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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended July 4, 2015

or

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

Commission file number: 000-24049

CRA International, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction of
incorporation or organization)

04-2372210
(I.R.S. Employer Identification No.)

200 Clarendon Street, Boston, MA
(Address of principal executive offices)

02116-5092
(Zip Code)

(617) 425-3000
(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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller
reporting company)

Smaller reporting company

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

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

Class
Common Stock, no par value per share

Outstanding at July 30, 2015
9,069,586 shares

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

CRA International, Inc.

Condensed Consolidated Income Statements (unaudited)

(In thousands, except per share data)

	Quarter Ended		Fiscal Year to Date Period Ended	
	July 4, 2015	June 28, 2014	July 4, 2015	June 28, 2014
Revenues	\$ 76,535	\$ 78,184	\$ 154,574	\$ 154,429
Costs of services	50,675	52,669	104,494	104,535
Gross profit	25,860	25,515	50,080	49,894
Selling, general and administrative expenses	18,667	17,463	36,750	34,623
Depreciation and amortization	1,545	1,559	3,206	3,149
Income from operations	5,648	6,493	10,124	12,122
Interest income	11	39	28	78
Interest expense	(149)	(127)	(291)	(291)
Gain on extinguishment of debt	—	—	606	—
Other expense, net	(119)	(71)	(445)	(191)
Income before provision for income taxes	5,391	6,334	10,022	11,718
Provision for income taxes	(2,189)	(3,167)	(3,921)	(5,243)
Net income	3,202	3,167	6,101	6,475
Net loss attributable to noncontrolling interest, net of tax	123	21	3	123
Net income attributable to CRA International, Inc.	\$ 3,325	\$ 3,188	\$ 6,104	\$ 6,598
Net income per share attributable to CRA International, Inc.:				
Basic	\$ 0.37	\$ 0.32	\$ 0.66	\$ 0.66
Diluted	\$ 0.36	\$ 0.32	\$ 0.65	\$ 0.66
Weighted average number of shares outstanding:				
Basic	9,034	9,919	9,112	9,974
Diluted	9,253	10,026	9,328	10,067

See accompanying notes to the condensed consolidated financial statements.

CRA International, Inc.**Condensed Consolidated Statements of Comprehensive Income (unaudited)***(In thousands)*

	<u>Quarter Ended</u>		<u>Fiscal Year to Date Period Ended</u>	
	<u>July 4, 2015</u>	<u>June 28, 2014</u>	<u>July 4, 2015</u>	<u>June 28, 2014</u>
Net income	\$ 3,202	\$ 3,167	\$ 6,101	\$ 6,475
Other comprehensive income (loss):				
Foreign currency translation adjustments	1,556	706	(706)	869
Comprehensive income	4,758	3,873	5,395	7,344
Less: comprehensive loss attributable to noncontrolling interest	123	21	3	123
Comprehensive income attributable to CRA International, Inc.	<u>\$ 4,881</u>	<u>\$ 3,894</u>	<u>\$ 5,398</u>	<u>\$ 7,467</u>

See accompanying notes to the condensed consolidated financial statements.

CRA International, Inc.

Condensed Consolidated Balance Sheets (unaudited)

(In thousands, except share data)

	July 4, 2015	January 3, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 15,816	\$ 48,199
Accounts receivable, net of allowances of \$4,692 at July 4, 2015 and \$4,177 at January 3, 2015	57,902	58,080
Unbilled services, net of allowances of \$2,372 at July 4, 2015 and at \$2,233 at January 3, 2015	29,622	25,085
Prepaid expenses and other current assets	18,817	13,165
Deferred income taxes	21,363	20,638
Total current assets	143,520	165,167
Property and equipment, net	23,509	14,696
Goodwill	82,294	82,303
Intangible assets, net of accumulated amortization of \$10,170 at July 4, 2015 and \$9,584 at January 3, 2015	4,089	4,757
Deferred income taxes, net of current portion	171	174
Other assets	42,804	47,915
Total assets	<u>\$ 296,387</u>	<u>\$ 315,012</u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 13,123	\$ 13,700
Accrued expenses	44,978	66,548
Deferred revenue and other liabilities	5,415	6,220
Deferred income taxes	121	121
Current portion of deferred rent	991	1,623
Current portion of deferred compensation	797	182
Current portion of notes payable	75	—
Total current liabilities	65,500	88,394
Notes payable, net of current portion	—	981
Deferred rent and facility-related non-current liabilities	8,730	4,535
Deferred compensation and other non-current liabilities	3,110	3,371
Deferred income taxes, net of current portion	3,981	3,027
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, no par value; 1,000,000 shares authorized; none issued and outstanding	—	—
Common stock, no par value; 25,000,000 shares authorized; 8,992,221 shares and 9,228,272 shares issued and outstanding at July 4, 2015 and January 3, 2015, respectively	68,126	73,171
Retained earnings	153,722	147,618
Accumulated other comprehensive loss	(7,410)	(6,704)
Total CRA International, Inc. shareholders' equity	214,438	214,085
Noncontrolling interest	628	619
Total shareholders' equity	215,066	214,704
Total liabilities and shareholders' equity	<u>\$ 296,387</u>	<u>\$ 315,012</u>

See accompanying notes to the condensed consolidated financial statements.

CRA International, Inc.

Condensed Consolidated Statements of Cash Flows (unaudited)

(In thousands)

	Fiscal Year to Date Period Ended	
	July 4, 2015	June 28, 2014
Operating activities:		
Net income	\$ 6,101	\$ 6,475
Adjustments to reconcile net income to net cash used in operating activities, net of effect of acquired businesses:		
Depreciation and amortization	3,231	3,138
Loss on disposal of property and equipment	16	9
Deferred rent	3,564	(1,455)
Deferred income taxes	31	871
Share-based compensation expenses	2,998	2,616
Excess tax benefits from share-based compensation	(87)	—
Gain on extinguishment of debt	(606)	—
Accounts receivable allowances	530	(1,411)
Changes in operating assets and liabilities:		
Accounts receivable	(694)	(5,087)
Unbilled services	(4,534)	(3,534)
Prepaid expenses and other current asset, and other assets	(1,524)	1,722
Accounts payable, accrued expenses, and other liabilities	(25,590)	(18,514)
Net cash used in operating activities	(16,564)	(15,170)
Investing activities:		
Consideration paid for acquisitions, net	—	(1,537)
Purchase of property and equipment	(8,492)	(1,358)
Collections on notes receivable	1,560	—
Payments on notes receivable	(40)	14
Net cash used in investing activities	(6,972)	(2,881)
Financing activities:		
Issuance of common stock, principally stock option exercises	105	—
Payments on notes payable	(300)	(26)
Borrowings under line of credit	4,000	—
Repayments under line of credit	(4,000)	—
Tax withholding payments reimbursed by restricted shares	(111)	(143)
Excess tax benefits from share-based compensation	87	—
Repurchase of common stock	(7,968)	(5,355)
Net cash used in financing activities	(8,187)	(5,524)
Effect of foreign exchange rates on cash and cash equivalents	(660)	(62)
Net decrease in cash and cash equivalents	(32,383)	(23,637)
Cash and cash equivalents at beginning of period	48,199	51,251
Cash and cash equivalents at end of period	\$ 15,816	\$ 27,614
Noncash investing and financing activities:		
Issuance of common stock for acquired business	\$ 42	\$ 427
Purchases of property and equipment not yet paid for	2,998	—
Supplemental cash flow information:		
Cash paid for income taxes	\$ 5,000	\$ 8,600
Cash paid for interest	\$ 162	\$ 189

See accompanying notes to the condensed consolidated financial statements.

CRA International, Inc.

Condensed Consolidated Statement of Shareholders' Equity (unaudited)

(In thousands, except share data)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Loss	CRA International, Inc. Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
	Shares Issued	Amount					
BALANCE AT JANUARY 3, 2015	9,228,272	\$ 73,171	\$ 147,618	\$ (6,704)	\$ 214,085	\$ 619	\$ 214,704
Net income (loss)	—	—	6,104	—	6,104	(3)	6,101
Foreign currency translation adjustment	—	—	—	(706)	(706)	—	(706)
Issuance of common stock in connection with business acquisition	1,359	42	—	—	42	—	42
Exercise of stock options	4,892	105	—	—	105	—	105
Share-based compensation expense for employees	—	2,962	—	—	2,962	—	2,962
Share-based compensation expense for non-employees	—	36	—	—	36	—	36
Restricted share vesting	25,171	—	—	—	—	—	—
Redemption of vested employee restricted shares for tax withholding	(3,673)	(111)	—	—	(111)	—	(111)
Tax deficit on stock options and restricted shares vesting	—	(111)	—	—	(111)	—	(111)
Shares repurchased	(263,800)	(7,968)	—	—	(7,968)	—	(7,968)
Equity transactions of noncontrolling interest	—	—	—	—	—	12	12
BALANCE AT JULY 4, 2015	<u>8,992,221</u>	<u>\$ 68,126</u>	<u>\$ 153,722</u>	<u>\$ (7,410)</u>	<u>\$ 214,438</u>	<u>\$ 628</u>	<u>\$ 215,066</u>

See accompanying notes to the condensed consolidated financial statements.

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. Description of Business

CRA International, Inc. ("CRA") is a worldwide leading consulting services firm that applies advanced analytic techniques and in-depth industry knowledge to complex engagements for a broad range of clients. CRA offers its services in two broad areas: litigation, regulatory and financial consulting and management consulting. CRA operates in one business segment, which is consulting services. CRA operates its business under its registered trade name, Charles River Associates.

2. Unaudited Interim Condensed Consolidated Financial Statements and Estimates

The following financial statements included in this report are unaudited: the condensed consolidated income statements for the fiscal quarters and year to date periods ended July 4, 2015 and June 28, 2014, the condensed consolidated statements of comprehensive income for the fiscal quarters and year to date periods ended July 4, 2015 and June 28, 2014, the condensed consolidated balance sheet as of July 4, 2015, the condensed consolidated statements of cash flows for the fiscal year to date periods ended July 4, 2015 and June 28, 2014, and the condensed consolidated statement of shareholders' equity for the fiscal year to date period ended July 4, 2015. In the opinion of management, these statements include all adjustments necessary for a fair presentation of CRA's consolidated financial position, results of operations, and cash flows. The condensed consolidated balance sheet as of January 3, 2015 included in this report was derived from audited consolidated financial statements included in CRA's Annual Report on Form 10-K that was filed on March 17, 2015.

The preparation of financial statements in conformity with generally accepted accounting principles in the U.S. ("U.S. GAAP") requires management to make significant estimates and judgments that affect the reported amounts of assets and liabilities, as well as the related disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates in these consolidated financial statements include, but are not limited to, allowances for accounts receivable and unbilled services, revenue recognition on fixed price contracts, depreciation of property and equipment, share-based compensation, valuation of acquired intangible assets, impairment of long lived assets, goodwill, accrued and deferred income taxes, valuation allowances on deferred tax assets, accrued compensation, accrued exit costs, and other accrued expenses. These items are monitored and analyzed by CRA for changes in facts and circumstances, and material changes in these estimates could occur in the future. Changes in estimates are recorded in the period in which they become known. CRA bases its estimates on historical experience and various other assumptions that CRA believes to be reasonable under the circumstances. Actual results may differ from those estimates if CRA's assumptions based on past experience or other assumptions do not turn out to be substantially accurate.

3. Principles of Consolidation

The condensed consolidated financial statements include the accounts of CRA and its wholly owned subsidiaries. In addition, the condensed consolidated financial statements include CRA's interest in NeuCo, Inc. ("NeuCo"). All significant intercompany accounts have been eliminated.

CRA's ownership interest in NeuCo was 55.89% for all periods presented. NeuCo's financial results have been consolidated with CRA, and the portion of NeuCo's results allocable to its other owners is shown as "noncontrolling interest."

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

3. Principles of Consolidation (Continued)

NeuCo's interim reporting schedule is based on calendar month-ends, but its fiscal year end is the last Saturday of November. CRA's quarterly results could include a few days reporting lag between CRA's quarter end and the most recent financial statements available from NeuCo. CRA does not believe that the reporting lag will have a significant impact on CRA's consolidated income statements or financial condition.

On January 8, 2015, NeuCo entered into an agreement to settle a note payable of approximately \$981,000 in exchange for aggregate payments of \$375,000. NeuCo recorded a gain on the extinguishment of this debt in the first quarter of fiscal 2015 of approximately \$606,000. Under the settlement order, the scheduled payments are as follows: \$150,000 on January 8, 2015, \$150,000 on February 28, 2015, and \$75,000 on February 29, 2016. NeuCo made the first two scheduled payments during the first quarter of fiscal 2015. In case of default, the original amount would become due.

4. Recent Accounting Standards

Technical Corrections and Improvements

In June 2015, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2015-10, *Technical Corrections and Improvements* ("ASU 2015-10"), which amends a number of Topics in the *FASB Accounting Standards Codification*. ASU 2015-10 is part of an ongoing project on the FASB's agenda to facilitate Codification updates for non-substantive technical corrections, clarifications, and improvements that are not expected to have a significant effect on accounting practice or create a significant administrative cost to most entities. The amendments that require transition guidance are effective for all entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. All other amendments were effective on issuance. CRA believes that the adoption of ASU 2015-10 will not have a material impact on its financial position, results of operations, cash flows, or disclosures.

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). The main provision of ASU 2014-09 is to recognize revenue when control of the goods or services transfers to the customer, as opposed to the existing guidance of recognizing revenue when the risks and rewards transfer to the customer. On July 9, 2015, the FASB decided to delay the effective date of ASU 2014-09. The deferral results in ASU 2014-09 being effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Early adoption is permitted for interim and annual periods beginning after December 15, 2016. The guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of adoption. CRA has not yet determined the effects, if any, that the adoption of ASU 2014-09 may have on its financial position, results of operations, cash flows, or disclosures.

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

4. Recent Accounting Standards (Continued)

Simplifying the Presentation of Debt Issuance Costs

In April 2015, the FASB issued ASU No. 2015-03, *Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for the first interim period for fiscal years beginning after December 15, 2015. CRA believes that the adoption of ASU 2015-03 will not have a material impact on its financial position, results of operations, cash flows, or disclosures.

Reporting of Going-Concern Uncertainties

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern* ("ASU 2014-15"). ASU 2014-15 is intended to define management's responsibility to evaluate whether there is substantial doubt about an organization's ability to continue as a going concern and provides guidance to an organization's management, with principles and definitions that are intended to reduce diversity in the timing and content of disclosures in the financial statement footnotes. ASU 2014-15 is effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early application is permitted. CRA believes that the adoption of ASU 2014-15 will not have a material impact on its financial position, results of operations, cash flows, or disclosures.

Accounting for Share-Based Payments

In June 2014, the FASB issued ASU No. 2014-12, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force)* ("ASU 2014-12"). ASU 2014-12 clarifies that entities should treat performance targets that can be met after the requisite service period of a share-based payment award as performance conditions that affect vesting. Therefore, an entity would not record compensation expense (measured as of the grant date without taking into account the effect of the performance target) related to an award for which transfer to the employee is contingent on the entity's satisfaction of a performance target until it becomes probable that the performance target will be met. There are no new disclosures required under ASU 2014-12. ASU 2014-12 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. CRA believes that the adoption of ASU 2014-12 will not have a material impact on its financial position, results of operations, cash flows, or disclosures.

5. Cash and Cash Equivalents

Cash equivalents consist principally of money market funds with maturities of three months or less when purchased. As of July 4, 2015, a substantial portion of CRA's cash accounts was concentrated at a single financial institution, which potentially exposes CRA to credit risks. The financial institution has a short-term credit rating of A-2 by Standard & Poor's ratings services. CRA has not experienced any losses related to such accounts. CRA does not believe that there is significant risk of non-performance

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

5. Cash and Cash Equivalents (Continued)

by the financial institution, and the cash on deposit is fully liquid. CRA continually monitors the credit ratings of this institution.

The carrying amounts of these instruments classified as cash equivalents are stated at amortized cost, which approximates fair value because of their short-term maturity.

6. Fair Value of Financial Instruments

Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurement), then priority to quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market (Level 2 measurement), then the lowest priority to unobservable inputs (Level 3 measurement).

The following table shows CRA's financial instruments as of July 4, 2015 and January 3, 2015 that are measured and recorded in the financial statements at fair value on a recurring basis (in thousands):

	July 4, 2015		
	Quoted Prices in Active Markets for Identical Assets or Liabilities	Significant Other Observable Inputs	Unobservable Inputs
	Level 1	Level 2	Level 3
Assets:			
Money market funds	\$ 46	\$ —	\$ —
Total Assets	\$ 46	\$ —	\$ —
Liabilities:			
Contingent acquisition liability	\$ —	\$ —	\$ 861
Total Liabilities	\$ —	\$ —	\$ 861
	January 3, 2015		
	Quoted Prices in Active Markets for Identical Assets or Liabilities	Significant Other Observable Inputs	Unobservable Inputs
	Level 1	Level 2	Level 3
Assets:			
Money market funds	\$ 20,042	\$ —	\$ —
Total Assets	\$ 20,042	\$ —	\$ —
Liabilities:			
Contingent acquisition liability	\$ —	\$ —	\$ 316
Total Liabilities	\$ —	\$ —	\$ 316

The fair values of CRA's money market funds are based on quotes received from third-party banks.

CRA International, Inc.**Notes to Condensed Consolidated Financial Statements (Continued)****(Unaudited)****6. Fair Value of Financial Instruments (Continued)**

The contingent acquisition liability in the table above is for estimated future contingent consideration payments related to a prior acquisition. The fair value measure of this liability is based on significant inputs not observed in the market and thus represents a Level 3 measurement. The significant unobservable inputs used in the fair value measurements of this contingent acquisition liability are CRA's measures of the estimated payouts based on internally generated financial projections and discount rates. The fair value of the contingent acquisition liability is reassessed on a quarterly basis by CRA using additional information as it becomes available and any change in the fair value estimate is recorded in the earnings of that period. The increase in the contingent acquisition liability from \$0.3 million at January 3, 2015 to \$0.9 million as of July 4, 2015 was due to the improved financial performance of the acquired entity during the first half of fiscal 2015, which resulted in a charge of \$0.8 million to costs of services during the first half of fiscal 2015. Payments of approximately \$0.3 million were made during the first half of fiscal 2015.

