to seek legal counsel and any other advice she wishes with respect to the terms of this General Release before executing it;

(d) Executive's execution of this General Release has not been forced by any employee or agent of the Company, and Executive has had an opportunity to negotiate about the terms of this General Release; and

(e) Executive has been offered 21 calendar days after receipt of this General Release to consider its terms before executing it.

5. This General Release shall be governed by the internal laws (and not the choice of laws) of the State of Illinois, except for the application of pre-emptive Federal law.

6. Executive shall have 7 days from the date hereof to revoke this General Release by providing written notice of the revocation to the Company, as provided in subsection 10.7 of the Employment Agreement, in which event this General Release shall be unenforceable and null and void.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

[Name of Executive]

Date: ______________________ ____

Executive

FIRST AMENDMENT
TO
SENIOR MANAGEMENT AGREEMENT

WHEREAS, Huron Consulting Group LLC, a Delaware limited liability company (the "Company"), has entered into a Senior Management Agreement, effective as of May 15, 2002 (the "Agreement") with Susan Gallagher (the "Executive");

WHEREAS, the Company is wholly owned by Huron Consulting Group, Inc., a Delaware corporation (the "Parent");

WHEREAS, the Parent contemplates the consummation of an initial public offering of its common stock (the "IPO"); and

WHEREAS, the Executive and the Company desire to amend the Agreement, subject to and effective simultaneous with the Closing of the IPO.

NOW, THEREFORE, the Agreement is hereby amended, effective as set forth in Paragraph 4 below, as follows:

1. The Agreement is hereby amended by restating in its entirety Section 6.4, as follows:

6.4 Change of Control.

(a) The provisions of Section 6.1 and 6.2 hereof to the contrary notwithstanding, if (i) Executive is terminated by the Company without Cause or Executive resigns for CoC Good Reason (defined below) in either case during the period commencing on a Change of Control (defined below) and ending on the second anniversary of the Change of Control (such two-year period being the "Protection Period" hereunder), or (ii) Executive reasonably demonstrates that the Company's termination of Executive's employment (or event which, had it occurred following a Change of Control, would have constituted CoC Good Reason) prior to a Change of Control was at the request of a third party who was taking steps reasonably calculated to effect a Change of Control (or otherwise in contemplation of a Change of Control) and a Change of Control actually occurs, (each a "Qualifying Termination"), then Executive shall be entitled to receive: (A) an amount in cash equal to the then-prevailing target amount of Executive's Annual Bonus ("Target Bonus") during the year of termination multiplied by a fraction, the numerator of which is the number of completed days (including the date of termination) during the year of termination and the denominator of which is 365, (B) an amount in cash equal to the sum of Executive's annual Base Salary and annual Target Bonus, and (C) continuation of medical benefits until the first anniversary of the date of such termination upon the same terms as exist for Executive immediately prior to the termination date. Following any termination described in this Section 6.4, the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants and any restrictive covenants set forth in any plan, award and agreement applicable to Executive, at law or in equity). Subject to the Executive's execution of the Release described in Section 10.1, the amounts described in (A) and (B) shall be paid in a lump sum within ten (10) days after the date of termination. Such amounts or benefits shall not be subject to mitigation or offset, except that medical benefits may be offset by comparable benefits obtained by Executive in connection with subsequent employment.

(b) Anything set forth in any equity plan, equity award or any other provision of this Agreement between the Company and Executive to the contrary notwithstanding, all of Executive's outstanding equity grants that were awarded at or prior to the time of the Change of Control shall fully vest upon the occurrence of a Qualifying Termination.

(c) The compensation and benefits described in Section 6.4(a) and 6.4(b) shall be in lieu of compensation and benefits provided otherwise for a termination under Section 6.2 of this Agreement and any other plan or agreement of the Company, whether adopted before or after the date hereof, which provides severance payments or benefits.

(d) If it is determined that any amount, right or benefit paid or payable (or otherwise provided or to be provided) to Executive by the Company or any of its affiliates under this Agreement or any other plan, program or arrangement under which Executive participates or is a party (collectively, the "Payments"), would constitute an "excess parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), subject to the excise tax imposed by Section 4999 of the Code, as amended from time to time (the "Excise Tax"), then the amount of the Payments payable to the Executive under this Agreement shall be reduced (a "Reduction") to the extent necessary so that no portion of such Payments payable to the Executive is subject to the Excise Tax.

All determinations required to be made under this Section 6.4(d) and the assumptions to be utilized in arriving at such determination, shall be made by an independent, nationally recognized accounting firm mutually acceptable to the Company and the Executive (the "Auditor"); provided that in the event a Reduction is required, the Executive may determine which Payments shall be reduced in order to comply with the provisions of Section 6.4(d). The Auditor shall promptly provide detailed supporting calculations to both the Company and Executive following any determination that a Reduction is necessary. All fees and expenses of the Auditor shall be paid by the Company. All determinations made by the Auditor shall be binding upon the Company and the Executive.

(e) For purposes of this Section 6.4 (and distinguished from a "Qualified Change of Control" provided under certain other circumstances under the Agreement), the term "Change of Control" shall be deemed to have occurred upon the first to occur of any event set forth in any one of the following paragraphs of this Section 6.4(e):

(i) any Person becomes the Beneficial Owner, directly or indirectly, of securities of the Parent (not including in the securities beneficially owned by such Person any securities acquired directly from the Parent or its Affiliates) representing 40% or more of the combined voting power of the Parent's then outstanding securities; or

(ii) there is consummated a merger or consolidation of the Parent or any direct or indirect subsidiary of the Parent with any Person, other than (a) a merger or consolidation which would result in the voting securities of the Parent or such subsidiary (as the case may be) outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 60% of the combined voting power of the securities of the Parent, or by the Parent (directly or indirectly) in such subsidiary, or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, (b) a merger or consolidation effected to implement a recapitalization of the Parent (or similar transaction) in which no Person other than existing security holders is or becomes the Beneficial Owner, directly or indirectly, of securities of the Parent (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Parent or its Affiliates) representing 40% or more of the combined voting power of the Parent's then outstanding securities, or (c) a merger or consolidation of a subsidiary of the Parent that does not represent a sale of all or substantially all of the assets of the Parent; or

(iii) the shareholders of the Parent approve a plan of complete liquidation or dissolution of the Parent (except for a plan of liquidation or dissolution effected to implement a recapitalization of the Parent (or similar transaction) in which no Person other than existing holders of voting securities is or becomes the Beneficial Owner, directly or indirectly, of securities of the Parent (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Parent or its Affiliates) representing 40% or more of the combined voting power of the Parent's then outstanding securities); or

(iv) there is consummated an agreement for the sale or disposition of all or substantially all of the assets of the Parent or of the Company to a Person, other than a sale or disposition by the Parent of all or substantially all of the assets of the Parent or a sale or disposition by the Company of all or substantially all of the assets of the Company (as the case may be) to an entity, at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Parent (or by the Parent, in the case of a sale by the Company) in substantially the same proportions as their ownership of the Parent (or the Company) immediately prior to such sale.

Notwithstanding the foregoing, a "Change of Control" shall not be deemed to have occurred (1) by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Parent immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Parent immediately following such transaction or series of transactions, or (2) as a result of a distribution by HCG Holdings, LLC of its common stock or other securities of the Parent to its members (other than in connection with a transaction if clauses (i) or (ii) of the definition of "Change of Control" above applied by substituting "HCG Holdings, LLC" in each place with the "Parent" appears but without taking into account any references to subsidiaries contained in clause (ii)).

For purposes of this Change of Control definition, (A) "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act, (B) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time, (C) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (1) HCG Holdings, LLC, any Related Party, the Parent, the Company or any of the Parent's direct or indirect subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or the Parent or any of their Affiliates, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the stockholders of the Parent in substantially the same proportions as their ownership of stock of the Parent, (D) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Exchange Act and (E) "Related Party" shall mean (i) any member of HCG Holdings existing on the date hereof or any Affiliate of such members or (ii) any trust, corporation, partnership or other entity, whose beneficiaries, stockholders, partners, owners or Persons beneficially holding an 80% or more controlling interest of such entity consists of any of the parties listed in clause (i) of this definition.

(f) For purposes of this Section 6.4 (and distinguished from "Good Reason" provided under certain other circumstances under the Agreement), the term "CoC Good Reason" means the occurrence of any of the following within the twenty-four (24) month period following a Change of Control without the express written consent of Executive:

(i) any material breach of the Company of the Agreement which has not been cured within twenty (20) days after notice of such non-compliance has been given by Executive to the Company;

(ii) a material diminution of duties of Executive;

(iii) any reduction in Base Salary, other than in connection with an across-the-board reduction in Base Salaries applicable in like proportions to all similarly situated executives of the Company and any direct or indirect parent of the Company;

(iv) assignment of duties to Executive that are materially inconsistent with Executive's position and responsibilities described in this Agreement;

(v) the failure of the Company to assign this Agreement to a successor to the Company or the Parent or failure of a successor to the Company or the Parent, as the case may be, to explicitly assume and agree to be bound by this Agreement; or

(vi) requiring Executive to be principally based at any office or location more than fifty (50) miles from the current offices of the Company in Chicago, Illinois.

The foregoing to the contrary notwithstanding, if the Company or the Parent is acquired as a subsidiary or division of another company, in the absence of other grounds, the Executive shall not have incurred "CoC Good Reason" under subparagraph (iv) on the ground that the Parent has ceased to be a reporting company pursuant to Section 13 and Section 15(d) of the Securities Exchange Act of 1934 as a result of the Change of Control.

2. Section 10.1 of the Agreement is hereby amended by adding the words "and Section 6.4" immediately following the words "Section 6.1 and Section 6.2" and adding the words "or Section 6.4" immediately following the words "Section 6.1 or Section 6.2" thereof.

3. This First Amendment and the Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this First Amendment and the Agreement shall be governed by, the laws of the State of Illinois without giving effect to provisions thereof regarding conflict of laws.

4. This First Amendment shall be effective simultaneous with the closing of the IPO. In the event that the IPO is not consummated prior to May 31, 2005, this First Amendment will become null and void and of no force or effect (including in the event of the consummation of an IPO subsequent to such date). Following the effectiveness of this First Amendment and except as specifically set forth in this First Amendment, the Agreement shall remain in full force and effect and, as amended by this First Amendment, is hereby ratified and confirmed by the Company and the Executive.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the dates written below.

THE COMPANY:

HURON CONSULTING GROUP LLC

By: /s/ George Massaro

Its: COO

Date: September ___, 2004

THE PARENT

HURON CONSULTING GROUP, INC.

By: /s/ George Massaro

Its: COO

Date: September ___, 2004

EXECUTIVE:

/s/ Susan Gallagher
Susan Gallagher

Date: September 24, 2004

EXHIBIT 10.39

SENIOR MANAGEMENT AGREEMENT

BY AND BETWEEN

HURON CONSULTING GROUP INC.

AND

STANLEY LOGAN

<u>**SENIOR MANAGEMENT AGREEMENT**</u>

SENIOR MANAGEMENT AGREEMENT ("the **Agreement**"), effective as of April 1, 2006 (the "**Agreement Date**"), by and between Huron Consulting Group Inc., a Delaware corporation (the "**Company**"), and Stanley N. Logan (the "**Executive**").

PRELIMINARY RECITALS

A. WHEREAS, the Company is engaged in the business of providing diversified business consulting services (the "**Business**"). For purposes of this Agreement, the term the "**Company**" shall include the Company, its subsidiaries and assignees and any successors in interest of the Company and its subsidiaries; and

B. WHEREAS, the Company desires to employ Executive as of the Effective Date, and Executive desires to be so employed by the Company, as set forth herein.