7. Prepaid Expenses and Other Current Assets, and Other Assets

In order to attract and retain highly skilled professionals, CRA may issue forgivable loans or term loans to employees and non-employee experts, which are classified in "prepaid expenses and other current assets" and "other assets" on the accompanying balance sheets as of July 4, 2015 and January 3, 2015. A portion of these loans is collateralized. The forgivable loans have terms that are generally between three and eight years. The principal amount of forgivable loans and accrued interest is forgiven by CRA over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with CRA and complies with certain contractual requirements. The expense associated with the forgiveness of the principal amount of the loans is recorded as compensation expense over the service period, which is consistent with the term of the loans. During the first half of fiscal 2015, CRA issued approximately \$6.3 million in forgivable loans to employees and non-employee experts for future service.

Other assets consist of the following (in thousands):

	<u>July 4, 2015</u>	<u>January 3, 2015</u>
Forgivable loans to employees and non-employee experts	\$ 37,873	\$ 42,907
Other	4,931	5,008
Total	<u>\$ 42,804</u>	<u>\$ 47,915</u>

8. Goodwill

In accordance with ASC Topic 350, *Intangibles—Goodwill and Other*, goodwill is not subject to amortization, but is monitored at least annually for impairment, or more frequently, as necessary, if events or circumstances exist that would more likely than not reduce the fair value of the reporting unit below its carrying amount. For the CRA's goodwill impairment analysis, CRA operates under one reporting unit. Under ASC Topic 350, in performing the first step of the goodwill impairment testing and measurement process, CRA compares its entity-wide estimated fair value to net book value to identify potential impairment. Management estimates the entity-wide fair value utilizing CRA's market capitalization, plus an appropriate control premium. Market capitalization is determined by multiplying

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

8. Goodwill (Continued)

the shares outstanding on the test date by the market price of CRA's common stock on that date. CRA has utilized a control premium that considers appropriate industry, market and other pertinent factors, including indications of such premiums from data on recent acquisition transactions. If the estimated entity-wide fair value of CRA is less than its net book value, the second step is performed to determine if goodwill is impaired. If CRA determines through the impairment evaluation process that goodwill has been impaired, an impairment charge would be recorded in the consolidated income statements.

There were no impairment losses related to goodwill during each of the fiscal year-to-date periods ended July 4, 2015 or June 28, 2014, as there were no events or circumstances that would more likely than not reduce CRA's fair value below its carrying amount.

CRA continues to monitor its market capitalization. If CRA's market capitalization, plus an estimated control premium, is below its net book value for a period considered to be other-than-temporary, it is possible that CRA may be required to record an impairment of goodwill either as a result of the annual assessment that CRA conducts in the fourth quarter of each fiscal year, or in a future quarter if events or circumstances exist that would more likely than not reduce CRA's fair value below its carrying amount. A non-cash goodwill impairment charge would have the effect of decreasing CRA's earnings in such period.

The changes in the carrying amount of goodwill during the fiscal year-to-date period ended July 4, 2015, are as follows (in thousands):

	Goodwill, gross	Accumulated impairment losses	Goodwill, net
Balance at January 3, 2015	\$ 154,196	\$ (71,893)	\$ 82,303
Effect of foreign currency translation	(9)	—	(9)
Balance at July 4, 2015	<u>\$ 154,187</u>	<u>\$ (71,893)</u>	<u>\$ 82,294</u>

The changes in the carrying amount of goodwill during the fiscal year-to-date period ended June 28, 2014, are as follows (in thousands):

	Goodwill, gross	Accumulated impairment losses	Goodwill, net
Balance at December 28, 2013	\$ 153,466	\$ (71,893)	\$ 81,573
Goodwill adjustments related to acquisitions	1,829	—	1,829
Effect of foreign currency translation	494	—	494
Balance at June 28, 2014	<u>\$ 155,789</u>	<u>\$ (71,893)</u>	<u>\$ 83,896</u>

CRA International, Inc.**Notes to Condensed Consolidated Financial Statements (Continued)****(Unaudited)****9. Accrued Expenses**

Accrued expenses consist of the following (in thousands):

	July 4, 2015	January 3, 2015
Compensation and related expenses	\$ 38,460	\$ 61,527
Income taxes payable	358	490
Other	6,160	4,531
Total	<u>\$ 44,978</u>	<u>\$ 66,548</u>

As of July 4, 2015 and January 3, 2015, approximately \$26.4 million and \$49.2 million, respectively, of accrued bonuses were included above in "Compensation and related expenses".

10. Credit Agreement

As of July 4, 2015, CRA is party to a credit agreement that provides CRA with a \$125.0 million revolving credit facility and a \$15 million sublimit for the issuance of letters of credit. CRA may use the proceeds of the revolving credit loans for working capital and other general corporate purposes. CRA may repay any borrowings under the revolving credit facility at any time, but no later than April 24, 2018. There was no amount outstanding under this revolving line of credit as of July 4, 2015.

As of July 4, 2015, the amount available under this revolving line of credit was reduced by certain letters of credit outstanding, which amounted to \$1.3 million. Borrowings under the revolving credit facility bear interest at a rate per annum at the election of CRA of either (i) the adjusted base rate, as defined in the credit agreement, plus an applicable margin, which varies between 0.50% and 1.50% depending on CRA's total leverage ratio as determined under the credit agreement, or (ii) the adjusted eurocurrency rate, as defined in the credit agreement, plus an applicable margin, which varies between 1.50% and 2.50% depending on CRA's total leverage ratio. CRA is required to pay a fee on the unused portion of the revolving credit facility at a rate per annum that varies between 0.25% and 0.375% depending on its total leverage ratio. Borrowings under the credit facility are secured by 100% of the stock of certain of CRA's U.S. subsidiaries and 65% of the stock of certain of its foreign subsidiaries, which represent approximately \$6.2 million in net assets as of July 4, 2015.

Under the credit agreement, CRA must comply with various financial and non-financial covenants. Compliance with these financial covenants is tested on a fiscal quarterly basis. Any indebtedness outstanding under the credit facility may become immediately due and payable upon the occurrence of stated events of default, including CRA's failure to pay principal, interest or fees or a violation of any financial covenant. The financial covenants require CRA to maintain an adjusted consolidated EBITDA to consolidated interest expense ratio of more than 2.5 to 1.0 and to comply with a consolidated debt to adjusted consolidated EBITDA ratio of not more than 3.0 to 1.0. The non-financial covenant restrictions of the credit agreement include, but are not limited to, CRA's ability to incur additional indebtedness, engage in acquisitions or dispositions, and enter into business combinations. As of July 4, 2015, CRA was in compliance with the covenants of the credit agreement.

CRA International, Inc.**Notes to Condensed Consolidated Financial Statements (Continued)****(Unaudited)****11. Revenue Recognition**

CRA derives substantially all of its revenues from the performance of professional services. CRA's revenues include projects secured by our non-employee experts as well as projects secured by our employees. CRA recognizes all project revenue on a gross basis based on consideration of the criteria set forth in ASC Topic 605-45, *Principal Agent Considerations*.

The contracts that CRA enters into and operates under specify whether the engagement will be billed on a time-and-materials or a fixed-price basis. Most of CRA's revenue is derived from time-and-materials service contracts. Revenues from time-and-materials service contracts are recognized as services are provided based upon hours worked and contractually agreed-upon hourly rates, as well as indirect fees based upon hours worked. Revenues from a majority of CRA's fixed-price engagements are recognized on a proportional performance method based on the ratio of costs incurred, substantially all of which are labor-related, to the total estimated project costs. In general, project costs are classified in costs of services and are based on the direct salary of the consultants on the engagement plus all direct expenses incurred to complete the engagement, including any amounts billed to CRA by its non-employee experts.

Revenues also include reimbursable expenses, which include travel and other out-of-pocket expenses, outside consultants, and other reimbursable expenses. Reimbursable expenses are as follows (in thousands):

	Quarter Ended		Fiscal Year to Date Period Ended	
	July 4, 2015	June 28, 2014	July 4, 2015	June 28, 2014
Reimbursable expenses	\$ 7,447	\$ 8,658	\$ 16,319	\$ 17,686

CRA collects goods and services and value added taxes from customers and records these amounts on a net basis, which is within the scope of ASC Topic 605-45, *Principal Agent Considerations*.

12. Net Income per Share

Basic net income per share represents net income attributable to CRA International, Inc. divided by the weighted average shares of common stock outstanding during the period. Diluted net income per share represents net income divided by the weighted average shares of common stock and common stock equivalents, if applicable, outstanding during the period. Common stock equivalents arise from stock options, unvested shares of restricted stock and unvested restricted stock units, using the treasury stock method. Under the treasury stock method, the amount CRA would receive on the exercise of stock options and the vesting of shares of restricted stock and restricted stock units, the amount of compensation cost for future service that CRA has not yet recognized, and the amount of tax benefits that would be recorded in common stock when these stock options, shares of restricted stock and restricted stock units become deductible, are assumed to be used to repurchase shares at the average share price over the applicable fiscal period, and these repurchased shares are netted against the shares underlying these stock options and these unvested shares of restricted stock and restricted stock units. CRA's unvested shares of restricted stock that contain rights to receive non-forfeitable dividends are considered participating securities, but net earnings available to these participating securities were not

CRA International, Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

12. Net Income per Share (Continued)

significant for the second quarter. For the first half of fiscal 2015, the following is a reconciliation of the numerators and denominators used in the calculation of basic net income per share:

	<u>Amount</u>	<u>Shares</u>	<u>Per Share Amount</u>
Net income attributable to CRA International, Inc. allocated to common shares	\$ 6,104	9,183	
Less: net income attributable to CRA International, Inc. allocated to unvested shares	(47)	(71)	
Net income attributable to CRA International, Inc. allocated to common shares	<u>\$ 6,057</u>	<u>9,112</u>	<u>\$ 0.66</u>

A reconciliation of basic to diluted weighted average shares of common stock outstanding is as follows (in thousands):

	<u>Quarter Ended</u>		<u>Fiscal Year to Date Period Ended</u>	
	<u>July 4, 2015</u>	<u>June 28, 2014</u>	<u>July 4, 2015</u>	<u>June 28, 2014</u>
Basic weighted average shares outstanding	9,034	9,919	9,112	9,974
Common stock equivalents:				
Stock options, restricted shares, and restricted stock units	219	107	216	93
Diluted weighted average shares outstanding	<u>9,253</u>	<u>10,026</u>	<u>9,328</u>	<u>10,067</u>

For the second quarter and fiscal year to date period ended July 4, 2015, the anti-dilutive share based awards that were excluded from the calculation of common stock equivalents for purposes of computing diluted weighted average shares outstanding amounted to 371,421 and 381,577 shares, respectively. For the second quarter and fiscal year-to-date period ended June 28, 2014, certain share-based awards, which amounted to 888,746 and 1,088,180 shares, respectively, were excluded from the calculation of common stock equivalents for purposes of computing diluted weighted average shares outstanding because they were anti-dilutive. These share-based awards were anti-dilutive because their exercise price exceeded the average market price over the respective period.

On August 10, 2012, February 13, 2014, and October 23, 2014, CRA's Board of Directors authorized the repurchase of up to \$5.0 million, \$15.0 million, and \$30.0 million, respectively, of CRA's common stock. CRA may repurchase shares under any of these programs in open market purchases (including under any Rule 10b5-1 plan adopted by CRA) or in privately negotiated transactions, in each case in accordance with applicable insider trading and other securities laws and regulations. CRA records the retirement of its repurchased shares as a reduction to common stock. During the second quarter and first half of fiscal 2015, CRA repurchased and retired 118,900 shares and 263,800 shares, respectively, under these share repurchase programs at an average price per share of \$28.90 and \$30.23, respectively. During the second quarter and first half of fiscal 2014, CRA repurchased and retired 157,000 shares and 252,600 shares, respectively, under these share repurchase programs at an average

CRA International, Inc.**Notes to Condensed Consolidated Financial Statements (Continued)****(Unaudited)****12. Net Income per Share (Continued)**

price per share of \$21.70 and \$21.91, respectively. There was approximately \$12.9 million available for future repurchases under these programs as of July 4, 2015.

13. Income Taxes

CRA's effective income tax rates were 40.6% and 50.0% for the second quarters of fiscal 2015 and fiscal 2014, respectively. The effective tax rate in the second quarter of fiscal 2015 was in line with the combined Federal and state statutory tax rate and included favorable rate drivers resulting from the geographical mix of earnings and the use of valuation allowances, offset by the tax treatment of contingent consideration and other permanent tax differences. Additionally, there was a discrete benefit in the quarter related to prior period true-ups primarily as a result of a statutory rate decrease for withholding taxes. The effective tax rate in the second quarter of fiscal 2014 was higher than CRA's combined Federal and state statutory tax rate primarily due to a non-cash tax expense recorded in the second quarter of fiscal 2014 to correct an error in its previously issued consolidated financial statements. During the second quarter of fiscal 2014, CRA identified the prior period error, which was related to the valuation of deferred tax assets in CRA's previously issued consolidated financial statements, concluded that this error was not material to its prior reporting periods, and recorded a non-cash tax expense of approximately \$0.8 million to correct this error.

CRA's effective income tax rates were 39.1% and 44.7% for the first half of fiscal 2015 and the first half of fiscal 2014, respectively. The effective tax rate in the first half of fiscal 2015 was slightly lower than the combined Federal and state statutory tax rate and included favorable rates drivers resulting from the geographical mix of earnings and the use of valuation allowances, offset by the tax treatment of contingent consideration and other permanent tax differences. The valuation allowance benefit resulted from the utilization of certain historical foreign net operating losses that previously had valuation allowances. Additionally, there was a discrete benefit year-to-date related to prior period true-ups primarily as a result of a decrease in a statutory withholding tax rate, as well as the release of reserves in connection with the finalization of the tax examination in France for fiscal years 2011 and 2012, offset by a discrete provision in the first quarter of fiscal 2015 in connection with income taxes payable for a state examination that has now concluded. The effective tax rate for the first half of fiscal 2014 was higher than CRA's combined Federal and state statutory tax rate primarily due to the approximately \$0.8 million non-cash tax expense recorded in the second quarter of fiscal 2014 to correct the error in CRA's previously issued consolidated financial statements, described earlier in this note 13, partially offset by certain favorable tax adjustments that were treated as discrete items in the first half of fiscal 2014.

CRA has not provided for deferred income taxes or foreign withholding taxes on undistributed earnings from its foreign subsidiaries as of July 4, 2015 because such earnings are considered to be indefinitely reinvested. CRA does not rely on these unremitted earnings as a source of funds for its domestic business as it expects to have sufficient cash flow and availability from its U.S. credit line to fund its U.S. operational and strategic needs. If CRA were to repatriate its foreign earnings that are indefinitely reinvested, it would incur minimal additional tax expense.

CRA International, Inc.**Notes to Condensed Consolidated Financial Statements (Continued)****(Unaudited)****14. Restructuring Charges**

CRA did not incur any restructuring charges during the second quarter or first half of fiscal 2015, or the second quarter or first half of fiscal 2014. The restructuring reserve balance was as follows as of July 4, 2015 (in thousands):

	<u>Office Vacancies</u>
Balance at January 3, 2015	\$ 462
Amounts paid, net of amounts received, during the first half of fiscal 2015	(424)
Balance at July 4, 2015	<u>\$ 38</u>

On the accompanying balance sheet as of July 4, 2015, the reserve balance above was classified in "current portion of deferred rent".

The restructuring reserve balance was as follows as of June 28, 2014 (in thousands):

	<u>Office Vacancies</u>
Balance at December 28, 2013	\$ 1,170
Amounts paid, net of amounts received, during the first half of fiscal 2014	(452)
Adjustments during the first half of fiscal 2014	20
Balance at June 28, 2014	<u>\$ 738</u>

15. Subsequent Event

On July 15, 2015, CRA entered into a new lease with 1411 IC-SIC Property LLC, as landlord, for 25,261 square feet of office space located on the 35th floor of 1411 Broadway, New York, New York. The lease's base term will expire 10 years from the date that CRA begins paying fixed rent under the lease and, subject to certain conditions, will be extendible by CRA for one five-year period. The annual fixed rent for this office space (which does not include customary operating costs and expenses) will be approximately \$153,671 per month, or \$1,844,053 per annum, for the first five years of the lease's base term and will increase to a rate of approximately \$166,301 per month, or \$1,955,619 per annum, during the remainder of the lease's base term. The lease gives us a right of first refusal to rent certain additional office space in the office building if it becomes available. The performance of our obligations under the lease is secured by a letter of credit in the amount of \$922,027. We took possession of the leased property on August 1, 2015.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Except for historical facts, the statements in this quarterly report are forward-looking statements. Forward-looking statements are merely our current predictions of future events. These statements are inherently uncertain, and actual events could differ materially from our predictions. Important factors that could cause actual events to vary from our predictions include those discussed below under the heading "Risk Factors." We assume no obligation to update our forward-looking statements to reflect new information or developments. We urge readers to review carefully the risk factors described in this quarterly report and in the other documents that we file with the Securities and Exchange Commission, or SEC. You can read these documents at www.sec.gov.

Our principal Internet address is www.crai.com. Our website provides a link to a third-party website through which our annual, quarterly, and current reports, and amendments to those reports, are available free of charge. We believe these reports are made available as soon as reasonably practicable after we file them electronically with, or furnish them to, the SEC. We do not maintain or provide any information directly to the third-party website, and we do not check its accuracy.

Our website also includes information about our corporate governance practices. The Investor Relations page of our website provides a link to a web page where you can obtain a copy of our code of ethics applicable to our principal executive officer, principal financial officer, and principal accounting officer.

Critical Accounting Policies and Significant Estimates

The discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the U.S. ("U.S. GAAP"). The preparation of these financial statements requires us to make significant estimates and judgments that affect the reported amounts of assets and liabilities, as well as the related disclosure of contingent assets and liabilities, at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates in these condensed consolidated financial statements include, but are not limited to, allowance for accounts receivable and unbilled services, revenue recognition on fixed price contracts, depreciation of property and equipment, share-based compensation, valuation of acquired intangible assets, impairment of long lived assets, goodwill, accrued and deferred income taxes, valuation allowances on deferred tax assets, accrued compensation, accrued exit costs, and other accrued expenses. These items are monitored and analyzed by management for changes in facts and circumstances, and material changes in these estimates could occur in the future. Changes in estimates are recorded in the period in which they become known. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from our estimates if our assumptions based on past experience or our other assumptions do not turn out to be substantially accurate.