NOW, THEREFORE, in consideration of the premises, the mutual covenants of the parties hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. <u>Employment</u>.

1.1 <u>Title and Duties</u>. The Company agrees to employ Executive, and Executive agrees to accept employment with the Company, as Managing Director and Vice President of Sales, Strategy and Business Development for the Employment Period, in accordance with the terms and conditions of this Agreement. During the Employment Period, Executive shall have such responsibilities, duties and authorities as are customarily assigned to such position and shall render such services or act in such capacity for the Company and its affiliates, as the Company's Chief Executive Officer (the "**CEO**") shall from time to time direct. Executive shall perform the duties and carry out the responsibilities assigned to Executive, to the best of Executive's ability, in a trustworthy and businesslike manner for the purpose of advancing the business of the Company. Executive acknowledges that Executive's duties and responsibilities hereunder will require Executive's full business time and effort and agrees that, during the Employment Period, Executive will not engage in any other business activity or have any business pursuits or interests which materially interfere or conflict with the performance of Executive's duties hereunder; provided that Executive may, with the approval of the CEO or his designee, serve on the board of other corporations or charitable organizations and engage in charitable activities, community affairs, and teaching. Executive shall engage in travel as reasonably required in the performance of Executive's duties.

1.2 <u>Employment Period</u>. The active employment of Executive under this Agreement shall begin on ____________ (the "**Effective Date**"), and shall continue through the second annual anniversary of the Effective Date (the "**Term**"). Upon the expiration of the Term, the Executive's employment may continue on an "at will" basis. "**Employment Period**" shall mean the Term and any period of "at will" employment thereafter. Notwithstanding anything to the contrary contained herein, the Employment Period is subject to termination prior to the date of expiration thereof pursuant to **Section 1.3, 1.4** and **1.5**.

1.3 Termination Upon Death. If Executive dies during the Employment Period, Executive's employment shall automatically terminate on the date of Executive's death.

1.4 Termination by the Company.

(a) The Company may terminate Executive's employment hereunder at any time. Such termination shall be effective upon the date notice of such termination is given pursuant to **Section 10.6** unless such notice shall otherwise provide.

(b) For purpose of this Agreement, "**Cause**" means the occurrence of any of the following events, as determined in the reasonable good faith judgment of the CEO:

(i) the failure of Executive to perform Executive's material duties which failure continues for ten (10) days after the Company has given written notice to Executive specifying in reasonable detail the manner in which Executive has failed to perform such duties and affording opportunity to cure;

(ii) commission by Executive of an act or omission (A) constituting (x) a felony, (y) dishonesty with respect to the Company or (z) fraud, or (B) that (x) could-adversely and materially affect the Company's business or reputation, or (y) involves moral turpitude;

(iii) the breach, non-performance or non-observance of any of the material terms of this Agreement (other than a breach, non-performance or non-observance described in clause (i) of this **Section 1.4(b)**), or any other agreement to which Executive and the Company are parties, by Executive, if such breach, non-performance or non-observance shall continue beyond a period of ten (10) days immediately after written notice thereof given by the Company to Executive; or

(iv) any breach, non-performance or non-observance of any of **Sections 6.3, 6.4, 6.5** or **6.7** of this Agreement, provided, however, that if such breach, non-performance or non-observance of Section **6.7** is curable, no Cause will exist if the situation is resolved to the satisfaction of the Company and the Executive within ten (10) days of notification of Executive of the breach, non-performance or non-observance.

(c) Executive shall be deemed to have a "**Permanent Disability**" for purposes of this Agreement if Executive is eligible to receive benefits under the Company's long-term disability plan then-covering Executive.

1.5 Termination by Executive. Executive shall give sixty (60) days' notice to the Company prior to the effectiveness of any resignation during the Term of Executive's employment with the Company. If Executive's resignation is effective within the ninety (90) days immediately following the Company's notice given to Executive that Executive's primary location of employment with the Company will change to a location that is more than fifty (50) miles from Executive's primary location of employment with the Company in Chicago, Illinois, then Executive's resignation shall be deemed for "**Good Reason**."

2. Compensation and Benefits.

2.1 Base Salary. As consideration for the services of Executive hereunder, during the Term the Company shall pay Executive an annual base salary of $500,000 (the "**Base Salary**"), payable in accordance with the Company's customary payroll practices as in effect from time to time. The CEO shall perform an annual review of Executive's compensation based on Executive's performance of Executive's duties and the Company's other compensation policies, provided that Executive's Base Salary shall not be reduced without Executive's consent unless such reduction is part of a comparable overall reduction for members of senior management. The term Base Salary shall include any changes to the Base Salary from time to time.

2.2 Bonus Programs.

(a) Target and Guaranteed Bonus. During the Term, Executive shall be eligible for an annual bonus in an amount determined by the Compensation Committee of the Board based on Executive's performance of Executive's duties and the Company's other compensation policies (the "**Annual Bonus**"). Executive's target Annual Bonus shall be $400,000 (the "**Target Amount**"). The actual Annual Bonus paid may be more or less than the Target Amount based on Company and Executive performance. Bonuses are paid within two and one half months following year-end and are pro-rated for partial years of employment. The Executive's right to any bonus payable pursuant to this **Section 2.2** shall be contingent upon Executive being employed by the Company on the date the Annual Bonus is generally paid to executives of the Company; provided, however, that if Executive's employment is terminated by the Company other than for Cause after the end of the Term but prior to the date an Annual Bonus earned during the Term is paid, then Executive shall receive such Annual Bonus when it is paid to other members of senior management.

(i) For the twelve (12) month period commencing on the Effective Date, Executive shall be entitled to an Annual Bonus not less than the Target Amount, which shall be paid annually in accordance with the Company's customary payroll practices described above.

(ii) For the twelve (12) month period commencing on the first anniversary of the Effective Date, Executive shall be entitled to an Annual Bonus not less than the Target Amount, which shall be paid annually in accordance with the Company's customary payroll practices described above.

(b) Sign-On Bonus. Within thirty (30) days after the Effective Date, the Company shall pay to Executive a cash bonus in the amount of $600,000 (**"Sign-On Bonus"**). If the Company terminates Executive's employment for Cause, or Executive voluntarily resigns his employment without Good Reason at any time prior to the second anniversary of the Effective Date, then Executive shall immediately repay to the Company a pro-rata portion of the Sign-on Bonus. The repayment due the Company shall be calculated as the Sign-On Bonus multiplied by a fraction, the numerator of which is the number of months remaining in the initial two year period and the denominator of which is twenty four.

3. Equity Awards. Executive shall generally be eligible to participate in the Company's equity plans from time to time, with the amount of any equity awards, and the terms and conditions under which they are granted, being in the sole discretion of the Company. Such equity awards shall be subject to the terms of the applicable equity incentive plan of the Company and granting agreement. As soon as possible after the Effective Date, Executive shall be granted an equity grant under the 2004 Omnibus Equity Incentive Plan with respect to 40,000 restricted shares of stock of Huron Consulting Group Inc. These shares shall vest in four equal increments, with one-quarter vesting on the first anniversary of the grant date and one-quarter vesting on each of the next three anniversaries of the grant date; provided, however, that no shares shall vest if Executive is not employed by the Company as of such vesting date.

4. Welfare Benefits and Expenses.

4.1 Welfare Benefits. During the Employment Period, Executive shall be eligible to participate in the various health and welfare benefit plans maintained by the Company for its senior management employees from time to time.

4.2 Business Expenses. During the Employment Period, the Company shall reimburse Executive for all ordinary, necessary and reasonable travel and other business expenses incurred by Executive in connection with the performance of Executive's duties hereunder, in accordance with the Company policy. Such reimbursement shall be made upon presentation of itemized expense statements and such other supporting documentation as the Company may reasonably require.

5. Compensation After Termination.

5.1 Termination During the Term For Cause; Resignation During the Term Without Good Reason. If during the Term Executive is terminated by the Company for Cause or if Executive resigns other than for Good Reason then, except as required by law, the Company shall have no further obligations to Executive (except payment of the Base Salary accrued through the date of said termination), and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

5.2 Termination During the Term Without Cause; Resignation During the Term For Good Reason.

(a) If on or before the last day of the Term Executive is terminated by the Company without Cause or Executive resigns for Good Reason, then Executive shall be entitled to receive the following amounts and benefits:

(i) Severance pay in an amount equal to the Base Salary and guaranteed Annual Bonus that otherwise would have been payable if Executive had continued Executive's employment hereunder until the last day of the Term (with a minimum period of six (6) months' base salary), which severance shall be payable to Executive in accordance with the Company's policies that otherwise would apply to the payment of the Base Salary; and,

(ii) Continuation of medical benefits during the unexpired portion of the Term (with a minimum of six (6) months) upon the same terms as exist from time to time for active similarly situated executives of the Company.

(b) The Company shall have no other obligations under this **Section 5.2** or otherwise with respect to Executive's employment from and after the employment termination date, and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

5.3 Termination During the Term Due To Death, Permanent Disability. If during the Term Executive is terminated due to Executive's Permanent Disability or if Executive dies, then (a) Executive or Executive's estate, as the case may be, shall be entitled to receive (i) payment of Base Salary through the date of termination, (ii) payment of a pro rata Annual Bonus (based on actual results), to be paid at the same time as annual bonuses are paid to other members of senior management, and (b) Executive and/or Executive's eligible dependents shall receive continuation of medical benefits upon the same terms as exist for similarly situated active executives of the Company for the three (3)-month period immediately following the termination of employment. The Company shall have no other obligations hereunder or otherwise with respect to Executive's employment from and after the termination date, and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

5.4 Termination After the Term. If Executive's employment is terminated after the expiration of the Term, any compensation or benefits due to Executive (or Executive's estate) shall be based solely on the plans, policies and programs in effect at the date of termination. The Company shall have no other obligations hereunder or otherwise with respect to Executive's employment from and after the termination date, and the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants at law or in equity).

5.5 Change of Control.

(a) The provisions of Section 5.1, 5.2 and 5.4 hereof to the contrary notwithstanding, if (i) Executive is terminated by the Company without Cause or Executive resigns for CoC Good Reason (defined below) in either case during the period commencing on a Change of Control (defined below) and ending on the second anniversary of the Change of Control (such two-year period being the "Protection Period" hereunder), or (ii) Executive reasonably demonstrates that the Company's termination of Executive's employment (or event which, had it occurred following a Change of Control, would have constituted CoC Good Reason) prior to a Change of Control was at the request of a third party who was taking steps reasonably calculated to effect a Change of Control (or otherwise in contemplation of a Change of Control) and a Change of Control actually occurs, (each a "Qualifying Termination"), then Executive shall be entitled to receive: (A) an amount in cash equal to the then-prevailing target amount of Executive's Annual

Bonus ("Target Bonus") during the year of termination multiplied by a fraction, the numerator of which is the number of completed days (including the date of termination) during the year of termination and the denominator of which is 365, (B) an amount in cash equal to the sum of Executive's annual Base Salary and annual Target Bonus, and (C) continuation of medical benefits until the first anniversary of the date of such termination upon the same terms as exist for Executive immediately prior to the termination date; provided, that, in the event of a Qualifying Termination occurring during the Term, Executive shall be entitled to receive the greater of (x) the aggregate amount set forth in clauses (A), (B) and (C) of this Section 5.5 or (y) the aggregate amount set forth in Section 5.2(a) hereof. Following any termination described in this Section 5.5, the Company shall continue to have all other rights available hereunder (including, without limitation, all rights under the Restrictive Covenants and any restrictive covenants set forth in any plan, award and agreement applicable to Executive, at law or in equity). Subject to the Executive's execution of the Release described in Section 10.1, the amounts described in (A) and (B) shall be paid in a lump sum within ten (10) days after the date of termination. Such amounts or benefits shall not be subject to mitigation or offset, except that medical benefits may be offset by comparable benefits obtained by Executive in connection with subsequent employment.