We have described our significant accounting policies in Note 1 to our consolidated financial statements included in our annual report on Form 10-K for fiscal 2014. We have reviewed our accounting policies, identifying those that we believe to be critical to the preparation and understanding of our consolidated financial statements in the list set forth below. See the disclosure under the heading "Critical Accounting Policies" in Item 7 of Part II of our annual report on Form 10-K for fiscal 2014 for a detailed description of these policies and their potential effects on our results of operations and financial condition.

- Revenue recognition and allowances for accounts receivable and unbilled services
- Share-based compensation expense

- Valuation of goodwill and other intangible assets
- Accounting for income taxes

We did not adopt any changes in the first half of fiscal 2015 that had a material effect on these critical accounting policies nor did we make any changes to our accounting policies in the first half of fiscal 2015 that changed these critical accounting policies.

Recent Accounting Standards

See Note 4 to our condensed consolidated financial statements included in this quarterly report on Form 10-Q for a discussion of recent accounting standards.

Results of Operations—For the Quarter and Fiscal Year to Date Period Ended July 4, 2015, Compared to the Quarter and Fiscal Year to Date Period Ended June 28, 2014

The following table provides operating information as a percentage of revenues for the periods indicated:

	Quarter Ended		Fiscal Year to Date Period Ended	
	July 4, 2015	June 28, 2014	July 4, 2015	June 28, 2014
Revenues	100.0%	100.0%	100.0%	100.0%
Costs of services	66.2	67.4	67.6	67.7
Gross profit	33.8	32.6	32.4	32.3
Selling, general and administrative expenses	24.4	22.3	23.8	22.4
Depreciation and amortization	2.0	2.0	2.1	2.0
Income from operations	7.4	8.3	6.5	7.8
Interest income	0.0	0.0	0.0	0.1
Interest expense	(0.2)	(0.2)	(0.2)	(0.2)
Gain on extinguishment of debt	—	—	0.4	—
Other expense, net	(0.2)	(0.1)	(0.3)	(0.1)
Income before provision for income taxes	7.0	8.1	6.5	7.6
Provision for income taxes	(2.9)	(4.1)	(2.5)	(3.4)
Net income	4.2	4.1	3.9	4.2
Net loss attributable to noncontrolling interest, net of tax	0.2	0.0	0.0	0.1
Net income attributable to CRA International, Inc.	4.3%	4.1%	3.9%	4.3%

Quarter Ended July 4, 2015 Compared to the Quarter Ended June 28, 2014

Revenues. Revenues decreased by \$1.7 million, or 2.1%, to \$76.5 million for the second quarter of fiscal 2015 from \$78.2 million for the second quarter of fiscal 2014. Utilization decreased to 75% for the second quarter of fiscal 2015 from 78% for the second quarter of fiscal 2014. A decrease in client reimbursable expenses, which are pass-through expenses that carry little to no margin, was a primary factor in the decreased revenue in the second quarter of fiscal 2015 as compared to the second quarter of fiscal 2014. Additionally, NeuCo had a decrease in revenue of approximately \$0.4 million in the second quarter of fiscal 2015 as compared with the second quarter of fiscal 2014.

Overall, revenues outside of the U.S. represented approximately 21% of total revenues for each of the second quarter of fiscal 2015 and the second quarter of fiscal 2014. Revenues derived from fixed-price engagements decreased to 15% of total revenues for the second quarter of fiscal 2015 compared

with 18% for the second quarter of fiscal 2014. These percentages of revenue derived from fixed-price engagements depend largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services. Costs of services decreased by \$2.0 million, or 3.8%, to \$50.7 million for the second quarter of fiscal 2015 from \$52.7 million for the second quarter of fiscal 2014. The decrease in costs of services was due primarily to a decrease in incentive compensation expense for our employee consultants, and a \$1.2 million decrease in client reimbursable expenses in the second quarter of fiscal 2015 as compared to the second quarter of fiscal 2014. As a percentage of revenues, costs of services decreased to 66.2% for the second quarter of fiscal 2015 from 67.4% for the second quarter of fiscal 2014 due primarily to the previously mentioned decrease in incentive compensation expense and client reimbursable expenses outpacing the decrease in revenues in the second quarter of fiscal 2015 as compared with the second quarter of fiscal 2014.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$1.2 million, or 6.9%, to \$18.7 million for the second quarter of fiscal 2015 from \$17.5 million for the second quarter of fiscal 2014. The primary contributors to this increase were increases in certain operating expenses (including recruiting fees, marketing expenses, and travel expenses) and increased rent expense for our Boston, Massachusetts office as we occupy the existing space while building out the new space for occupancy in the third quarter of fiscal 2015. Partially offsetting these increases were decreases in commissions to our nonemployee experts for the second quarter of fiscal 2015 as compared to the second quarter of fiscal 2014.

As a percentage of revenues, selling, general and administrative expenses increased to 24.4% for the second quarter of fiscal 2015 from 22.3% for the second quarter of fiscal 2014 due primarily to the previously mentioned increase in selling, general and administrative expenses and the decrease in revenues in the second quarter of fiscal 2015 as compared with the second quarter of fiscal 2014. Commissions to our nonemployee experts decreased to 2.7% of revenues for the second quarter of fiscal 2015 compared to 3.5% of revenues for second quarter of fiscal 2014.

Other Expense, Net. Other expense, net increased by \$48,000 to \$119,000 for the second quarter of fiscal 2015 from \$71,000 for the second quarter of fiscal 2014. Other expense, net consists primarily of foreign currency exchange transaction gains and losses. We continue to manage our foreign currency exchange exposure through frequent settling of intercompany account balances and by self-hedging movements in exchange rates between the value of the dollar and foreign currencies including the Euro, the British Pound, and the Canadian Dollar. Additionally, our multi-currency credit facility allows us to mitigate such foreign exchange exposures.

Provision for Income Taxes. The income tax provision was \$2.2 million, and the effective tax rate was 40.6%, for the second quarter of fiscal 2015 compared to \$3.2 million and 50.0% for the second quarter of fiscal 2014. The effective tax rate in the second quarter of fiscal 2015 was in line with the combined Federal and state statutory tax rate and included favorable rate drivers resulting from the geographical mix of earnings and the use of valuation allowances, offset by the tax treatment of contingent consideration and other permanent tax differences. Additionally, there was a discrete benefit in the quarter related to prior period true-ups primarily as a result of a statutory rate decrease for withholding taxes. The effective tax rate in the second quarter of fiscal 2014 was higher than our combined Federal and state statutory tax rate primarily due to a non-cash tax expense recorded in the second quarter of fiscal 2014 to correct an error in our previously issued consolidated financial statements. During the second quarter of fiscal 2014, we identified the prior period error, which was related to the valuation of deferred tax assets in our previously issued consolidated financial statements, concluded that this error was not material to our prior reporting periods, and recorded a non-cash tax expense of approximately \$0.8 million to correct it.

Net Loss Attributable to Noncontrolling Interest, Net of Tax. Our ownership interest in NeuCo was 55.89% for the second quarters of fiscal 2014 and fiscal 2015. NeuCo's financial results are consolidated with ours, and allocations of the noncontrolling interest's share of NeuCo's net income result in deductions to our net income, while allocations of the noncontrolling interest's share of NeuCo's net loss result in additions to our net income. The results of operations of NeuCo allocable to its other owners was a net loss of \$123,000 for the second quarter of fiscal 2015 and a net loss of \$21,000 for the second quarter of fiscal 2014.

Net Income Attributable to CRA International, Inc. Net income attributable to CRA International, Inc. increased by \$137,000 to \$3.3 million for the second quarter of fiscal 2015 from of \$3.2 million for the second quarter of fiscal 2014. The net income per diluted share was \$0.36 per share for the second quarter of fiscal 2015, compared to \$0.32 of net income per diluted share for the second quarter of fiscal 2014. Diluted weighted average shares outstanding decreased by approximately 773,000 shares to approximately 9,253,000 shares for the second quarter of fiscal 2015 from approximately 10,026,000 shares for the second quarter of fiscal 2014. The decrease in diluted weighted average shares outstanding was primarily due to repurchases of common stock since the second quarter of fiscal 2014, offset in part by an increase as a result of shares of restricted stock and time-vesting restricted stock units that have vested or that have been issued, and stock options that have been exercised, since the second quarter of fiscal 2014.

Fiscal Year to Date Period Ended July 4, 2015 Compared to the Fiscal Year to Date Period Ended June 28, 2014

Revenues. Revenues increased by \$145,000, or 0.1%, to \$154.6 million for the fiscal year to date period ended July 4, 2015 from \$154.4 million for the fiscal year to date period ended June 28, 2014. Utilization decreased from 78% for the first half of fiscal 2014 to 77% for the first half of fiscal 2015 despite the overall increase in revenues in the first half of fiscal 2015 as compared to the first half of fiscal 2014, and was offset by increased average headcount in the first half of fiscal 2015 compared to the first half of fiscal 2014. The increase revenue was partially offset by the decrease in client reimbursable expenses, which are pass-through expenses that carry little to no margin, in the first half of fiscal 2015 as compared with the first half of fiscal 2014. Additionally, NeuCo had a decrease in revenue of \$0.7 million in the first half of fiscal 2015 as compared with the first half of fiscal 2014.

Overall, revenues outside of the U.S. represented approximately 20% and 23% of total revenues for the first half of fiscal 2015 and the first half of fiscal 2014, respectively. Revenues derived from fixed-price engagements were 15% of total revenues for each of the first half of fiscal 2015 and the first half of fiscal 2014. These percentages of revenue derived from fixed-price engagements depend largely on the proportion of our revenues derived from our management consulting business, which typically has a higher concentration of fixed-price service contracts.

Costs of Services. Costs of services remained constant at \$104.5 million for each of the first half of fiscal 2015 as compared to the first half of fiscal 2014. As a percentage of revenues, costs of services decreased to 67.6% for the first half of fiscal 2015 from 67.7% for the first half of fiscal 2014 due to the increase in revenue in the first half of fiscal 2015 as compared with the first half of fiscal 2014.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$2.1 million, or 6.1%, to \$36.8 million for the first half of fiscal 2015 from \$34.6 million for the first half of fiscal 2014. The primary contributors to this increase were increases in certain operating expenses (including recruiting fees, marketing expenses and travel expenses), and increased rent expense for our Boston, Massachusetts office as we occupy the existing space while building out the new space for occupancy in the third quarter of fiscal 2015. Partially offsetting these increases were decreases in commissions to our nonemployee experts for the first half of fiscal 2015 as compared to the first half of fiscal 2014.

As a percentage of revenues, selling, general and administrative expenses increased to 23.8% for the first half of fiscal 2015 from 22.4% for first half of fiscal 2014 due primarily to the increase in the previously mentioned selling, general and administrative expenses outpacing the increase in revenues in the first half of fiscal 2015 as compared with the first half of fiscal 2014. Commissions to our nonemployee experts decreased to 3.0% of revenues for the first half of fiscal 2015 compared to 3.1% of revenues for first half of fiscal 2014.

Gain on Extinguishment of Debt. On January 8, 2015, NeuCo entered into an agreement to settle a note payable of approximately \$981,000 in exchange for aggregate payments of \$375,000. NeuCo recorded a gain on the extinguishment of this debt in the first quarter of fiscal 2015 of approximately \$606,000. Under the settlement order, the scheduled payments are as follows: \$150,000 on January 8, 2015, \$150,000 on February 28, 2015, and \$75,000 on February 29, 2016. NeuCo made the first two scheduled payments during the first quarter of fiscal 2015. In case of default, the original note would become due.

Other Expense, Net. Other expense, net increased by \$254,000 to \$445,000 for the first half of fiscal 2015 as compared to \$191,000 for the first half of fiscal 2014. Other expense, net consists primarily of foreign currency exchange transaction gains and losses. We continue to manage our foreign currency exchange exposure through frequent settling of intercompany account balances and by self-hedging movements in exchange rates between the value of the dollar and foreign currencies including the Euro, the British Pound, and the Canadian Dollar. Additionally, our multi-currency credit facility allows us to mitigate such foreign exchange exposures.

Provision for Income Taxes. For the first half of fiscal 2015 our income tax provision was \$3.9 million, and the effective tax rate was 39.1%, compared to a provision of \$5.2 million and an effective tax rate of 44.7% for the first half of fiscal 2014. The effective tax rate in the first half of fiscal 2015 was slightly lower than the combined Federal and state statutory tax rate and included favorable rates drivers resulting from the geographical mix of earnings and the use of valuation allowances, offset by the tax treatment of contingent consideration and other permanent tax differences. The valuation allowance benefit results from the utilization of certain historical foreign net operating losses that previously had valuation allowances. Additionally, there was a discrete benefit year-to-date related to prior period true-ups primarily as a result of a decrease in a statutory withholding tax rate, as well as the release of reserves in connection with the finalization of the tax examination in France for fiscal years 2011 and 2012, offset by a discrete provision in the first quarter of fiscal 2015 in connection with income taxes payable for a state examination that has now concluded. The effective tax rate in the first half of fiscal 2014 was higher than our combined Federal and state statutory tax rate primarily due to a non-cash tax expense recorded in the second quarter of fiscal 2014 to correct an error in our previously issued consolidated financial statements, partially offset by certain favorable tax adjustments that were treated as discrete items in the first half of fiscal 2014. During the second quarter of fiscal 2014, we identified the prior period error, which was related to the valuation of deferred tax assets in our previously issued consolidated financial statements, concluded that this error was not material to our prior reporting periods, and recorded a non-cash tax expense of approximately \$0.8 million to correct it.

Net Loss Attributable to Noncontrolling Interest, Net of Tax. Our ownership interest in NeuCo was 55.89% for the first half of fiscal 2014 and the first half of fiscal 2015. NeuCo's financial results are consolidated with ours and allocations of the noncontrolling interest's share of NeuCo's net income result in deductions to our net income, while allocations of the noncontrolling interest's share of NeuCo's net loss result in additions to our net income. The results of operations of NeuCo allocable to its other owners was a net loss of \$3,000 for the fiscal year to date period ended July 4, 2015 and a net loss of \$123,000 for the fiscal year to date period ended June 28, 2014.

Net Income Attributable to CRA International, Inc. Net income attributable to CRA International, Inc. decreased by \$0.5 million to \$6.1 million for the first half of fiscal 2015 from \$6.6 million for the first half of fiscal 2014. The diluted net income per share was \$0.65 per share for the first half of fiscal 2015, compared to diluted net income per share of \$0.66 per share for the first half of fiscal 2014. Diluted weighted average shares outstanding decreased by approximately 739,000 shares to approximately 9,328,000 shares for the first half of fiscal 2015 from approximately 10,067,000 shares for the first half of fiscal 2014. The decrease in diluted weighted average shares outstanding was primarily due to repurchases of common stock, offset in part by an increase as a result of shares of restricted stock and time-vesting restricted stock units that have vested or that have been issued, and stock options that have been exercised, since June 28, 2014.

Liquidity and Capital Resources

Fiscal Year to Date Period Ended July 4, 2015

We believe that current cash, cash equivalents, cash generated from operations, and amounts available under our bank line of credit will be sufficient to meet our anticipated working capital and capital expenditure requirements for at least the next 12 months.

General. In the first half of fiscal 2015, cash and cash equivalents decreased by \$32.4 million. We completed the period with cash and cash equivalents of \$15.8 million and working capital (defined as current assets less current liabilities) of \$78.0 million. The principal drivers of the reduction in cash were the payment of a significant portion of our fiscal 2014 performance bonuses in the first quarter of fiscal 2015, the repurchase and retirement of 263,800 shares of our common stock during the first half of fiscal 2015, and increased capital expenditures related principally to outfitting our new office space in Boston, Massachusetts and Washington, DC for occupancy in the third and fourth quarter of fiscal 2015, respectively.

Of the total cash and cash equivalents of \$15.8 million at July 4, 2015, \$8.6 million was held within the U.S. We have sufficient sources of cash in the U.S. to fund U.S. cash requirements without the need to repatriate any funds.

As of July 4, 2015, a substantial portion of our cash accounts was concentrated at a single financial institution, which potentially exposes us to credit risks. The financial institution has a short-term credit rating of A-2 by Standard & Poor's ratings services. We have not experienced any losses related to such accounts. We do not believe that there is significant risk of non-performance by the financial institution, and our cash on deposit at this financial institution is fully liquid. We continually monitor the credit ratings of such institution. A change in the credit worthiness of this financial institution could materially affect our liquidity and working capital.

Sources and Uses of Cash. During the first half of fiscal 2014, net cash used in operating activities was \$16.6 million. The primary factor in cash used in operations was the decrease in the "accounts payable, accrued expenses, and other liabilities" line item of the cash flow statement of \$25.6 million due to the payment of a significant portion of our fiscal 2014 performance bonuses during the first quarter of fiscal 2015. Other uses of cash included a decrease in the "unbilled services" line item of the cash flow statement of \$4.5 million, and a decrease in the "prepaid expenses and other current assets, and other assets" line item of \$1.5 million. Cash provided by operations included net income of \$6.1 million, depreciation and amortization expense of \$3.2 million, share-based compensation expense of \$3.0 million, and non-cash charges for an increase in deferred rent of \$3.6 million, partially offset by the gain on extinguishment of debt of \$0.6 million.

During the first half of fiscal 2015, net cash used by investing activities was \$7.0 million, which included \$8.5 million for capital expenditures related principally to outfitting our new office space in

Boston, Massachusetts for occupancy in the third quarter of fiscal 2015, partially offset by \$1.5 million of collections on notes receivable, net of payments, in the first half of fiscal 2015.

We used \$8.2 million of net cash in financing activities during the first half of fiscal 2015, primarily for the repurchase and retirement of our common stock of \$8.0 million and the redemption of approximately \$0.1 million in vested employee restricted shares for tax withholdings, partially offset by proceeds from the exercise of stock options of \$0.1 million. Additionally, NeuCo made payments of \$0.3 million on its note payable during the first quarter of fiscal 2015.