(b) Anything set forth in any equity plan, equity award or any other provision of this Agreement between the Company and Executive to the contrary notwithstanding, all of Executive's outstanding equity grants that were awarded at or prior to the time of the Change of Control shall fully vest upon the occurrence of a Qualifying Termination.

(c) The compensation and benefits described in Section 5.5 (a) and 5.5 (b) shall be in lieu of compensation and benefits provided otherwise for a termination under Section 5.2 of this Agreement and any other plan or agreement of the Company, whether adopted before or after the date hereof, which provides severance payments or benefits.

(d) If it is determined that any amount, right or benefit paid or payable (or otherwise provided or to be provided) to Executive by the Company or any of its affiliates under this Agreement or any other plan, program or arrangement under which Executive participates or is a party (collectively, the "Payments"), would constitute an "excess parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended from time to time (the "Code"), subject to the excise tax imposed by Section 4999 of the Code, as amended from time to time (the "Excise Tax"), then the amount of the Payments payable to the Executive under this Agreement shall be reduced (a "Reduction") to the extent necessary so that no portion of such Payments payable to the Executive is subject to the Excise Tax.

All determinations required to be made under this Section 5.5(d) and the assumptions to be utilized in arriving at such determination, shall be made by an independent, nationally recognized accounting firm mutually acceptable to the Company and the Executive (the "Auditor"); provided that in the event a Reduction is required, the Executive may determine which Payments shall be reduced in order to comply with the provisions of Section 5.5(d). The Auditor shall promptly provide detailed supporting calculations to both the Company and Executive following any determination that a Reduction is necessary. All fees and expenses of the Auditor shall be paid by the Company. All determinations made by the Auditor shall be binding upon the Company and the Executive.

(e) For purposes of this Section 5.5, the term "Change of Control" shall be deemed to have occurred upon the first to occur of any event set forth in any one of the following paragraphs of this Section 5.5 (e):

(i) any Person becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing 40% or more of the combined voting power of the Company's then outstanding securities; or

(ii) there is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any Person, other than (a) a merger or consolidation which would result in the voting securities of the Company or such subsidiary (as the case may be) outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any Company thereof) at least 60% of the combined voting power of the securities of the Company, or by the Company (directly or indirectly) in such subsidiary, or such surviving entity or any Company thereof outstanding immediately after such merger or consolidation, (b) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person other than existing security holders is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 40% or more of the combined voting power of the Company's then outstanding securities, or (c) a merger or consolidation of a subsidiary of the Company that does not represent a sale of all or substantially all of the assets of the Company; or

(iii) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company (except for a plan of liquidation or dissolution effected to implement a recapitalization of the Company (or similar transaction) in which no Person other than existing holders of voting securities is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 40% or more of the combined voting power of the Company's then outstanding securities); or

(iv) there is consummated an agreement for the sale or disposition of all or substantially all of the assets of the Company or of the Company to a Person, other than a sale or disposition by the Company of all or substantially all of the assets of the Company or a sale or disposition by the Company of all or substantially all of the assets of the Company (as the case may be) to an entity, at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Company (or by the Company, in the case of a sale by the Company) in substantially the same proportions as their ownership of the Company (or the Company) immediately prior to such sale.

Notwithstanding the foregoing, a "Change of Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

For purposes of this Change of Control definition, (A) "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act, (B) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time, (C) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (1) the Company or any of the Company's direct or indirect subsidiaries, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (3) an underwriter temporarily holding securities pursuant to an offering of such securities, or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, and (D) "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under Section 12 of the Exchange Act.

(f) For purposes of this Section 5.5 (and distinguished from "Good Reason" provided under certain other circumstances under the Agreement), the term "CoC Good Reason" means the occurrence of any of the following within the twenty-four (24) month period following a Change of Control without the express written consent of Executive:

(i) any material breach of the Company of the Agreement which has not been cured within twenty (20) days after notice of such non-compliance has been given by Executive to the Company;

(ii) a material diminution of duties of Executive;

(iii) any reduction in Base Salary, other than in connection with an across-the-board reduction in Base Salaries applicable in like proportions to all similarly situated executives of the Company and any direct or indirect parent of the Company;

(iv) assignment of duties to Executive that are materially inconsistent with Executive's position and responsibilities described in this Agreement;

(v) the failure of the Company to assign this Agreement to a successor to the Company or failure of a successor to the Company, as the case may be, to explicitly assume and agree to be bound by this Agreement; or

(vi) requiring Executive to be principally based at any office or location more than fifty (50) miles from the current offices of the Company in Chicago, Illinois.

The foregoing to the contrary notwithstanding, if the Company is acquired as a subsidiary or division of another company, in the absence of other grounds, the Executive shall not have incurred "CoC Good Reason" under subparagraph (iv) on the ground that the Company has ceased to be a reporting company pursuant to Section 13 and Section 15(d) of the Securities Exchange Act of 1934 as a result of the Change of Control.

6. Restrictive Covenants and Agreements.

6.1 Executive's Acknowledgment. Executive agrees and acknowledges that in order to assure the Company that it will retain its value and that of the Business as a going concern, it is necessary that Executive not utilize special knowledge of the Business and its relationships with customers to compete with the Company. Executive further acknowledges that:

(a) the Company is and will be engaged in the Business during the Employment Period and thereafter;

(b) Executive will occupy a position of trust and confidence with the Company, and during the Employment Period, Executive will become familiar with the Company's trade secrets and with other proprietary and Confidential Information concerning the Company and the Business;

(c) the agreements and covenants contained in **Sections 6, 8** and **9** are essential to protect the Company and the confidentiality of its Confidential Information (defined below) and near permanent client relationships as well as goodwill of the Business and compliance with such agreements and covenants will not impair Executive's ability to procure subsequent and comparable employment; and

(d) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this Agreement.