Indebtedness

As of July 4, 2015, we are party to a credit agreement that provides us with a \$125.0 million revolving credit facility and a \$15 million sublimit for the issuance of letters of credit. We may use the proceeds of the revolving credit loans to provide working capital and for other general corporate purposes. Generally, we may repay any borrowings under the revolving credit facility at any time, but must repay all borrowings no later than April 24, 2018. There were no amounts outstanding under this revolving line of credit as of July 4, 2015.

The amount available under this revolving line of credit is reduced by certain letters of credit outstanding, which amounted to \$1.3 million as of July 4, 2015.

Borrowings under the revolving credit facility bear interest at a rate per annum, at our election, of either (i) the adjusted base rate, as defined in the credit agreement, plus an applicable margin, which varies between 0.50% and 1.50% depending on our total leverage ratio as determined under the credit agreement, or (ii) the adjusted eurocurrency rate, as defined in the credit agreement, plus an applicable margin, which varies between 1.50% and 2.50% depending on our total leverage ratio. We are required to pay a fee on the unused portion of the revolving credit facility at a rate per annum that varies between 0.25% and 0.375% depending on our total leverage ratio. Borrowings under the credit facility are secured by 100% of the stock of certain of our U.S. subsidiaries and 65% of the stock of certain of our foreign subsidiaries, which represent approximately \$6.2 million in net assets as of July 4, 2015.

Under the credit agreement, we must comply with various financial and non-financial covenants. Compliance with these financial covenants is tested on a fiscal quarterly basis. Any indebtedness outstanding under the credit facility may become immediately due and payable upon the occurrence of stated events of default, including our failure to pay principal, interest or fees or a violation of any financial covenant. The financial covenants require us to maintain an adjusted consolidated EBITDA to consolidated interest expense ratio of more than 2.5 to 1.0 and to comply with a consolidated debt to adjusted consolidated EBITDA ratio of not more than 3.0 to 1.0. The non-financial covenant restrictions of the senior credit agreement include, but are not limited to, our ability to incur additional indebtedness, engage in acquisitions or dispositions, and enter into business combinations.

Forgivable Loans and Term Loans

In order to attract and retain highly skilled professionals, we may issue forgivable loans or term loans to employees and non-employee experts. A portion of these loans is collateralized. The forgivable loans have terms that are generally between three and eight years. The principal amount of forgivable loans and accrued interest is forgiven by us over the term of the loans, so long as the employee or non-employee expert continues employment or affiliation with us and complies with certain contractual requirements. The expense associated with the forgiveness of the principal amount of the loans is recorded as compensation expense over the service period, which is consistent with the term of the loans. During the first half of fiscal 2015, we issued approximately \$6.3 million in forgivable loans to employees and non-employee experts for future service.

Compensation Arrangements

We have entered into compensation arrangements for the payment of incentive performance awards to certain of our non-employee experts and employees if specific performance targets are met. The amounts of the awards to be paid under these compensation arrangements could fluctuate depending on future performance through the respective measurement periods. Changes in the estimated award are expensed prospectively over the remaining service period. We believe that we will have sufficient funds to satisfy any obligations related to the incentive performance awards. We expect to fund these payments, if any, from existing cash resources, cash generated from operations, or financing transactions.

Business Acquisitions

As part of our business, we regularly evaluate opportunities to acquire other consulting firms, practices or groups or other businesses. In recent years, we have typically paid for acquisitions with cash, or a combination of cash and our common stock, and we may continue to do so in the future. To pay for an acquisition, we may use cash on hand, cash generated from our operations, borrowings under our revolving credit facility, or we may pursue other forms of financing. Our ability to secure short-term and long-term debt or equity financing in the future, including our ability to refinance our current senior loan agreement, will depend on several factors, including our future profitability, the levels of our debt and equity, restrictions under our existing revolving line of credit with our bank, and the overall credit and equity market environments.

Share Repurchases

On August 10, 2012, February 13, 2014, and October 23, 2014, our Board of Directors authorized the repurchase of up to \$5.0 million, \$15.0 million, and \$30.0 million, respectively, of our common stock. We may repurchase shares under any of these programs in open market purchases (including under any Rule 10b5-1 plan adopted by CRA) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. During the first half of fiscal 2015, we repurchased and retired 263,800 shares under these programs at an average price per share of \$30.23. Approximately \$12.9 million was available for future repurchases as of July 4, 2015.

We will finance these programs with available cash and cash from future operations. We expect to continue to repurchase shares under these programs.

Contractual Obligations

On July 15, 2015, we entered into a new lease with 1411 IC-SIC Property LLC, as landlord, for 25,261 square feet of office space located on the 35th floor of 1411 Broadway, New York, New York. The lease's base term will expire 10 years from the date that we begin paying fixed rent under the lease and, subject to certain conditions, will be extendible by us for one five-year period. The annual fixed rent for this office space (which does not include customary operating costs and expenses) will be approximately \$153,671 per month, or \$1,844,053 per annum, for the first five years of the lease's base term and will increase to a rate of approximately \$166,301 per month, or \$1,955,619 per annum, during the remainder of the lease's base term. The lease gives us a right of first refusal to rent certain additional office space in the office building if it becomes available. The performance of our obligations under the lease is secured by a letter of credit in the amount of \$922,027. We took possession of the leased property on August 1, 2015.

Factors Affecting Future Performance

Part II, Item 1A of this quarterly report sets forth risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements contained in this quarterly report. If any of these risks, or any risks not presently known to us or that we currently believe are not significant, develops into an actual event, then our business, financial condition, and results of operations could be adversely affected.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

Foreign Exchange Risk

The majority of our operations are based in the U.S., and, accordingly, the majority of our transactions are denominated in U.S. Dollars. However, we have foreign-based operations where transactions are denominated in foreign currencies and are subject to market risk with respect to fluctuations in the relative value of foreign currencies. Our primary foreign currency exposures relate to our short-term intercompany balances with our foreign subsidiaries and accounts receivable, unbilled services, and cash valued in the United Kingdom in U.S. Dollars, Euros, or Canadian Dollars. Our primary foreign subsidiaries have functional currencies denominated in the British Pound, the Euro or Canadian Dollars, and foreign denominated assets and liabilities are re-measured each reporting period with any exchange gains and losses recorded in our consolidated income statements. We continue to manage our foreign currency exchange exposure through frequent settling of intercompany account balances and by self-hedging movements in exchange rates between the value of the U.S. Dollar, the British Pound, the Euro and the Canadian Dollar. Holding all other variables constant, fluctuations in foreign exchange rates may impact reported revenues and expenses significantly, based on currency exposures at July 4, 2015. A hypothetical 10% movement in foreign exchange rates would have affected our income before provision for income taxes for the second quarter of fiscal 2015 by approximately \$1.1 million. However, actual gains and losses in the future could differ materially from this analysis based on the timing and amount of both foreign currency exchange rate movements and our actual exposure.

Foreign currency translation risk is the risk that exchange rate gains or losses arise from translating foreign entities' statements of earnings and balance sheets from functional currency to our reporting currency (the U.S. Dollar) for consolidation purposes. From time to time, we may use derivative instruments to manage the risk of exchange rate fluctuations. However, at July 4, 2015, we had no outstanding derivative instruments. We do not use derivative instruments for trading or speculative purposes.

Interest Rate Risk

We maintain an investment portfolio consisting mainly of money market funds with maturities of three months or less when purchased. These held-to-maturity securities are subject to interest rate risk. However, a hypothetical change in the interest rate of 10% would not have a material impact to the fair values of these securities at July 4, 2015 primarily due to their short maturity.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report to provide reasonable assurance that we record, process, summarize and report the information we must disclose in reports that we file or submit under the Securities Exchange Act of 1934, as amended, within the time periods specified in the SEC's rules and forms. Based upon that evaluation, our President and Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of July 4, 2015, due to the material weakness in internal control over financial reporting related to the accounting and reporting for non-routine compensation arrangements (for example, share-based compensation) described in Item 9A of our Annual Report on Form 10-K for the fiscal year ended January 3, 2015.

Notwithstanding the material weakness, management has concluded that the consolidated financial statements included in this Form 10-Q present fairly, in all material aspects, our financial position, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States.

Evaluation of Changes in Internal Control over Financial Reporting

Other than with respect to the ongoing remediation of the material weakness in internal controls over financial reporting related to the accounting and reporting for non-routine compensation arrangements (for example, share-based compensation) pursuant to the plan described in Item 9A of our Annual Report on Form 10-K for the fiscal year ended January 3, 2015, there were no changes in our internal control over financial reporting identified in connection with the above evaluation that occurred during the second quarter of fiscal 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Important Considerations

The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions and the risk that the degree of compliance with policies or procedures may deteriorate over time. Because of these limitations, there can be no assurance that any system of disclosure controls and procedures or internal control over financial reporting will be successful in preventing all errors or fraud or in making all material information known in a timely manner to the appropriate levels of management.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

None.

ITEM 1A. Risk Factors

Our operations are subject to a number of risks. You should carefully read and consider the following risk factors, together with all other information in this report, in evaluating our business. If any of these risks, or any risks not presently known to us or that we currently believe are not significant, develops into an actual event, then our business, financial condition, and results of operations could be adversely affected. If that happens, the market price of our common stock could decline, and you may lose all or part of your investment.

We depend upon key employees to generate revenue

Our business consists primarily of the delivery of professional services, and, accordingly, our success depends heavily on the efforts, abilities, business generation capabilities, and project execution capabilities of our employee consultants. In particular, our employee consultants' personal relationships with our clients are a critical element in obtaining and maintaining client engagements. If we lose the services of any employee consultant or group of employee consultants, or if our employee consultants fail to generate business or otherwise fail to perform effectively, that loss or failure could adversely affect our revenues and results of operations. We do not have non-competition agreements with a majority of our employee consultants, and they can terminate their relationships with us at will and without notice. The non-competition and non-solicitation agreements that we have with some of our

employee consultants offer us only limited protection and may not be enforceable in every jurisdiction. In the event that an employee leaves, some clients may decide that they prefer to continue working with the employee rather than with us. In the event an employee departs and acts in a way that we believe violates the employee's non-competition or non-solicitation agreement, we will consider any legal remedies we may have against such person on a case- by-case basis. We may decide that preserving cooperation and a professional relationship with the former employee or clients that worked with the employee, or other concerns, outweigh the benefits of any possible legal recovery.

Our business could suffer if we are unable to hire and retain additional qualified consultants as employees

Our business continually requires us to hire highly qualified, highly educated consultants as employees. Our failure to recruit and retain a significant number of qualified employee consultants could limit our ability to accept or complete engagements and adversely affect our revenues and results of operations. Relatively few potential employees meet our hiring criteria, and we face significant competition for these employees from our direct competitors, academic institutions, government agencies, research firms, investment banking firms, and other enterprises. Many of these competing employers are able to offer potential employees greater compensation and benefits or more attractive lifestyle choices, career paths, or geographic locations than we can. Competition for these employee consultants has increased our labor costs, and a continuation of this trend could adversely affect our margins and results of operations.

Maintaining our professional reputation is crucial to our future success

Our ability to secure new engagements and hire qualified consultants as employees depends heavily on our overall reputation as well as the individual reputations of our employee consultants and principal non-employee experts. Because we obtain a majority of our new engagements from existing clients, any client that is dissatisfied with our performance on a single matter could seriously impair our ability to secure new engagements. Given the frequently high-profile nature of the matters on which we work, including work before and on behalf of government agencies, any factor that diminishes our reputation or the reputations of any of our employee consultants or non-employee experts could make it substantially more difficult for us to compete successfully for both new engagements and qualified consultants.

We depend on our non-employee experts

We depend on our relationships with our non-employee experts. We believe that these experts are highly regarded in their fields and that each offers a combination of knowledge, experience, and expertise that would be very difficult to replace. We also believe that we have been able to secure some engagements and attract consultants in part because we can offer the services of these experts. Most of these experts can limit their relationships with us at any time for any reason. These reasons could include affiliations with universities with policies that prohibit accepting specified engagements, termination of exclusive relationships, the pursuit of other interests, and retirement.

In many cases we seek to include restrictive covenant agreements in our agreements with our non-employee experts, which could include non-competition agreements, non-solicitation agreements and non-hire agreements. The limitation or termination of any of their relationships with us, or competition from any of them after these agreements expire, could harm our reputation, reduce our business opportunities and adversely affect our revenues and results of operations. These restrictive covenant agreements that we may have with some of our non-employee experts offer us only limited protection and may not be enforceable in every jurisdiction. In the event that non-employee experts leave, clients working with these non-employee experts may decide that they prefer to continue working with them rather than with us. In the event a non-employee expert departs and acts in a way that we believe violates the expert's restrictive covenant agreements, we will consider any legal and equitable

remedies we may have against such person on a case- by-case basis. We may decide that preserving cooperation and a professional relationship with the former non-employee expert or clients that worked with the non-employee expert, or other concerns, outweigh the benefits of any possible legal action or recovery.

To meet our long-term growth targets, we need to establish ongoing relationships with additional non-employee experts who have reputations as leading experts in their fields. We may be unable to establish relationships with any additional non-employee experts. In addition, any relationship that we do establish may not help us meet our objectives or generate the revenues or earnings that we anticipate.

Changes in global economic, business and political conditions could have a material adverse impact on our revenues, results of operations, and financial condition

Overall global economic, business and political conditions, as well as conditions specific to the industries we or our clients serve, can affect our clients' businesses and financial condition, their demand or ability to pay for our services, and the market for our services. These conditions, all of which are outside of our control, include merger and acquisition activity levels, the availability, cost and terms of credit, the state of the United States and global financial markets, the levels of litigation and regulatory and administrative investigations and proceedings, and general economic and business conditions. In addition, many of our clients are in highly regulated industries, and regulatory and legislative changes affecting these industries could impact the market for our service offerings, render our current service offerings obsolete, or increase the competition among providers of these services. Although we are not able to predict the positive or negative effects that general changes in global economic, business and political conditions will have on our individual practice areas or our business as a whole, any specific changes in these conditions could have a material adverse impact on our revenues, results of operations and financial condition.

Our results of operations and consequently our business may be adversely affected if we are not able to maintain current bill rates, compensation costs and/or utilization rate

Our revenues and profitability are largely based on the bill rates charged to our clients, compensation costs and the utilization of our consultants. We calculate utilization by dividing the total hours worked by our employee consultants on engagements during the measurement period by the total number of hours that our employee consultants were available to work during that period. If we are not able to maintain adequate bill rates for our services, maintain compensation costs or obtain appropriate utilization rates from our consultants, our results of operations may be adversely impacted. Bill rates, compensation costs and consultant utilization rates are affected by a number of factors, including:

- Our clients' perceptions of our ability to add value through our services;
- The market demand for our services;
- Our competitors' pricing of services and compensation levels;
- The market rate for consultant compensation;
- Our ability to redeploy consultants from completed client engagements to new client engagements; and
- Our ability to predict future demand for our services and maintain the appropriate staffing levels without significantly underutilizing consultants.

Our failure to execute our business strategy or manage future growth successfully could adversely affect our revenues and results of operations

Any failure on our part to execute our business strategy or manage future growth successfully could adversely affect our revenues and results of operations. In the future, we could open offices in new geographic areas, including foreign locations, and expand our employee base as a result of internal growth and acquisitions. Opening and managing new offices often requires extensive management supervision and increases our overall selling, general, and administrative expenses. Expansion creates new and increased management, consulting, and training responsibilities for our employee consultants. Expansion also increases the demands on our internal systems, procedures, and controls, and on our managerial, administrative, financial, marketing, and other resources. We depend heavily upon the managerial, operational, and administrative skills of our executive officers to manage our expansion and business strategy. New responsibilities and demands may adversely affect the overall quality of our work.

Competition from other litigation, regulatory, financial, and management consulting firms could hurt our business

The market for litigation, regulatory, financial, and management consulting services is intensely competitive, highly fragmented, and subject to rapid change. We may be unable to compete successfully with our existing competitors or with any new competitors. In general, there are few barriers to entry into our markets, and we expect to face additional competition from new entrants into the economic and management consulting industries. In the litigation, regulatory, and financial consulting markets, we compete primarily with other economic and financial consulting firms and individual academics. In the management consulting market, we compete primarily with other business and management consulting firms, specialized or industry-specific consulting firms, the consulting practices of large accounting firms, and the internal professional resources of existing and potential clients. Many of our competitors have national or international reputations as well as significantly greater personnel, financial, managerial, technical, and marketing resources than we do, which could enhance their ability to respond more quickly to technological changes, finance acquisitions, and fund internal growth. Some of our competitors also have a significantly broader geographic presence and significantly more resources than we do.

Clients can terminate engagements with us at any time

Many of our engagements depend upon disputes, proceedings, or transactions that involve our clients. Our clients may decide at any time to seek to resolve the dispute or proceeding, abandon the transaction, or file for bankruptcy. Our engagements can therefore terminate suddenly and without advance notice to us. If an engagement is terminated unexpectedly, our employee consultants working on the engagement could be underutilized until we assign them to other projects. In addition, because much of our work is project-based rather than recurring in nature, our consultants' utilization depends on our ability to secure additional engagements on a continual basis. Accordingly, the termination or significant reduction in the scope of a single large engagement could reduce our utilization and have an immediate adverse impact on our revenues and results of operations.

Information or technology systems failures, or a compromise of our or our client's confidential or proprietary information, could have a material adverse effect on our reputation, business and results of operations

We rely upon information and technology infrastructure and systems to operate, manage and run our business and to provide services to our clients. This includes infrastructure and systems for receiving, storing, hosting, analyzing, transmitting and securing our and our clients' sensitive, confidential or proprietary information, including, but not limited to, health and other personally-identifiable information and commercial, financial and consumer data. Our ability to secure and

maintain the confidentiality of this information is critical to our reputation and the success of our businesses. We may be affected by or subject to events that are out of our control, including, but not limited to, viruses, malicious software, worms, failures in our or our third party hosting sites' information and technology systems, disruptions in the Internet or electricity grids, natural disasters, terrorism and malicious attacks, and unauthorized intrusions by unknown third parties. Any of these events could disrupt our or our client's business operations or cause us or our clients to incur unanticipated losses and reputational damage, which could have a material adverse effect on our business and results of operations.