6.2 Confidential Information. As used in this **Section 6**, "**Confidential Information**" shall mean the Company's trade secrets and other non-public information relating to the Company or the Business, including, without limitation, information relating to financial statements, customer identities, potential customers, employees, suppliers, acquisition targets, servicing methods, equipment, programs, strategies and information, analyses, marketing plans and strategies, profit margins and other information developed or used by the Company in connection with the Business that is not known generally to the public or the industry and that gives the Company an advantage in the marketplace. Confidential Information shall not include any information that is in the public domain or becomes known in the public domain through no wrongful act on the part of Executive. Executive agrees to deliver to the Company at the termination of Executive's employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports and other documents (and copies thereof) relating to the Business or the Company or other forms of Confidential Information which Executive may then possess or have under Executive's control.

6.3 Non-Disclosure. Executive agrees that during employment with the Company and thereafter, Executive shall not reveal to any competitor or other person or entity (other than current employees of the Company) any Confidential Information regarding Clients (as defined herein) that Executive obtains while performing services for the Company. Executive further agrees that Executive will not use or disclose any Confidential Information of the Company, other than in connection with Executive's work for the Company, until such information becomes generally known in the industry through no fault of Executive.

6.4 Non-Solicitation of Clients. Executive acknowledges that Executive will learn and develop Confidential Information relating to the Company's Clients and relating to the Company's servicing of those Clients. Executive recognizes that the Company's relationships with its Clients are extremely valuable to it and that the protection of the Company's relationships with its Clients is essential.

Accordingly, and in consideration of the Company's employment of Executive and the various benefits and payments provided in conjunction therewith, Executive agrees that during the Employment Period and for the longer period (**"Restricted Period"**) thereafter of (i) the period during which Executive is entitled to receive severance payments under **Section 5.2(a)(i)** or (ii) twelve (12) months following any termination of employment with the Company, Executive will not, whether or not Executive is then self-employed or employed by another, directly or through another, provide services that are the same or similar to those services offered for sale and/or under any stage of development by the Company at the time of Executive's termination, to any Client of the Company whom Executive:

(a) obtained as a Client for the Company; or

(b) consulted with, provided services for, or supervised the provision of services for during the twelve (12) month period immediately preceding termination of Executive's employment; or

(c) submitted or assisted in the submission of a proposal for the provision of services during the six (6) month period immediately preceding termination of Executive's employment.

"Client" shall mean those persons or firms for whom the Company has either directly or indirectly provided services within the twenty-four (24)-month period immediately preceding termination of Executive's employment and therefore includes both the referral source or entity that consults with the Company and the entity to which the consultation related. **"Client"** also includes those persons or firms to whom Executive has submitted a proposal (or assisted in the submission of a proposal) to perform services during the six (6) month period immediately preceding termination of Executive's employment.

6.5 Non-Interference with Relationships. Executive shall not at any time during the Restricted Period directly or indirectly solicit, induce or encourage (a) any executive or employee of the Company, or (b) any customer, client, supplier, lender, professional advisor or other business relation of the Company to leave, alter or cease his/her/its relationship with the Company, for any reason whatsoever. Executive shall not hire or assist in the hiring of any executive or employee of the Company for that same time period, whether or not Executive is then self-employed or employed by another business. Executive shall not at any time directly or indirectly make disparaging remarks about the Company.

6.6 Modification. If any court of competent jurisdiction shall at any time deem that the term of any Restrictive Covenant is too lengthy, or the scope or subject matter of any

Restrictive Covenant exceeds the limitations imposed by applicable law, the parties agree that provisions of Sections **6.3**, **6.4** and **6.5** shall be amended to the minimum extent necessary such that the provision is enforceable or permissible by such applicable law and be enforced as amended.

6.7 Representations and Warranties. Executive has made full disclosure to the Company concerning the existence of, and delivered copies of any documents relating to, any contractual arrangement (including, but not limited to, any non-compete or non-solicitation agreement) that Executive has with any current or former employer which agreement purports to be in effect as of the date of this offer or the dates of Executive's intended employment with the Company. Executive represents, warrants and covenants to the Company that (a) Executive is not a party to or bound by any employment agreement, noncompete, nonsolicitation (of customers or employees), nondisturbance (of customers, employees or vendors), or confidentiality agreement with any previous employer or any other person or entity that would be violated by Executive's acceptance of this position or which would interfere in any material respect with the performance of Executive's duties with the Company, (b) that Executive will not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of Executive's duties with the Company, (c) that Executive will not at any time breach (or threaten to breach) any such agreement with any such previous employer or any other person or entity during Executive's employment with the Company and (d) Executive shall not at any time enter into any modification of any forgoing such agreement or any new agreement with, waive any rights of Executive under any agreement with, or acknowledge any amounts due from Executive to, Executive's previous employer without first obtaining the prior written consent of the Company in its sole discretion. Executive shall hereafter immediately disclose to the Company any knowledge of Executive of a possible or potential violation of any forgoing such agreement occurring at any time.

7. Ownership of Intellectual Property. All intellectual property, ideas, inventions, writings, software and Confidential Information created or conceived by Executive alone or with others while employed with the Company that relate to the Company's business or clients or work assigned to Executive by the Company (collectively, "Materials") constitute "work made for hire" and are the exclusive property of the Company. If for any reason any Materials cannot legally constitute a "work made for hire," then this Agreement shall operate as an irrevocable assignment and agreement to assign to the Company all right, title and interest in such Materials. Executive will promptly disclose to the Company in writing all Materials developed during his employment with the Company, and Executive will execute such documents as may be necessary to evidence his assignment(s) of all right, title and interest in Materials to the Company. If Executive claims ownership in any intellectual property, ideas or inventions that predate his employment with the Company, then Executive will disclose such claims in writing to the Company's Human Resources Department before commencing any work for the Company.