In addition, our or our clients' sensitive, confidential or proprietary information could be compromised, whether intentionally or unintentionally, by our employees, outside consultants, vendors, or rogue third-party "hackers" or enterprises. A breach or compromise of the security of our information technology systems or infrastructure, or our processes for securing sensitive, confidential or proprietary information, could result in the loss or misuse of this information. Any such loss or misuse could result in our suffering claims, fines, damages, losses or reputational damage, any of which could have a material adverse effect on our business and results of operations.

Potential conflicts of interests may preclude us from accepting some engagements

We provide our services primarily in connection with significant or complex transactions, disputes, or other matters that are usually adversarial or that involve sensitive client information. Our engagement by a client may preclude us from accepting engagements with the client's competitors or adversaries because of conflicts between their business interests or positions on disputed issues or other reasons. Accordingly, the nature of our business limits the number of both potential clients and potential engagements. Moreover, in many industries in which we provide consulting services, such as in the telecommunications industry, there has been a continuing trend toward business consolidations and strategic alliances. These consolidations and alliances reduce the number of potential clients for our services and increase the chances that we will be unable to continue some of our ongoing engagements or accept new engagements as a result of conflicts of interests.

We derive revenue from a limited number of large engagements

We derive a portion of our revenues from a limited number of large engagements. If we do not obtain a significant number of new large engagements each year, our business, financial condition, and results of operations could suffer. In general, the volume of work we perform for any particular client varies from year to year, and due to the specific engagement nature of our practice, a major client in one year may not hire us in the following year.

Our international operations create risks

Our international operations carry financial and business risks, including:

- currency fluctuations that could adversely affect our financial position and operating results;
- unexpected changes in trading policies, regulatory requirements, tariffs, and other barriers;
- restrictions on the repatriation of earnings;
- potentially adverse tax consequences, such as trapped foreign losses or changes in statutory tax rates;
- the impact of differences in the governmental, legal and regulatory environment in foreign jurisdictions, as well as U.S. laws and regulations related to our foreign operations;
- less stable political and economic environments; and

- civil disturbances or other catastrophic events that reduce business activity.

If our international revenues increase relative to our total revenues, these factors could have a more pronounced effect on our operating results.

Our entry into new lines of business could adversely affect our results of operations

If we attempt to develop new practice areas or lines of business outside our core litigation, regulatory, financial, and management consulting services, those efforts could harm our results of operations. Our efforts in new practice areas or new lines of business involve inherent risks, including risks associated with inexperience and competition from mature participants in the markets we enter. Our inexperience in these new practice areas or lines of business may result in costly decisions that could harm our business.

Fluctuations in our quarterly revenues and results of operations could depress the market price of our common stock

We may experience significant fluctuations in our revenues and results of operations from one quarter to the next. If our revenues or net income in a quarter fall or falls below the expectations of securities analysts or investors, the market price of our common stock could fall significantly. Our results of operations in any quarter can fluctuate for many reasons, including:

- our ability to implement rate increases or maintain rates;
- the number, scope, and timing of ongoing client engagements;
- the extent to which we can reassign our employee consultants efficiently from one engagement to the next;
- the extent to which our employee consultants or clients take holiday, vacation, and sick time, including traditional seasonality related to summer vacation and holiday schedules;
- employee hiring;
- the extent of revenue realization or cost overruns;
- fluctuations in the results and continuity of the operations of our software subsidiary, NeuCo;
- fluctuations in our provision for income taxes due to changes in income arising in various tax jurisdictions, valuation allowances, non-deductible expenses, and changes in estimates of our uncertain tax positions;
- fluctuations in interest rates;
- currency fluctuations that could adversely affect our financial position and operating results; and
- collectability of receivables and unbilled work in process.

Because we generate most of our revenues from consulting services that we provide on an hourly fee basis, our revenues in any period are directly related to the number of our employee consultants, their billing rates, and the number of billable hours they work in that period. We have a limited ability to increase any of these factors in the short term. Accordingly, if we underutilize our consultants during one part of a fiscal period, we may be unable to compensate by augmenting revenues during another part of that period. In addition, we are occasionally unable to utilize fully any additional consultants that we hire, particularly in the quarter in which we hire them. Moreover, a significant majority of our operating expenses, primarily office rent and salaries, are fixed in the short term. As a result, any failure of our revenues to meet our projections in any quarter could have a disproportionate adverse

effect on our net income. For these reasons, we believe our historical results of operations are not necessarily indicative of our future performance.

Our engagements may result in professional liability and we may be subject to other litigation, claims or assessments

Our services typically involve difficult analytical assignments and carry risks of professional and other liability. Many of our engagements involve matters that could have a severe impact on a client's business, cause the client to lose significant amounts of money, or prevent the client from pursuing desirable business opportunities. Accordingly, if a client is dissatisfied with our performance, the client could threaten or bring litigation in order to recover damages or to contest its obligation to pay our fees. Litigation alleging that we performed negligently, disclosed client confidential information, or otherwise breached our obligations to the client could expose us to significant liabilities to our clients and other third parties and tarnish our reputation.

Despite our efforts to prevent litigation, from time to time we are party to various lawsuits, claims, or assessments in the ordinary course of business. Disputes may arise, for example, from business acquisitions, employment issues, regulatory actions, and other business transactions. The costs and outcome of any lawsuits or claims could have a material adverse effect on us.

Acquisitions may disrupt our operations or adversely affect our results

We regularly evaluate opportunities to acquire other businesses. The expenses we incur evaluating and pursuing acquisitions could adversely affect our results of operations. If we acquire a business, we may be unable to manage it profitably or successfully integrate its operations with our own. Moreover, we may be unable to realize the financial, operational, and other benefits we anticipate from these acquisitions or any other acquisition. Many potential acquisition targets do not meet our criteria, and, for those that do, we face significant competition for these acquisitions from our direct competitors, private equity funds, and other enterprises. Competition for future acquisition opportunities in our markets could increase the price we pay for businesses we acquire and could reduce the number of potential acquisition targets. Further, acquisitions may involve a number of special financial and business risks, such as:

- diversion of our management's time, attention, and resources;
- decreased utilization during the integration process;
- loss of key acquired personnel;
- increased costs to improve or coordinate managerial, operational, financial, and administrative systems including compliance with the Sarbanes-Oxley Act of 2002;
- dilutive issuances of equity securities, including convertible debt securities;
- the assumption of legal liabilities;
- amortization of acquired intangible assets;
- potential write-offs related to the impairment of goodwill, including if our enterprise value declines below certain levels;
- difficulties in integrating diverse corporate cultures; and
- additional conflicts of interests.

Our clients may be unable or unwilling to pay us for our services

Our clients include some companies that may from time to time encounter financial difficulties, particularly during a downward trend in the economy, or may dispute the services we provide. If a client's financial difficulties become severe or a dispute arises, the client may be unwilling or unable to pay our invoices in the ordinary course of business, which could adversely affect collections of both our accounts receivable and unbilled services. On occasion, some of our clients have entered bankruptcy, which has prevented us from collecting amounts owed to us. The bankruptcy of a client with a substantial accounts receivable could have a material adverse effect on our financial condition and results of operations. Historically, a small number of clients who have paid sizable invoices have later declared bankruptcy, and a court determination that we were not properly entitled to any of those payments may require repayment of some or all of them, which could adversely affect our financial condition and results of operations.

Additionally, from time to time, we may derive a significant amount of revenue from government agencies in the United States. Because we may derive a significant percentage of our revenue from contracts with the Federal government, changes in Federal government budgetary priorities could directly affect our financial performance. This could result in the cancellation of contracts and/or the incurrence of substantial costs without reimbursement under our contracts with the U.S. government, which could have a negative effect on our business, financial condition, results of operations and cash flows.

The market price of our common stock may be volatile

The market price of our common stock has fluctuated widely and may continue to do so. Many factors could cause the market price of our common stock to rise and fall. Some of these factors are:

- variations in our quarterly results of operations;
- the hiring or departure of key personnel or non-employee experts;
- changes in our professional reputation;
- the introduction of new services by us or our competitors;
- acquisitions or strategic alliances involving us or our competitors;
- changes in accounting principles or methods;
- changes in estimates of our performance or recommendations by securities analysts;
- future sales of shares of common stock in the public market; and
- market conditions in the industry and the economy as a whole.

In addition, the stock market often experiences significant price and volume fluctuations. These fluctuations are often unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of our common stock. When the market price of a company's stock drops significantly, shareholders often institute securities class action litigation against that company. Any litigation against us could cause us to incur substantial costs, divert the time and attention of our management and other resources, or otherwise harm our business.

Our performance could be affected if employees and non-employee experts default on loans

We utilize forgivable loans and term loans with some of our employees and non-employee experts, other than our executive officers, as a way to attract and retain them. A portion of these loans is collateralized. Defaults under these loans could have a material adverse effect on our consolidated statements of operations, financial condition and liquidity.

Fluctuations in the types of service contracts we enter into may adversely impact revenue and results of operations

We derive a portion of our revenues from fixed-price contracts. These contracts are more common in our management consulting area, and would likely grow in number with expansion of that area. Fluctuations in the mix between time- and- material contracts, fixed-price contracts and arrangements with fees tied to performance-based criteria may result in fluctuations of revenue and results of operations. In addition, if we fail to estimate accurately the resources required for a fixed-price project or fail to satisfy our contractual obligations in a manner consistent with the project budget, we might generate a smaller profit or incur a loss on the project. On occasion, we have had to commit unanticipated additional resources to complete projects, and we may have to take similar action in the future, which could adversely affect our revenues and results of operations.

Our stock repurchase program could affect the market price of our common stock and increase its volatility

Our Board of Directors has from time to time authorized repurchase programs of our outstanding common stock. Under these stock repurchase programs, we are authorized to repurchase, from time-to-time, shares of our outstanding common stock on the open market or in privately negotiated transactions. The timing and amount of stock repurchases will be determined based upon our evaluation of market conditions and other factors. The stock repurchase program may be suspended, modified or discontinued at any time, and we have no obligation to repurchase any amount of our common stock under the program. Repurchases pursuant to our stock repurchase program could affect the market price of our common stock and increase its volatility. Any termination of our stock repurchase programs could cause a decrease in the market price of our common stock price, and the existence of a stock repurchase program could cause our stock price to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity of our common stock. There can be no assurance that any stock repurchases under these programs will enhance stockholder value because the market price of our common stock may decline below the levels at which those repurchases were made. Although our stock repurchase program is intended to enhance long-term stockholder value, short-term fluctuations in the market price of our common stock could reduce the program's effectiveness.

We may need to take material write-offs for the impairment of goodwill and other intangible assets, including if our market capitalization declines

As further described in our Notes to Condensed Consolidated Financial Statements, goodwill and intangible assets with indefinite lives are monitored annually for impairment, or more frequently, if events or circumstances exist that would more likely than not reduce our fair value below our carrying amount. In performing the first step of the goodwill impairment testing and measurement process, we compare our entity-wide estimated fair value to net book value to identify potential impairment. We estimate the entity-wide fair value utilizing our market capitalization, plus an appropriate control premium. Market capitalization is determined by multiplying the shares outstanding on the test date by the market price of our common stock on that date. We have utilized a control premium that considers appropriate industry, market and other pertinent factors, including indications of such premiums from data on recent acquisition transactions. If our fair value is less than our net book value, the second step is performed to determine if goodwill is impaired. If we determine through the impairment evaluation

process that goodwill has been impaired, an impairment charge would be recorded in our consolidated income statement.

A goodwill impairment charge in any period would have the effect of decreasing our earnings in such period. If we are required to take a substantial impairment charge, our operating results would be materially adversely affected in such period, though such a charge would have no impact on cash flows or working capital.

Our debt obligations may adversely impact our financial performance

We have a revolving line of credit with our bank for \$125.0 million. The amounts available under this line of credit are constrained by various financial covenants and reduced by certain letters of credit outstanding. Our loan agreement with the bank will mature on April 24, 2018. The degree to which we are leveraged could adversely affect our ability to obtain further financing for working capital, acquisitions or other purposes and could make us more vulnerable to industry downturns and competitive pressures. Our ability to secure short-term and long-term debt or equity financing in the future will depend on several factors, including our future profitability, the levels of our debt and equity, restrictions under our existing revolving line of credit, and the overall credit and equity market environments.

We could incur substantial costs protecting our proprietary rights from infringement or defending against a claim of infringement

As a professional services organization, we rely on non-competition and non-solicitation agreements with many of our employees and non-employee experts to protect our proprietary rights. These agreements, however, may offer us only limited protection and may not be enforceable in every jurisdiction. In addition, we may incur substantial costs trying to enforce these agreements.

Our services may involve the development of custom business processes or solutions for specific clients. In some cases, the clients retain ownership or impose restrictions on our ability to use the business processes or solutions developed from these projects. Issues relating to the ownership of business processes or solutions can be complicated, and disputes could arise that affect our ability to resell or reuse business processes or solutions we develop for clients.

In recent years, there has been significant litigation in the U.S. involving patents and other intellectual property rights. We could incur substantial costs in prosecuting or defending any intellectual property litigation, which could adversely affect our operating results and financial condition.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to obtain and use information that we regard as proprietary. Litigation may be necessary in the future to enforce our proprietary rights, to protect our trade secrets, to determine the validity and scope of the proprietary rights of others or to defend against claims of infringement or invalidity. Any such resulting litigation could result in substantial costs and diversion of resources and could adversely affect our business, operating results and financial condition. Any failure by us to protect our proprietary rights, or any court determination that we have either infringed or lost ownership of proprietary rights could adversely affect our business, operating results and financial condition.

Insurance and claims expenses could significantly reduce our profitability

We are exposed to claims related to group health insurance. We self-insure a portion of the risk associated with these claims. If the number or severity of claims increases, or we are required to accrue or pay additional amounts because the claims prove to be more severe than our original assessment, our operating results would be adversely affected. Our future insurance and claims expense might exceed historical levels, which could reduce our earnings. We expect to periodically assess our

self-insurance strategy. We are required to periodically evaluate and adjust our claims reserves to reflect our experience. However, ultimate results may differ from our estimates, which could result in losses over our reserved amounts. We maintain individual and aggregate medical plan stop loss insurance with licensed insurance carriers to limit our ultimate risk exposure for any one case and for our total liability.

Many businesses are experiencing the impact of increased medical costs as well as greater variability in ongoing costs. As a result, our insurance and claims expense could increase, or we could raise our self-insured retention when our policies are renewed. If these expenses increase or we experience a claim for which coverage is not provided, results of our operations and financial condition could be materially and adversely affected.

Our charter and by-laws, and Massachusetts law may deter takeovers

Our amended and restated articles of organization and amended and restated by-laws and Massachusetts law contain provisions that could have anti-takeover effects and that could discourage, delay, or prevent a change in control or an acquisition that our shareholders may find attractive. These provisions may also discourage proxy contests and make it more difficult for our shareholders to take some corporate actions, including the election of directors. These provisions could limit the price that investors might be willing to pay for shares of our common stock.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) Not applicable.

(b) Not applicable.

(c) The following table provides information about our repurchases of shares of our common stock during the fiscal quarter ended July 4, 2015. During that period, we did not act in concert with any affiliate or any other person to acquire any of our common stock and, accordingly, we do not believe that purchases by any such affiliate or other person (if any) are reportable in the following table. For purposes of this table, we have divided the fiscal quarter into three periods of four weeks, four weeks, and five weeks, respectively, to coincide with our reporting periods during the second quarter of fiscal 2015.

Issuer Purchases of Equity Securities

Period	(a)	(b)	(c)	(d)
	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(1)	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs(1)
April 5, 2015 to May 2, 2015	—	\$ —	—	\$ 16,385,615
May 3, 2015 to May 30, 2015	118,900	\$ 28.90 per share	118,900	\$ 12,948,938
May 31, 2015 to July 4, 2015	—	\$ —	—	\$ 12,948,938

- (1) On August 10, 2012, February 13, 2014, and October 23, 2014, we announced that our Board of Directors approved share repurchase programs of up to \$5.0 million, \$15.0 million, and \$30.0 million, respectively, of our common stock. We may repurchase shares under any of these programs in open market purchases (including under any Rule 10b5-1 plan adopted by us) or in privately negotiated transactions in accordance with applicable insider trading and other securities laws and regulations. During the four weeks ended May 30, 2015, we repurchased and retired 118,900 shares under these programs at an average price per share of \$28.90. Approximately \$12.9 million was available for future repurchases under these programs as of July 4, 2015. We expect to continue to repurchase shares under these programs.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

None.

ITEM 6. EXHIBIT INDEX

<u>Item No.</u>	<u>Description</u>
10.1	Amended and Restated Addendum No. 5 to Lease dated June 30, 2015 by and between 1201 F Street, L.P. and CRA International, Inc.
31.1	Rule 13a-14(a)/15d-14(a) certification of principal executive officer
31.2	Rule 13a-14(a)/15d-14(a) certification of principal financial officer
32.1	Section 1350 certification
101	The following financial statements from CRA International, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended July 4, 2015, formatted in XBRL (eXtensible Business Reporting Language), as follows: (i) Condensed Consolidated Income Statements (unaudited) for the fiscal quarters and the fiscal year to date periods ended July 4, 2015 and June 28, 2014, (ii) Condensed Consolidated Statement of Comprehensive Income (unaudited) for the fiscal quarters and the fiscal year to date periods ended July 4, 2015 and June 28, 2014, (iii) Condensed Consolidated Balance Sheets (unaudited) as at July 4, 2015 and January 3, 2015, (iv) Condensed Consolidated Statements of Cash Flows (unaudited) for the fiscal year to date periods ended July 4, 2015 and June 28, 2014, (v) Condensed Consolidated Statement of Shareholders' Equity (unaudited) for the fiscal year to date period ended July 4, 2015, and (vi) Notes to Condensed Consolidated Financial Statements (Unaudited).

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AMENDED AND RESTATED ADDENDUM NO. 5 TO LEASE

THIS AMENDED AND RESTATED ADDENDUM NO. 5 TO LEASE (“**Addendum No. 5**”) is dated as of June 30, 2015, by and between 1201 F STREET, L.P., a Delaware limited partnership (“**Lessor**”) (successor in interest to 1201 F Street L.L.C.), and CRA INTERNATIONAL, INC., formerly known as Charles River Associates Incorporated, a Massachusetts corporation (“**Lessee**”).

WITNESSETH:

WHEREAS, by Lease dated November 29, 1999 (the “**Original Lease**”), as amended by Addendum No. 1 dated as of December 2, 1999, Addendum No. 2 dated as of September 22, 2000, Addendum No. 3 dated as of November 18, 2005, and Addendum No. 4 dated as of December 1, 2009 (collectively, the “**Lease**”), Lessor leased to Lessee and Lessee leased from Lessor, approximately thirty-six thousand six hundred (36,600) square feet of rentable area on the seventh (7th) and eighth (8th) floors of the office building located at 1201 F Street, N.W., Washington, D.C. 20004 (such area being hereinafter referred to as the “**Demised Premises**,” and the building being hereinafter referred to as the “**Building**”) and approximately five hundred seventy (570) square feet of storage space in the Building (such area being hereinafter referred to as the “**Storage Space**”);

WHEREAS, Lessee has requested that the Lease be terminated with regard to a portion of the Demised Premises located on the seventh (7th) floor of the Building (the “**Additional Give-Back Premises**”), which Additional Give-Back Premises is identified as area “B” on Exhibit A-1 attached hereto and made a part hereof, and with respect to a portion of the Storage Space (the “**Give-Back Storage Space**”), which Give-Back Storage Space is identified on Exhibit A-2 attached hereto and made a part hereof, and Lessor, upon receipt of Lessee’s request, has agreed to the requested termination of the Lease with regard to the Additional Give-Back Premises and the Give-Back Storage Space upon the terms and conditions hereinafter set forth in the body of this Addendum No. 5;

WHEREAS, the term of the Lease (the “**Current Term**”) currently is scheduled to expire on October 31, 2015, and Lessee has requested that the term of the Lease be extended for an additional period of twelve (12) years (the “**Addendum No. 5 Extension Term**,” and with the Current Term, the “**Lease Term**”);

WHEREAS, Lessee has accepted Lessor’s proposed terms and conditions with respect to the Addendum No. 5 Extension Term and the surrender of the Additional Give-Back Premises and the Give-Back Storage Space;

WHEREAS, unless otherwise provided herein, all terms used in this Addendum No. 5 that are defined in the Lease shall have the meanings provided for in the Lease; and

WHEREAS, Lessor and Lessee desire to formally reflect their understandings and agreements with respect to the foregoing and as to certain other matters, and therefore to revise and modify the Lease accordingly, with respect to the following provisions:

1. Method of Measurement
 2. Partial Surrender
-
3. Demised Premises
 4. Swing Space
 5. Addendum No. 5 Extension Term
 6. Security Deposit
 7. Condition
 8. Addendum No. 5 Hold Space
 9. Addendum No. 5 Option Space
 10. Addendum No. 5 Right of Opportunity
 11. Second Extension Term
 12. Parking
 13. Compliance with Laws
 14. Storage Space
 15. Amendment and Restatement
 16. Lender Approval
 17. Broker and Agent
 18. Exculpation
 19. Confidentiality
 20. Other Terms and Provisions

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. METHOD OF MEASUREMENT

(A) The parties acknowledge and agree that the Building and the Demised Premises have been remeasured in accordance with a modified version of BOMA. Based thereon, the Building contains 223,302 rentable square feet of office area and 14,475 rentable square feet of retail area.

(B) Unless and until the Lease (as amended hereby) is extended for the Second Extension Term (as modified hereby), Lessee’s obligations under the Lease for the remainder of the Lease Term (i.e., until October 31, 2027, or, if applicable, the Addendum No. 5 Hold Space Extension Period, as hereinafter defined) with respect to the Demised Premises not inclusive of the Addendum No. 5 Hold Space (as hereinafter defined), the Addendum No. 5 Option Space (as hereinafter defined) or any Addendum No. 5 ROFO Space (as hereinafter defined) that are based on square footage amounts shall not be adjusted to reflect any subsequent remeasurement and, instead, will continue to reflect the measurement of the Demised Premises set forth in this Addendum No. 5.

2. PARTIAL SURRENDER

(A) Subject to the exercise by Lessee of the Addendum No. 5 Hold Space Option (as hereinafter defined), Addendum No. 5 Option Space Option (as hereinafter defined) and/or Addendum No. 5 Right of Opportunity (as hereinafter defined), the Lease shall be and is hereby irrevocably terminated as to the Additional Give-Back Premises effective as of 11:59 p.m. on the date (the “**Addendum No. 5 Partial Termination Date**”) that is the earlier to occur of (i) October 31, 2015, and (ii) the 7th Floor Vacation Date (as hereinafter defined). The Lease shall be and is hereby irrevocably terminated as to the Give-Back Storage Space effective as of 11:59 p.m. on October 31, 2015 (the “**Give-Back Storage Space Termination Date**”). The

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Lease shall be deemed to be of no further force and effect with regard to the Additional Give-Back Premises effective as of the Addendum No. 5 Partial Termination Date and the Give-Back Storage Space effective as of the Give-Back Storage Space Termination Date, subject to conditions otherwise set forth herein. Lessor and Lessee, as of the Addendum No. 5 Partial Termination Date with respect to the Additional Give-Back Premises and the Give-Back Storage Space Termination Date with respect to the Give-Back Storage Space, shall be and are hereby equally released and discharged from any obligations to observe the terms and conditions of the Lease with regard to the Additional Give-Back Premises and the Give-Back Storage Space; provided, however, that both parties shall comply with the conditions otherwise set forth herein, and Lessee shall remain fully obligated with regard to the Additional Give-Back Premises and the Give-Back Storage Space for all rent and other charges incurred through the Addendum No. 5 Partial Termination Date (including amounts with respect thereto billed subsequent to such date) with respect to the Additional Give-Back Premises and the Give-Back Storage Space Termination Date (including amounts with respect thereto billed subsequent to such date) with respect to the Give-Back Storage Space, all under the terms of the Lease and Lessor shall remain obligated with respect to the terms and conditions of the Lease which expressly survive expiration of the Lease, such as year end reconciliation of Operating Expenses, Operating Costs and Real Estate Taxes, as provided in Section 6 of the Original Lease, as amended by Section 3 of Addendum No. 2, Section 5 of Addendum No. 3 and Section 3 of Addendum No. 4.

(B) The Lease with regard to the Additional Give-Back Premises and the Give-Back Storage Space shall terminate without payment of damages, expenses, penalty, or any other compensation or consideration from Lessor to Lessee.

(C) On or before the Addendum No. 5 Partial Termination Date, Lessee shall deliver the Additional Give-Back Premises to Lessor and, on or before the Give-Back Storage Space Termination Date, Lessee shall deliver the Give-Back Storage Space to Lessor, in both cases in “as is,” broom clean condition, and free and clear of all tenancies and occupancies, whether by lease, sublease or otherwise, with no obligation to remove any Alterations or other improvements to the Additional Give-Back Premises and Give-Back Storage Space.

3. DEMISED PREMISES

(A) Following the Addendum No. 5 Partial Termination Date, the Lease with regard to the remainder of the Demised Premises shall remain in full force and effect for the remainder of the Lease Term, including any further extension terms provided herein, and shall remain unmodified, except as specifically provided for herein.

(B) From and after the Addendum No. 5 Partial Termination Date, but subject to the exercise by Lessee of the Addendum No. 5 Hold Space Option, Addendum No. 5 Option Space Option, Addendum No. 5 Right of Opportunity and/or Second Extension Option, the Demised Premises shall be deemed to contain 33,258 rentable square feet.

(C) From and after the day immediately following the Addendum No. 5 Partial Termination Date, all of Lessee’s obligations under the Lease with respect to its payments of its proportionate share of Operating Expenses, Operating Costs and Real Estate Taxes (as provided in Section 6 of the Original Lease, as amended by Section 3 of Addendum No. 2, Section 5 of Addendum No. 3 and Section 3 of Addendum No. 4) shall continue unchanged (subject to Section 4(C) below); provided that as a result of Lessee being released from payment of rent for

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the Additional Give-Back Premises after the Addendum No. 5 Partial Termination Date, (i) Lessee’s proportionate share of Operating Expenses shall be 13.99%; (ii) Lessee’s proportionate share of Operating Costs shall be 14.89%; and (iii) Lessee’s proportionate share of Real Estate Taxes shall be 13.99%.

(D) The term “**Re-Included Space**” shall mean the portion of the Demised Premises (as modified hereby) containing approximately 4,233 rentable square feet on the seventh (7th) floor of the Building and identified as area “Ae” on Exhibit A-1 attached hereto. The term “**Remainder Demised Premises**” shall mean the Demised Premises (as modified hereby) less and except the Re-Included Space.

4. SWING SPACE

(A) The term “**Swing Space**” shall mean approximately 7,292 rentable square feet located on the sixth (6th) floor of the Building. The Swing Space is more particularly described on Exhibit A-3 attached hereto.

(B) If Lessee elects by written notice to Lessor, Lessor shall grant Lessee a license to occupy the Swing Space during the period commencing on the date (the “**Swing Space Commencement Date**”) that is the later of (i) three (3) business days after Lessor’s receipt of such notice and (ii) February 1, 2015, and expiring on November 30, 2015 (subject to possible extension pursuant to Section 7 below, the “**Swing Space Expiration Date**”) or such earlier date on which Lessee relocates from the Swing Space to the Demised Premises for the conduct of its business. For each calendar month or portion thereof during the term of such license, Lessee shall pay a license fee with respect to the Swing Space that is equal (on a per-rentable-square-foot-basis) to the Monthly Rent and payments on account of Operating Expenses, Operating Costs and Real Estate Taxes that are then applicable to the Demised Premises (without regard to any abatement that may be applicable thereto). The term “**Swing Space Non-Premium Holdover Expiration Date**” shall mean the date that is thirty (30) days after Lessor notifies Lessee that Lessor has relet the Swing Space, or, if later, the date that is identified in such notice as the date on which Lessor requires possession of the Swing Space in connection with such reletting; provided, however, that in no event shall the Swing Space Non-Premium Holdover Expiration Date occur prior to the Swing Space Expiration Date. If Lessee holds over with respect to the Swing Space, then (x) during the period, if any, commencing on the day after the Swing Space Expiration Date and expiring on the Swing Space Non-Premium Holdover Expiration Date, the

holdover rent with respect to the Swing Space shall be the same as the license fee in effect immediately prior to the Swing Space Expiration Date, and (y) if Lessee fails to surrender the Swing Space on or before the Swing Space Non-Premium Holdover Expiration Date, then holdover rent shall be payable with respect to the Swing Space, calculated as more particularly set forth in the Lease; provided, however, that if Lessee surrenders the Swing Space within thirty (30) days after the Swing Space Non-Premium Holdover Expiration Date, then Lessee shall not be liable for consequential damages in connection with such holdover. Lessee shall provide reasonable prior notice before commencing or ceasing physical occupancy of any portion of the Swing Space.

(C) Lessee shall accept the Swing Space in its “as is” condition as of the Swing Space Commencement Date, except, however base Building systems serving the Swing Space shall be in good working order. Lessor shall not be obligated to provide any Alterations to or for such Swing Space. Lessor shall furnish such services and utilities to the Swing Space as are furnished

to the Demised Premises. On or before the expiration or earlier termination of the term of the license with respect to the Swing Space, Lessee shall remove all Alterations (but not including any wiring or cabling, other than wiring and cabling located outside the Swing Space to connect the same to the Demised Premises and/or the Additional Give-Back Premises, it being understood that Lessee’s failure timely to remove such wiring and cabling shall not, in and of itself, constitute a holdover with respect to the Swing Space) installed in the Swing Space by or through Lessee and return the same broom clean and free of debris. Except as otherwise specified in this Section, all of the terms, covenants, conditions and provisions of the Lease shall apply to the Swing Space as if the Swing Space constituted a portion of the Demised Premises.

(D) If Lessee elects by written notice to Lessor prior to September 30, 2015, Lessor shall grant Lessee a license to occupy the Additional Give-Back Premises during the period (if any) commencing on November 1, 2015 (the “**Give-Back Swing Space Commencement Date**”), and expiring thirty (30) days after Lessor notifies Lessee that Lessor has relet the Additional Give-Back Premises, or, if later, expiring on the date identified in such notice as the date on which Lessor requires possession of the Additional Give-Back Premises in connection with such reletting (the “**Give-Back Swing Space Expiration Date**”), or such earlier date on which Lessee relocates from the Additional Give-Back Premises to the Demised Premises for the conduct of its business. Except as expressly set forth in this Section 4(D), all of the terms and conditions applicable to the Swing Space (including the license fee applicable thereto on a per-rentable-square-foot-basis) shall apply to the Additional Give-Back Premises during the period commencing on the Give-Back Swing Space Commencement Date and expiring on the Give-Back Swing Space Expiration Date.

(E) It is Lessee’s intent to vacate the 8th floor of the Demised Premises and relocate to the Swing Space for purposes of performing Leasehold Improvements on the 8th floor of the Demised Premises. The date Lessee so vacates the 8th floor of the Demised Premises is herein referred to as the “**8th Floor Vacation Date**”. It is then the intent of Lessee to relocate from the 7th floor of the Demised Premises to the 8th floor of the Demised Premises once the 8th floor of the Demised Premises are sufficiently complete for the conduct of Lessee’s business in order to construct Leasehold Improvements on the 7th floor of the Demised Premises. The date Lessee so vacates the 7th floor of the Demised Premises is herein referred to as the “**7th Floor Vacation Date**”. Once the Leasehold Improvements on the 7th floor of the Demised Premises are sufficiently complete, it is the intent of Lessee to relocate from the Swing Space to the 7th floor of the Demised Premises. It is Lessee’s intent to complete all such Leasehold Improvements and, accordingly, vacate the Swing Space on or before November 30, 2015. As more fully provided in Section 4(B) above, such date is referred to as the Swing Space Expiration Date. The period commencing on the 8th Floor Vacation Date and ending on the 7th Floor Vacation Date is here in referred to as the “**8th Floor Construction Period**” and the period commencing on the 7th Floor Vacation Date and ending on the Swing Space Expiration Date is herein referred to as the “**7th Floor Construction Period**”.

5. ADDENDUM NO. 5 EXTENSION TERM

(A) The Addendum No. 5 Extension Term shall commence on November 1, 2015 (the “**Addendum No. 5 Extension Term Commencement Date**”), and shall expire on October 31, 2027 (the “**Addendum No. 5 Extension Term Expiration Date**”); provided, however, that if Lessee extends the Lessee Addendum No. 5 Hold Space Option Notice Deadline (as hereinafter

defined) for one (1), two (2) or three (3) months, then the Addendum No. 5 Extension Term Expiration Date shall be November 30, 2027 (and the Addendum No. 5 Extension Term shall be extended accordingly), and if Lessee extends the Lessee Addendum No. 5 Hold Space Option Notice Deadline for four (4), five (5) or six (6) months, then the Addendum No. 5 Extension Term Expiration Date shall be December 31, 2027 (and the Addendum No. 5 Extension Term shall be extended accordingly). If the Addendum No. 5 Extension Term Expiration Date is so extended, then the period commencing on November 1, 2027, and expiring on the Addendum No. 5 Extension Term Expiration Date (as so extended) shall be known as the “**Addendum No. 5 Hold Space Extension Period**.”

(B) The Monthly Rent during the Addendum No. 5 Extension Term (the “**Addendum No. 5 Extension Term Monthly Rent**”) shall commence to be due and owing on November 1, 2015, and shall be as follows:

Period	Addendum No. 5 Extension Term Monthly Rent	Annual Amount Per Square Foot
November 1, 2015 – October 31, 2016	\$ 110,860.00	\$ 40.00
November 1, 2016 – October 31, 2017	\$ 113,354.35	\$ 40.90
November 1, 2017 – October 31, 2018	\$ 115,904.13	\$ 41.82
November 1, 2018 – October 31, 2019	\$ 118,509.34	\$ 42.76
November 1, 2019 – October 31, 2020	\$ 121,169.98	\$ 43.72
November 1, 2020 – October 31, 2021	\$ 127,267.28	\$ 45.92
November 1, 2021 – October 31, 2022	\$ 130,121.93	\$ 46.95
November 1, 2022 – October 31, 2023	\$ 133,059.72	\$ 48.01
November 1, 2023 – October 31, 2024	\$ 136,052.94	\$ 49.09
November 1, 2024 – October 31, 2025	\$ 139,101.59	\$ 50.19
November 1, 2025 – October 31, 2026	\$ 142,233.38	\$ 51.32

November 1, 2026 – October 31, 2027	\$	145,420.61	\$	52.47
Addendum No. 5 Hold Space Extension Period (if applicable)	\$	148,690.98	\$	53.65

The Addendum No. 5 Extension Term Monthly Rent shall be payable in accordance with the provisions for the payment of Monthly Rent under Section 4 of the Lease. Except as provided below and specifically provided elsewhere in the Lease, no abatement or other concession whatsoever shall apply to the Addendum No. 5 Extension Term Monthly Rent. The foregoing notwithstanding, Lessor agrees to abate and forgive First Extension Term Monthly Rent (and, if necessary to exhaust such abatement, Addendum No. 5 Extension Term Monthly Rent) and Lessee's payments of its proportionate share of Operating Expenses, Operating Costs and Real Estate Taxes in an aggregate amount equal to Two Million Three Hundred Thirty-Two Thousand Nine Hundred Seventy and 73/100 Dollars (\$2,332,970.73), which abatement is to be applied to the payments of First Extension Term Monthly Rent (and, if necessary to exhaust such abatement, Addendum No. 5 Extension Term Monthly Rent) and Lessee's proportionate share of Operating Expenses, Operating Costs and Real Estate Taxes first coming due from and after January 1, 2015, until such abatement is exhausted.

(C) From and after November 1, 2015, all of Lessee's obligations with respect to its

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payments of its proportionate share of Operating Expenses, Operating Costs and Real Estate Taxes (as provided in Section 6 of the Original Lease, as amended by Section 3 of Addendum No. 2, Section 5 of Addendum No. 3, Section 3 of Addendum No. 4 and Section 3(D) of this Addendum No. 5) shall continue unchanged (subject to the modification of Lessee's proportionate share of Operating Expenses, Operating Costs and Real Estate Taxes effected by Section 3(C) above and application of the abatement set forth in Section 5(B) above).