8. Effect on Termination. If, for any reason, this Agreement shall terminate or Executive's employment with the Company shall terminate, then, notwithstanding such termination, those provisions contained in **Sections 6, 7, 8 9** and **10** hereof shall survive and thereafter remain in full force and effect.

9. Remedies.

9.1 Non-Exclusive Remedy for Restrictive Covenants. Executive acknowledges and agrees that the covenants set forth in **Sections 6.3, 6.4,** and **6.5** of this Agreement (collectively, the "**Restrictive Covenants**") are reasonable and necessary for the protection of the Company's business interests, that irreparable injury will result to the Company if Executive breaches any of the terms of the Restrictive Covenants, and that in the event of Executive's actual or threatened breach of any such Restrictive Covenants, the Company will have no adequate remedy at law. Executive accordingly agrees that in the event of any actual or threatened breach by Executive of any of the Restrictive Covenants, the Company shall be entitled to immediate temporary injunctive and other equitable relief, without the necessity of showing actual monetary damages or the posting of bond. Nothing contained herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for such breach or threatened breach, including the recovery of damages.

9.2 Arbitration. Except as set forth in **Section 9.1**, any controversy or claim arising out of or related to (i) this Agreement, (ii) the breach thereof, (iii) Executive's employment with the Company or the termination of such employment, or (iv) Employment Discrimination, shall be settled by arbitration in Chicago, Illinois before a single arbitrator administered by the American Arbitration Association ("**AAA**") under its National Rules for the Resolution of Employment Disputes, amended and restated effective as of January 1, 2004 (the "**Employment Rules**"), and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, Rule R-34 of the AAA's Commercial Arbitration Rules amended and restated effective as of July 1, 2003 (instead of Rule 27 of the Employment Rules) shall apply to interim measures. References herein to any arbitration rule(s) shall be construed as referring to such rule(s) as amended or renumbered from time to time and to any successor rules. References to the AAA include any successor organization. "**Employment Discrimination**" means any discrimination against or harassment of Executive in connection with Executive's employment with the Company or the termination of such employment, including any discrimination or harassment prohibited under federal, state or local statute or other applicable law, including the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, the Employee Retirement Income Security Act of 1974, the Americans with Disability Act, the Family and Medical Leave Act, the Fair Labor Standards Act, or any similar federal, state or local statute.

10. Miscellaneous.

10.1 General Release. Executive acknowledges and agrees that Executive's right to receive severance pay and other benefits (including any post-termination equity vesting) pursuant to **Section 5.1, Section 5.2 and Section 5.5** of this Agreement is contingent upon Executive's compliance with the covenants, representations and warranties and agreements set forth in **Section 6** of this Agreement and Executive's execution and acceptance of the terms and conditions of, and the effectiveness of, a general release in a form substantially similar to that attached hereto as Exhibit A (the "**Release**"). If the Executive fails to comply with the covenants set forth in **Section 6** or if the Executive fails to execute the Release or revokes the Release during the seven (7)-day period following Executive's execution of the Release, then the Executive shall not be entitled to any severance payments or other such benefits to which the Executive otherwise would have been entitled under **Sections 5.1, 5.2 or 5.5**.

10.2 Code Section 409A**.** Notwithstanding anything in this Agreement or elsewhere to the contrary:

(a) If payment or provision of any amount or other benefit that is “deferred compensation” subject to Code Section 409A at the time otherwise specified in this Agreement or elsewhere would subject such amount or benefit to additional tax pursuant to Code Section 409A(a)(1)(B), and if payment or provision thereof at a later date would avoid any such additional tax, then the payment or provision thereof shall be postponed to the earliest date on which such amount or benefit can be paid or provided without incurring any such additional tax.

(b) If any payment or benefit permitted or required under this Agreement, or otherwise, is reasonably determined by either party to be subject for any reason to a material risk of additional tax pursuant to Code Section 409A (a) (1) (B), including when final regulations and issued thereunder, then the parties shall promptly agree in good faith on appropriate provisions to avoid such risk without materially changing the economic value of this Agreement to either party.

10.3 Assignment. Executive may not assign any of Executive’s rights or obligations hereunder without the written consent of the Company. Except as otherwise expressly provided herein, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

10.4 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity and without invalidating the remainder of this Agreement.

10.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement.

10.6 Descriptive Headings; Interpretation. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement. The use of the word “**including**” in this Agreement shall be by way of example rather than by limitation.

10.7 Notices. All notices, demands or other communications to be given under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered personally to the recipient, (ii) sent to the recipient by reputable express courier service (charges prepaid) or mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, or (iii) transmitted by telecopy to the recipient with a confirmation copy to follow the next day to be delivered by overnight carrier. Such notices, demands and other communications shall be sent to the addresses indicated below:

To the Company: Huron Consulting Group Inc.
550 West Van Buren Street
Chicago, IL 60607
Attention: Natalia Delgado
Facsimile: (312) 583-8701

To Executive: Stanley Logan
747 N. Wabash Ave.
Apt. 801
Chicago, IL 60611

or to such other address or to the attention of such other person as the recipient party shall have specified by prior written notice to the sending party. The date in which such notice shall be deemed given shall be (w) the date of receipt if personally delivered, (x) three business days after the date of mailing if sent by certified or registered mail, (y) one business day after the date of delivery to the overnight courier if sent by overnight courier or (z) the next business day after the date of transmittal by telecopy.

10.8 Preamble; Preliminary Recitals. The Preliminary Recitals set forth in the Preamble hereto are hereby incorporated and made part of this Agreement.

10.9 Taxes. All compensation payable to Executive from the Company shall be subject to all applicable withholding taxes, normal payroll withholding and any other amounts required by law to be withheld.

10.10 Entire Agreement. Except as otherwise expressly set forth herein, this Agreement sets forth the entire understanding of the parties, and supersedes and preempts all prior oral or written understandings and agreements with respect to the subject matter hereof.

10.11 Governing Law. This Agreement shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Agreement shall be governed by, the laws of the State of Illinois without giving effect to provisions thereof regarding conflict of laws.

10.12 No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party hereto.

10.13 Amendment and Waivers. Any provisions of the Agreement may be amended or waived only with the prior written consent of the Company and Executive.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates written below.

THE COMPANY:

HURON CONSULTING GROUP INC.

By: /s/ Gary Holdren
Its: CEO
Date: April 5, 2006

Stanley Logan

/s/ Stanley N. Logan

Stanley N. Logan
(print name)

April 5, 2006
Date

GENERAL RELEASE OF ALL CLAIMS

1. For valuable consideration, the adequacy of which is hereby acknowledged, the undersigned ("**Executive**"), for Executive, Executive's spouse, heirs, administrators, children, representatives, executors, successors, assigns, and all other persons claiming through Executive, if any (collectively, "**Releasers**"), does hereby release, waive, and forever discharge Huron Consulting Group Inc. ("**Company**"), Company's agents, subsidiaries, Company's affiliates, related organizations, employees, officers, directors, attorneys, successors, and assigns (collectively, the "**Releasees**") from, and does fully waive any obligations of Releasees to Releasers for, any and all liability, actions, charges, causes of action, demands, damages, or claims for relief, remuneration, sums of money, accounts or expenses (including attorneys' fees and costs) of any kind whatsoever, whether known or unknown or contingent or absolute, which heretofore has been or which hereafter may be suffered or sustained, directly or indirectly, by Releasers in consequence of, arising out of, or in any way relating to Executive's employment with the Company or any of its affiliates and the termination of Executive's employment. The foregoing release and discharge, waiver and covenant not to sue includes, but is not limited to, all claims and any obligations or causes of action arising from such claims, under common law including wrongful or retaliatory discharge, breach of contract (including but not limited to any claims under the Senior Management Agreement between the Company and Executive, dated as of April 1, 2006, as amended from time to time (the "**Senior Management Agreement**")(but excluding claims regarding severance pay and benefits) and any claims under any equity agreements (including stock option and restricted stock agreements) between Executive and Company) and any action arising in tort including libel, slander, defamation or intentional infliction of emotional distress, and claims under any federal, state or local statute including Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866 and 1871 (42 U.S.C. § 1981), the National Labor Relations Act, the Age Discrimination in Employment Act (ADEA), the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, the Illinois Human Rights Act, or the discrimination or employment laws of any state or municipality, and/or any claims under any express or implied contract which Releasers may claim existed with Releasees. This also includes a release by Executive of any claims for breach of contract, wrongful discharge and all claims for alleged physical or personal injury, emotional distress relating to or arising out of Executive's employment with the Company or the termination of that employment; and any claims under the WARN Act or any similar law, which requires, among other things, that advance notice be given of certain work force reductions. This release and waiver does not apply to any claims or rights that may arise after the date Executive signs this General Release. The foregoing release does not cover any right to indemnification now existing under any insurance covering Executive or the by-laws or Operating Agreement of the Company regardless of when any claim is filed.

2. Excluded from this release and waiver are any claims which cannot be waived by law, including but not limited to the right to participate in an investigation conducted by certain government agencies. Executive does, however, waive Executive's right to any monetary recovery should any agency (such as the Equal Employment Opportunity Commission) pursue any claims on Executive's behalf. Executive represents and warrants that Executive has not filed

any complaint, charge, or lawsuit against the Releasees with any government agency or any court.

3. Executive agrees never to sue Releasees in any forum for any claim covered by the above waiver and release language, except that Executive may bring a claim under the ADEA to challenge this General Release. If Executive violates this General Release by suing Releasees, other than under the ADEA or as otherwise set forth in Section 1 hereof, Executive shall be liable to the Company for its reasonable attorneys' fees and other litigation costs incurred in defending against such a suit. Nothing in this General Release is intended to reflect any party's belief that Executive's waiver of claims under ADEA is invalid or unenforceable, it being the interest of the parties that such claims are waived.

4. Executive acknowledges and recites that:

(a) Executive has executed this General Release knowingly and voluntarily;

(b) Executive has read and understands this General Release in its entirety;

(c) Executive has been advised and directed orally and in writing (and this subparagraph (c) constitutes such written direction) to seek legal counsel and any other advice Executive wishes with respect to the terms of this General Release before executing it;

(d) Executive's execution of this General Release has not been forced by any employee or agent of the Company, and Executive has had an opportunity to negotiate about the terms of this General Release; and

(e) Executive has been offered 21 calendar days after receipt of this General Release to consider its terms before executing it.

5. This General Release shall be governed by the internal laws (and not the choice of laws) of the State of Illinois, except for the application of pre-emptive Federal law.

6. Executive shall have 7 days from the date hereof to revoke this General Release by providing written notice of the revocation to the Company, as provided in subsection 10.6 of the Senior Management Agreement, in which event this General Release shall be unenforceable and null and void.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

[Name of Executive]

Date: ______________________ ____

Executive

EXHIBIT 31.1

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER,
PURSUANT TO RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gary E. Holdren, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Huron Consulting Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2006

By: /s/ Gary E. Holdren
Gary E. Holdren
Chairman, Chief Executive Officer
and President

EXHIBIT 31.2

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER,
PURSUANT TO RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gary L. Burge, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Huron Consulting Group Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	August 8, 2006	By:	/s/ Gary L. Burge
			Gary L. Burge
			Vice President, Chief Financial Officer and Treasurer

EXHIBIT 32.1

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER,
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Huron Consulting Group Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gary E. Holdren, Chairman and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date:	August 8, 2006	By:	/s/ Gary E. Holdren
			Gary E. Holdren Chairman, Chief Executive Officer and President

EXHIBIT 32.2

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER,
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Huron Consulting Group Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gary L. Burge, Vice President, Chief Financial Officer and Treasurer of the Company, hereby certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date:	August 8, 2006	By:	/s/ Gary L. Burge
			Gary L. Burge
			Vice President,
			Chief Financial Officer and Treasurer