(D) In addition to the foregoing abatement, all Monthly Rent and Lessee's proportionate share of Operating Expense, Operating Costs and Real Estate Taxes shall abate (i) for the 8th floor of the Demised Premises during the 8th Floor Construction Period and (ii) for the 7th floor of the Demised Premises during the 7th Floor Construction Period.

6. SECURITY DEPOSIT

If no default by Lessee then exists beyond any applicable notice and cure period and Lessee complies with the provisions of this Section, on November 1, 2019, the amount of the Addendum No. 4 Letter of Credit or cash security shall be reduced to One Hundred Fifty Thousand Dollars (\$150,000.00). The security shall be reduced as follows: (A) if the security is in the form of cash, Lessor shall, within ten (10) business days following notice by Lessee to Lessor that Lessee is entitled to reduce the security pursuant to this Section, deliver to Lessee the amount by which the cash security is reduced, or (B) if the security is in the form of the Addendum No. 4 Letter of Credit, Lessee shall deliver to Lessor a consent to an amendment to the Addendum No. 4 Letter of Credit (which amendment must be reasonably acceptable to Lessor in all respects), reducing the amount of the Addendum No. 4 Letter of Credit by the amount of the permitted reduction, and Lessor shall execute such consent and such other documents as are reasonably necessary to reduce the amount of the Addendum No. 4 Letter of Credit in accordance with the terms hereof. If Lessee delivers to Lessor a consent to an amendment to the Addendum No. 4 Letter of Credit in accordance with the terms hereof, Lessor shall, within ten (10) business days after delivery of such consent, either (1) provide its reasonable objections to such amendment or (2) execute such consent in accordance with the terms hereof.

7. CONDITION

Lessee shall continue in possession of the Demised Premises (as reduced hereby) in its "as is" condition as of November 1, 2015, subject to Lessor's obligations under the Lease, such as with respect to repair and maintenance of the Building and performing its obligations under the Lease with respect to legal compliance. Lessee shall perform improvements to the Demised Premises (as reduced hereby) on the terms and subject to the conditions set forth in Exhibit B. Lessor is under no obligation to make any Alterations in or to the Demised Premises (as reduced hereby) or the Building; provided, however, that Lessor agrees to construct a multi-tenant elevator lobby and (subject to Exhibit B) common corridor on the seventh (7th) floor of the Building in a manner substantially similar to the Building standard finishes used in the recently renovated multi-tenant elevator lobby and common corridor existing on the fourth (4th) floor of the Building as of the date of this Lease ("**Lessor's Work**"). Lessor shall promptly commence Lessor's Work after Lessee's Plans (as defined in Exhibit B) with respect to the Re-Included Space are developed to a degree that permits Lessor to determine whether or not Lessor's Work will include non-cosmetic Alterations, and thereafter diligently pursue the same to completion. Lessor and Lessee shall reasonably cooperate with each other to avoid interference if Lessor's

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Work and the Leasehold Improvements are being performed simultaneously. If Lessor's Work includes non-cosmetic Alterations, and Lessor's failure to perform the same prevents Lessee from lawfully reoccupying the portion of the Demised Premises (as reduced hereby) located on the seventh (7th) floor of the Building, then the Swing Space Expiration Date shall be extended until such elements of Lessor's Work are complete or Lessee can lawfully reoccupy the portion of the Demised Premises (as reduced hereby) located on the seventh (7th) floor of the Building, whichever comes first. If Lessor's Work continues after Lessee has reoccupied the portion of the Demised Premises (as reduced hereby) located on the seventh (7th) floor of the Building, then Lessor shall use reasonable efforts to minimize interference with Lessee's business operations in such portion of the Demised Premises in performing Lessor's Work.

8. ADDENDUM NO. 5 HOLD SPACE

(A) Provided no default by Lessee beyond any applicable notice and cure period exists on the date Lessee notifies Lessor of its intent to exercise this right, Lessee shall have the option to add to the Demised Premises the Additional Give Back Premises, which is identified as area "B" on Exhibit A-1 attached hereto and made a part hereof and which the parties acknowledge and agree contains 6,366 rentable square feet (such space also being identified as the "**Addendum No. 5 Hold Space**", and such option being hereinafter referred to as the "**Addendum No. 5 Hold Space Option**"). Lessor shall deliver the Addendum No. 5 Hold Space separately demised from the remainder of the seventh (7th) floor with a demising wall constructed, but Lessor shall have no obligation to perform any further work with respect to the Addendum No. 5 Hold Space or the delivery thereof. Lessee may exercise the Addendum No. 5 Hold Space Expansion Option by giving written notice to Lessor (the "**Lessee Addendum No. 5 Hold Space Option Notice**") no later than June 30, 2015 (the "**Lessee Addendum No. 5 Hold Space Option Notice Deadline**"); provided, however, that Lessee shall have the right to extend the Lessee Addendum No. 5 Hold Space Option Notice Deadline for six (6) periods of one (1) month each. In order to exercise such extension right, Lessee must

deliver to Lessor, prior to the then-current Lessee Addendum No. 5 Hold Space Option Notice Deadline, both written notice of the exercise of such right and the applicable Extension Payment (as hereinafter defined), time being of the essence. The term “**Extension Payment**” shall mean Fifteen Thousand Dollars (\$15,000.00) for each of the first three (3) such extensions and Twenty Thousand Dollars (\$20,000.00) for each of the remaining three (3) extensions. For the avoidance of doubt, such Extension Payments shall not be credited against any of Lessee’s other obligations under the Lease, as amended hereby. If Lessee timely delivers the Lessee Addendum No. 5 Hold Space Option Notice, Lessor shall deliver the Addendum No. 5 Hold Space to Lessee not later than four (4) months following the date of Lessee’s Addendum No. 5 Hold Space Option Notice (the “**Anticipated Addendum No. 5 Hold Space Delivery Date**”). Lessee may not lease less than all of the Addendum No. 5 Hold Space designated by Lessor. Lessee shall have no right to rescind its election to lease the Addendum No. 5 Hold Space. Prior to December 31, 2015, Lessor shall have no right to lease or license the Addendum No. 5 Hold Space to a third party, but such space may be utilized by Lessor or its affiliate or parent entities for internal use.

(B) Lessee’s exercise of the Addendum No. 5 Hold Space Option shall be subject to the following conditions: (i) Lessee shall accept the Addendum No. 5 Hold Space as part of the Demised Premises, in its then “as is” condition; (ii) the term of the Lease with regard to the Addendum No. 5 Hold Space (the “**Addendum No. 5 Hold Space Term**”) shall commence on

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the date on which Lessor delivers possession of the Addendum No. 5 Hold Space to Lessee (the “**Addendum No. 5 Hold Space Commencement Date**”), and the Addendum No. 5 Hold Space Term shall be coterminous with the Lease Term and any further extension thereof; (iii) Lessee’s obligation to pay Monthly Rent for the Addendum No. 5 Hold Space (the “**Addendum No. 5 Hold Space Monthly Rent**”) shall commence on the earlier of (a) the date that is one hundred twenty (120) days following the Addendum No. 5 Hold Space Commencement Date and (b) the date upon which Lessee commences occupancy of the Addendum No. 5 Hold Space for its actual conduct of business (the “**Addendum No. 5 Hold Space Rent Commencement Date**”); (iv) Section 6 of the Original Lease (as amended by Section 3 of Addendum No. 2, Section 5 of Addendum No. 3, Section 3 of Addendum No. 4 and Section 3(D) of this Addendum No. 5) shall continue to be in full force and effect with respect to Addendum No. 5 Hold Space, provided that with respect thereto: (1) Lessee’s Proportionate Share of Operating Expenses and Real Estate Taxes shall be computed based on a fraction, the numerator of which is the rentable square footage of the Addendum No. 5 Hold Space and the denominator of which is the total of the rentable office and retail area in the Building measured as of the Addendum No. 5 Hold Space Rent Commencement Date, (2) Lessee’s Proportionate Share of Operating Costs shall be computed based on a fraction, the numerator of which is the rentable square footage of the Addendum No. 5 Hold Space and the denominator of which is the total of the rentable office area in the Building measured as of the Addendum No. 5 Hold Space Commencement Date and (3) Lessee shall be liable for, and shall commence Estimated Payments of, Operating Expenses, Operating Costs and Real Estate Taxes on the Addendum No. 5 Hold Space Rent Commencement Date; (iv) the Monthly Rent for the Addendum No. 5 Hold Space (the “**Addendum No. 5 Hold Space Monthly Rent**”) on a rentable square foot basis shall be equal to the then-escalated Monthly Rent of the Demised Premises per rentable square foot, and thereafter for the Lease Term the Addendum No. 5 Hold Space Monthly Rent shall be subject to escalations at the same time and at the same rate as with respect to the Demised Premises, (v) the abatement of Addendum No. 5 Hold Space Monthly Rent shall be an amount equal to the product of (1) the rentable square footage of the Addendum No. 5 Hold Space, (2) \$76.13 and (3) a fraction, the numerator of which is the number of days remaining in the Lease Term as of the Addendum No. 5 Hold Space Rent Commencement Date, and the denominator of which is the total number of days in the Lease Term from and after November 1, 2015; and (v) all other terms and conditions of the Lease (as amended hereby) shall be generally applicable to the Addendum No. 5 Hold Space, except as the same are specifically modified by the mutual agreement of the parties at that time.

(C) Lessor shall provide to Lessee a cash construction allowance (the “**Addendum No. 5 Hold Space Allowance**”) equal to the product of (i) the rentable square footage of the Addendum No. 5 Hold Space, (ii) \$85.00 and (iii) a fraction, the numerator of which is the number of days remaining in the Lease Term as of the Addendum No. 5 Hold Space Rent Commencement Date, and the denominator of which is the total number of days in the Lease Term from and after November 1, 2015. The Addendum No. 5 Hold Space Improvements shall be designed, constructed and performed and the Addendum No. 5 Hold Space Allowance shall be disbursed in accordance with Exhibit B attached hereto.

(D) From and after the Addendum No. 5 Hold Space Rent Commencement Date, Lessee shall be provided with (i) additional parking permits (at the prevailing market rate for such permits) in the ratio of one (1) contract for every fifteen hundred (1,500) square feet of

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rentable area in the Addendum No. 5 Hold Space (BOMA measured), with such entitlement to parking permits being otherwise subject to Section 12 of this Addendum No. 5, and (ii) its pro rata share of additional directory strips in the building directory.

9. ADDENDUM NO. 5 OPTION SPACE

(A) Lessee shall have the option to add to the Demised Premises an additional area of approximately 3,500 — 6,366 square feet (as determined by Lessor and measured under BOMA) of rentable area on the seventh (7th) floor of the Building that is contiguous to the Demised Premises (such space being identified as the “**Addendum No. 5 Option Space**”, and such option being hereinafter referred to as the “**Addendum No. 5 Option Space Option**”). The configuration of the Addendum No. 5 Option Space shall satisfy all applicable laws, have reasonable access to common areas and common facilities located on the 7th floor of the Building and be usable for general office purposes. The final configuration of the Addendum No. 5 Option Space shall be designated by Lessor. Lessor shall deliver the Addendum No. 5 Option Space separately demised from the remainder of the seventh (7th) floor with a demising wall constructed, but Lessor shall have no obligation to perform any further work with respect to the Addendum No. 5 Option Space or the delivery thereof. Such demising wall shall be constructed in a manner in compliance with applicable laws and consistent with Building standard finishes. Without limiting the generality of the effect of the foregoing, the corridor side of any such demising wall shall be consistent with Lessor’s Work. Subject to the foregoing, Lessee may exercise the Addendum No. 5 Option Space Expansion Option by giving written notice to Lessor no later than October 31, 2018 (“**Lessee’s Addendum No. 5 Option Space Option Notice**”). If Lessee delivers Lessee’s Addendum No. 5 Option Space Option Notice, Lessor shall deliver the Addendum No. 5 Option Space to Lessee not earlier than January 1, 2020, and not later than April 30, 2022. If Lessee delivers Lessee’s Addendum No. 5 Option Space Option Notice, then, on or before November 10, 2018, Lessor shall notify Lessee in writing (“**Lessor’s Addendum No. 5 Option Space Notice**”) of the configuration and rentable square footage of the Addendum No. 5 Option Space and the date Lessor will deliver the Addendum No. 5 Option Space to Lessee (“**Addendum No. 5 Option Space Delivery Date**”), all in accordance with the terms and conditions hereof. Lessee may not lease less than all of the Addendum No. 5 Option Space designated by Lessor.

(B) Lessee's exercise of its Addendum No. 5 Option Space Option shall be subject to the following conditions at the time of such exercise: (i) the Lease (as amended hereby) is in full force and effect; (ii) no default by Lessee then exists beyond any applicable notice and cure period; (iii) Lessee has timely exercised the Addendum No. 5 Option Space Option, with time being of the essence; (iv) the Lease (as amended hereby) had not been assigned in a transaction requiring Lessor's consent pursuant to Section 11 of the Original Lease (as amended and restated by Section 12 of Addendum No. 4) (Lessor acknowledging that Lessor's consent is not required for an assignment of the Lease or sublet of the Demised Premises to any subsidiary, affiliate or successor (as those terms are defined in Section 11 of the Original Lease)); (v) Lessee is occupying for the conduct of Lessee's business therein more than seventy percent (70%) of the rentable area of the Demised Premises; and (vi) Lessee shall not have exercised the Addendum No. 5 Hold Space Option. Except as provided below, if Lessee exercises its Addendum No. 5 Option Space Option, Lessee may not thereafter revoke such exercise.

(C) The annual rate for Monthly Rent payable for the Addendum No. 5 Option Space

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shall be the annual Addendum No. 5 Option Rate for the Addendum No. 5 Option Space as of the Addendum No. 5 Option Commencement Date (the "**Addendum No. 5 Option Calculation Date**"), with such Addendum No. 5 Option Rate being escalated annually on each anniversary of the Addendum No. 5 Option Calculation Date by the market escalation rate that shall be determined as part of the determination of the Addendum No. 5 Option Rate. The "**Addendum No. 5 Option Rate**" shall mean the Market Base Rent (as defined in Section 8 of the Original Lease). Subject to the provisions of this Section, the calculation of Addendum No. 5 Option Rate shall take into account all relevant factors.

(D) Procedure for Determining Monthly Rent.

(1) If Lessee exercises its right to lease the Addendum No. 5 Option Space, Lessor shall advise Lessee (the "**Addendum No. 5 Option Rent Notice**") of Lessor's determination of Addendum No. 5 Option Rate on or before November 10, 2018. If Lessee does not accept Lessor's determination of the Addendum No. 5 Option Rate, the parties shall meet and seek in good faith to reach agreement on the Addendum No. 5 Option Rate during the thirty (30) day period that begins when Lessor receives Lessee's Addendum No. 5 Option Notice (the "**Addendum No. 5 Option Negotiation Period**").

(2) If Lessor and Lessee do not agree upon the Addendum No. 5 Option Rate in writing within the Addendum No. 5 Option Negotiation Period, the provisions of Section 9(D)(2) of Addendum No. 4 shall govern the determination of the Addendum No. 5 Option Rate, except that all references in such Section 9(D)(2) to:

- (a) the "Extension Rate" shall mean the "Addendum No. 5 Option Rate";
- (b) the "Extension Negotiation Period" shall mean the "Addendum No. 5 Option Negotiation Period"; and
- (c) the "Extension Rent Notice" shall mean the "Addendum No. 5 Option Rent Notice."

If the Monthly Rent payable for the Addendum No. 5 Option Space is not determined prior to the day on which Lessee commences to lease the Addendum No. 5 Option Space, Lessee shall pay Monthly Rent for the Addendum No. 5 Option Space in an amount equal to the rentable square foot rate then payable for the then current Demised Premises (the "**Addendum No. 5 Option Interim Rent**"). Upon final determination of the Monthly Rent for the Addendum No. 5 Option Space, Lessee shall commence paying such Monthly Rent as so determined, and within ten (10) days after such determination Lessee shall pay any deficiency in prior payments of Monthly Rent or, if the Monthly Rent as so determined shall be less than the Addendum No. 5 Option Interim Rent, Lessee shall be entitled to a credit against the next succeeding installments of Monthly Rent in an amount equal to the difference between each installment of Addendum No. 5 Option Interim Rent and the Monthly Rent as so determined which should have been paid for such installment until the total amount of the over payment has been recouped.

(E) Except to the extent expressly set forth in this Section to the contrary, if Lessee elects to lease the Addendum No. 5 Option Space, such space shall become subject to the Lease (as amended hereby) upon the same terms and conditions as are then applicable to the then current Demised Premises. The foregoing notwithstanding, any tenant improvement allowances,

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free rent periods, moving allowances or other special concessions granted to Lessee with respect to the then current Demised Premises shall not apply to the Addendum No. 5 Option Space.

(F) If Lessee exercises its right to lease the Addendum No. 5 Option Space, (1) the term of Lessee's lease of the Addendum No. 5 Option Space shall: (a) commence upon the date (the "**Addendum No. 5 Option Space Commencement Date**") Lessor tenders possession of the Addendum No. 5 Option Space in the condition required under Section 8(A) above, and (b) expire upon the expiration of the Lease Term, including any further extensions thereof, and (2) Lessee's obligation to pay Monthly Rent for the Addendum No. 5 Option Space shall commence on the earlier of (a) the date that is ninety (90) days following the Addendum No. 5 Option Space Commencement Date and (b) the date upon which Lessee commences occupancy of the Addendum No. 5 Option Space for its actual conduct of business. Provided Lessor has complied with the terms of the following sentence, Lessor will have no liability to Lessee if Lessor does not deliver the Addendum No. 5 Option Space to Lessee on the date originally contemplated by Lessor for any causes beyond the reasonable control of Lessor. Lessor will promptly commence and diligently pursue obtaining possession of the Addendum No. 5 Option Space (including, if necessary, by initiating legal proceedings) so that Lessor can tender the Addendum No. 5 Option Space to Lessee; provided, however, that the following shall be Lessee's sole remedies if Lessor complied with the foregoing sentence but failed timely to deliver the Addendum No. 5 Option Space: (x) if Lessor has not tendered possession of the Addendum No. 5 Option Space to Lessee within ninety (90) days after the Addendum No. 5 Option Space Delivery Date (which date shall not be extended by Force Majeure), then Lessee shall receive an abatement of Monthly Rent for the Addendum No. 5 Option Space and Lessee's proportionate share of Operating Costs, Operating Expenses and Real Estate Taxes for the Addendum No. 5 Option Space equal to one-half (½) day for each day of such delay from and after the ninety-first (91st) day after the Addendum No. 5 Option Space Delivery Date; provided, however, that (i) such abatement shall not exceed, in the aggregate, ninety (90) days of Monthly Rent for the Addendum No. 5 Option Space and Lessee's proportionate share of Operating Costs, Operating Expenses and Real Estate Taxes for the Addendum No. 5 Option Space (i.e., such abatement shall cease to accrue after the two hundred seventieth (270th) day after the Addendum No. 5 Option Space Delivery Date) and (ii) for the avoidance of doubt, such abatement shall not be applicable if Lessee terminates its election to lease the Addendum No. 5 Option Space pursuant to clause (y) below; and (y) if Lessor has not tendered possession of the Addendum No. 5 Option Space to Lessee within one hundred eighty (180) days after the Addendum No. 5 Option Space Delivery Date

(which date shall not be extended by Force Majeure), Lessee shall have the right to terminate its election to lease the Addendum No. 5 Option Space by notifying Lessor in writing within thirty (30) days after the expiration of said one hundred eighty (180) day period, in which event Lessee's rights under this Section 8 shall lapse. Lessor shall have no obligation to make any payment to the occupant or to give any other concession to such occupant in order to induce such occupant to vacate and surrender possession of any Addendum No. 5 Option Space.

(G) Except to the extent expressly set forth in the Lease (as amended hereby) to the contrary, upon Lessee's leasing of the Addendum No. 5 Option Space, the rentable area of the Demised Premises and term "Demised Premises" shall be deemed amended to include the Addendum No. 5 Option Space and Lessee's proportionate share and all other computations made under the Lease (as amended hereby) based upon or affected by the rentable area of the Demised Premises shall be recomputed to include the Addendum No. 5 Option Space; provided

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that, the computation of the square footage of the Addendum No. 5 Option Space shall be based on BOMA.

(H) From and after the Addendum No. 5 Option Space Commencement Date, Lessee shall be provided with (i) additional parking permits (at the prevailing market rate for such permits) in the ratio of one (1) contract for every one thousand five hundred (1,500) square feet of rentable area in the Addendum No. 5 Option Space (BOMA measured), with such entitlement to parking permits being otherwise subject to Section 12 of this Addendum No. 5, and (ii) its pro rata share of additional directory strips in the building directory.

(I) Notwithstanding the foregoing to the contrary, if Lessee extends the Lessee Addendum No. 5 Hold Space Option Notice Deadline but does not exercise the Addendum No. 5 Hold Space Option, then the dates set forth in Sections 9(A) and 9(D)(1) shall be extended for the same number of months as the Lessee Addendum No. 5 Hold Space Option Notice Deadline is extended.

10. ADDENDUM NO. 5 RIGHT OF OPPORTUNITY

(A) Addendum No. 5 Right of Opportunity.

(1) Subject to the provisions of this Section 10, if, during the Addendum No. 5 Extension Term and, if exercised, the Second Extension Term (but not any further extensions of the Lease Term), any portion of the Additional Give-Back Premises becomes available for lease from Lessor (or Lessor reasonably anticipates that such space will become available for lease from Lessor) (the "**Addendum No. 5 ROFO Space**"), Lessor shall so notify Lessee (the "**Lessor's Addendum No. 5 ROFO Notice**") of the anticipated availability date (the "**Addendum No. 5 ROFO Delivery Date**") and the location of the Addendum No. 5 ROFO Space, and Lessee shall have the right to lease all (but not less than all) of the Addendum No. 5 ROFO Space (the "**Addendum No. 5 Right of Opportunity**") by delivering Lessee's notice of such election to Lessor ("**Lessee's Addendum No. 5 ROFO Notice**") within ten (10) business days after Lessor gives Lessor's Addendum No. 5 ROFO Notice to Lessee.

(2) Any provision of the Lease (as amended hereby) to the contrary notwithstanding, Lessee's Addendum No. 5 Right of Opportunity shall be subject to the following:

(a) Lessee's Addendum No. 5 Right of Opportunity shall not apply to any Addendum No. 5 ROFO Space until Lessor has entered into a lease with a third-party tenant for such Addendum No. 5 ROFO Space containing such terms as Lessor deems acceptable in Lessor's sole discretion (including, without limitation, any fixed expansion or extension rights that Lessor might grant such tenant(s) for such Addendum No. 5 ROFO Space) with a third-party tenant and the term of such lease has expired with respect to such Addendum No. 5 ROFO Space (including, without limitation, the expiration of any lease term extension period(s) or otherwise been terminated).

(b) If Lessee notifies Lessor that Lessee elects not to lease an Addendum No. 5 ROFO Space or if Lessee fails to timely deliver Lessee's Addendum No. 5 ROFO Notice to Lessor with respect thereto, Lessee's Addendum No. 5 Right of Opportunity shall not apply to such Addendum No. 5 ROFO Space until Lessor has thereafter entered into a lease for such Addendum No. 5 ROFO Space with a third-party tenant under one or more leases

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containing such terms as Lessor deems acceptable in Lessor's sole discretion (including, without limitation, any right of opportunity or other expansion rights that Lessor might grant such tenant(s) for such Addendum No. 5 ROFO Space) and Lessor's Addendum No. 5 Right of Opportunity shall not apply to such space until the term of such lease has expired with respect to such Addendum No. 5 ROFO Space (including, without limitation, the expiration of any lease term extension period(s) or otherwise been terminated).

(c) The fixed expansion or extension rights of the third party tenant(s) taking all or any portion of the Additional Give-Back Premises pursuant to the initial lease-up following Lessee's surrender of the Additional Give-Back Premises hereunder (a "**Lease-Up Lessee's Rights**").

(B) Conditions to Exercise. Lessee's exercise of its Addendum No. 5 Right of Opportunity shall be subject to the following conditions at the time of such exercise: (i) the Lease (as amended hereby) is in full force and effect; (ii) no default by Lessee then exists beyond any applicable notice and cure period; (iii) Lessee has timely exercised the Addendum No. 5 Right of Opportunity, with time being of the essence; (iv) the Lease (as amended hereby) had not been assigned in a transaction requiring Lessor's consent pursuant to Section 11 of the Original Lease (as amended and restated by Section 12 of Addendum No. 4) (Lessor acknowledging that Lessor's consent is not required for an assignment of the Lease or sublet of the Demised Premises to any subsidiary, affiliate or successor (as those terms are defined in Section 11 of the Original Lease)); (v) Lessee is occupying for the conduct of Lessee's business therein more than seventy percent (70%) of the rentable area of the Demised Premises; and (vi) Lessee shall not have exercised the Addendum No. 5 Hold Space Option. Except as provided herein, if Lessee exercises its Addendum No. 5 Right of Opportunity, Lessee may not thereafter revoke such exercise.

(C) Condition of Addendum No. 5 ROFO Space. Lessee shall take the Addendum No. 5 ROFO Space in "as is" condition, except, however, base Building systems serving the Addendum No. 5 ROFO Space shall be in good working order.

(D) Addendum No. 5 ROFO Space Rent. The annual rate for Monthly Rent payable for an applicable Addendum No. 5 ROFO Space shall be the annual Addendum No. 5 ROFO Rate for the Addendum No. 5 ROFO Space as of the Addendum No. 5 ROFO Commencement Date (the “**Addendum No. 5 ROFO Calculation Date**”), with such Addendum No. 5 ROFO Rate being escalated annually on each anniversary of the Addendum No. 5 ROFO Calculation Date by the market escalation rate that shall be determined as part of the determination of the Addendum No. 5 ROFO Rate. The “**Addendum No. 5 ROFO Rate**” shall mean the Market Base Rent (as defined in Section 8 of the Original Lease). Subject to the provisions of this Section, the calculation of Addendum No. 5 ROFO Rate shall take into account all relevant factors. If the Addendum No. 5 ROFO Rate includes any out-of-pocket monetary concession (such as a tenant improvement allowance) to be provided by Lessor, Lessor shall have the option to either directly provide such monetary concession or indirectly provide such monetary concession by equitably reducing the Addendum No. 5 ROFO Rate by the economic value of such concession over the then remaining Lease Term.

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(E) Procedure for Determining Monthly Rent.

(1) Lessor shall advise Lessee (the “**Addendum No. 5 ROFO Rent Notice**”) of Lessor’s determination of Addendum No. 5 ROFO Rate within ten (10) days after receiving Lessee’s Addendum No. 5 ROFO Notice. If Lessee does not accept Lessor’s determination of the Addendum No. 5 ROFO Rate, the parties shall meet and seek in good faith to reach agreement on the Addendum No. 5 ROFO Rate during the thirty (30) day period that begins when Lessor receives Lessee’s Addendum No. 5 ROFO Notice (the “**Addendum No. 5 ROFO Negotiation Period**”).

(2) If Lessor and Lessee do not agree upon the Addendum No. 5 ROFO Rate in writing within the Addendum No. 5 ROFO Negotiation Period, the provisions of Section 9(D)(2) of Addendum No. 4 shall govern the determination of the Addendum No. 5 ROFO Rate, except that all references in such Section 9(D)(2) to:

- (a) the “Extension Rate” shall mean the “Addendum No. 5 ROFO Rate”;
- (b) the “Extension Negotiation Period” shall mean the “Addendum No. 5 ROFO Negotiation Period”; and
- (c) the “Extension Rent Notice” shall mean the “Addendum No. 5 ROFO Rent Notice.”

If the Monthly Rent payable for an Addendum No. 5 ROFO Space is not determined prior to the day on which Lessee commences to lease the Addendum No. 5 ROFO Space, Lessee shall pay Monthly Rent for the Addendum No. 5 ROFO Space in an amount equal to the rentable square foot rate then payable for the then current Demised Premises (the “**Addendum No. 5 ROFO Interim Rent**”). Upon final determination of the Monthly Rent for the Addendum No. 5 ROFO Space, Lessee shall commence paying such Monthly Rent as so determined, and within ten (10) days after such determination Lessee shall pay any deficiency in prior payments of Monthly Rent or, if the Monthly Rent as so determined shall be less than the Addendum No. 5 ROFO Interim Rent, Lessee shall be entitled to a credit against the next succeeding installments of Monthly Rent in an amount equal to the difference between each installment of Addendum No. 5 ROFO Interim Rent and the Monthly Rent as so determined which should have been paid for such installment until the total amount of the over payment has been recouped.

(F) Except to the extent expressly set forth in this Section to the contrary, if Lessee elects to lease Addendum No. 5 ROFO Space, such space shall become subject to the Lease (as amended hereby) upon the same terms and conditions as are then applicable to the then current Demised Premises. The foregoing notwithstanding, any tenant improvement allowances, free rent periods, moving allowances or other special concessions granted to Lessee with respect to the then current Demised Premises shall not apply to the Addendum No. 5 ROFO Space.

(G) If Lessee exercises its right to lease Addendum No. 5 ROFO Space, the term of Lessee’s lease of the Addendum No. 5 ROFO Space shall: (a) commence upon the date (the “**Addendum No. 5 ROFO Space Commencement Date**”) that is the later of: (i) the Addendum No. 5 ROFO Delivery Date, or (ii) the date Lessor tenders possession of the Addendum No. 5 ROFO Space in the condition required under Section 8(C) above, and (b) expire upon the expiration of the Lease Term, including any further extensions thereof (or, if Lessee’s rights

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under Section 8 above remain unexercised but available, and Lessor notifies Lessee in the Lessor’s Addendum No. 5 ROFO Notice that such Addendum No. 5 ROFO Space constitutes Addendum No. 5 Option Space, expire on the day before the Addendum No. 5 Option Space Commencement Date). Provided Lessor has complied with the terms of the following sentence, Lessor will have no liability to Lessee if Lessor does not deliver the Addendum No. 5 ROFO Space to Lessee on the Addendum No. 5 ROFO Delivery Date for any causes beyond the reasonable control of Lessor. Lessor will promptly commence and diligently pursue obtaining possession of the Addendum No. 5 ROFO Space (including, if necessary, by initiating legal proceedings) so that Lessor can tender the Addendum No. 5 ROFO Space to Lessee; provided, however, that the following shall be Lessee’s sole remedies if Lessor complied with the foregoing sentence but failed timely to deliver the Addendum No. 5 ROFO Space: (x) if Lessor has not tendered possession of the Addendum No. 5 ROFO Space to Lessee within ninety (90) days after the Addendum No. 5 ROFO Delivery Date (which date shall not be extended by Force Majeure), then Lessee shall receive an abatement of Monthly Rent for the Addendum No. 5 ROFO Space and Lessee’s proportionate share of Operating Costs, Operating Expenses and Real Estate Taxes for the Addendum No. 5 ROFO Space equal to one-half (½) day for each day of such delay from and after the ninety-first (91st) day after the Addendum No. 5 ROFO Delivery Date; provided, however, that (i) such abatement shall not exceed, in the aggregate, ninety (90) days of Monthly Rent for the Addendum No. 5 ROFO Space and Lessee’s proportionate share of Operating Costs, Operating Expenses and Real Estate Taxes for the Addendum No. 5 ROFO Space (i.e., such abatement shall cease to accrue after the two hundred seventieth (270th) day after the Addendum No. 5 ROFO Delivery Date) and (ii) for the avoidance of doubt, such abatement shall not be applicable if Lessee terminates its election to lease the Addendum No. 5 ROFO Space pursuant to clause (y) below; and (y) if Lessor has not tendered possession of the Addendum No. 5 ROFO Space to Lessee within one hundred eighty (180) days after the Addendum No. 5 ROFO Delivery Date (which date shall not be extended by Force Majeure), Lessee shall have the right to terminate its election to lease the Addendum No. 5 ROFO Space by notifying Lessor in writing within thirty (30) days after the expiration of said one hundred eighty (180) day period, in which event Lessee’s rights under this Section 9 shall lapse. Lessor shall have no obligation to make any payment to the occupant or to give any other concession to such occupant in order to induce such occupant to vacate and surrender possession of any Addendum No. 5 ROFO Space.

(H) Recomputation. Except to the extent expressly set forth in the Lease (as amended hereby) to the contrary, upon Lessee’s leasing of Addendum No. 5 ROFO Space, the rentable area of the Demised Premises and term “Demised Premises” shall be deemed amended to include such

Addendum No. 5 ROFO Space and Lessee's proportionate share and all other computations made under the Lease (as amended hereby) based upon or affected by the rentable area of the Demised Premises shall be recomputed to include such Addendum No. 5 ROFO Space; provided that, the computation of the square footage of the Addendum No. 5 ROFO Space shall be based on BOMA.

(I) Parking and Directory Strips. From and after the Addendum No. 5 ROFO Space Commencement Date, Lessee shall be provided with (i) additional parking permits (at the prevailing market rate for such permits) in the ratio of one (1) contract for every one thousand five hundred (1,500) square feet of rentable area in the Addendum No. 5 ROFO Space (BOMA measured), with such entitlement to parking permits being otherwise subject to Section 12 of this

Addendum No. 5, and (ii) its pro rata share of additional directory strips in the building directory.

(J) Section 8 of Addendum No. 4 is hereby deleted and shall be of no further force or effect.

11. SECOND EXTENSION TERM

The provisions of Section 9 of Addendum No. 4 shall continue to apply during the Addendum No. 5 Extension Period, provided, however, that:

(A) The reference therein to "November 1, 2015," is hereby deleted and replaced with "November 1, 2027";

(B) The reference therein to "October 31, 2020," is hereby deleted and replaced with "October 31, 2032";

(C) The reference therein to "May 1, 2014," is hereby deleted and replaced with "May 1, 2026";

(D) The reference therein to "August 1, 2014," is hereby deleted and replaced with "August 1, 2026";

(E) The reference therein to "39,624 rentable square feet (i.e., as re-measured under BOMA)" is hereby deleted and replaced with "33,258 rentable square feet," subject to the exercise by Lessee of the Addendum No. 5 Option Space Option and/or the Addendum No. 5 Right of Opportunity; and

(F) The reference therein to "First Extension Term" is hereby deleted and replaced with "Addendum No. 5 Extension Term."

Notwithstanding the foregoing to the contrary, if Lessee extends the Addendum No. 5 Hold Space Option Notice Deadline, then the dates set forth in this Section 11 shall be extended for the same number of months as the Addendum No. 5 Extension Term Expiration Date is extended.

12. PARKING

Effective as of November 1, 2015, (a) the reference in Section 7 of the Lease (as hereinbefore modified) to "twenty-six (26) contracts" is hereby deleted and replaced with "twenty-four (24) contracts" and (b) the last sentence of Section 7(B) of the Lease (as heretofore modified) is amended and restated as follows:

In the event Lessee fails to execute with the Operator the monthly parking contracts by February 29, 2016, or subsequently relinquishes in any manner its parking contracts, Lessor shall be under no obligation to seek restoration of the relinquished contract or waive Lessee's failure to execute said contract prior to February 29, 2016; provided, however, that Lessee shall have the right to take (or, as applicable, retake) parking contracts up to Lessee's full number of permitted parking contracts upon sixty (60) days written notice to Lessor.

13. COMPLIANCE WITH LAWS

(A) To Lessor's knowledge, without further investigation or inquiry, the base building

portions of the Building are currently free of any asbestos or any other hazardous materials that violate applicable federal, state or local regulations or ordinances.

(B) To Lessor's knowledge, without further investigation or inquiry, the base building portions of the Building are (subject to any applicable grandfathering provisions and waivers) in compliance with the ADA.

14. STORAGE SPACE

(A) Following the Addendum No. 5 Partial Termination Date, the Lease with regard to the remainder of the Storage Space shall remain in full force and effect for the remainder of the Lease Term, including any further extension terms provided herein, and shall remain unmodified, except as specifically provided for herein.

(B) From and after the Addendum No. 5 Partial Termination Date, the Storage Space shall be deemed to contain 205 square feet.

(C) During the Addendum No. 5 Extension Term, the monthly rent for the Storage Space (the "Storage Space Addendum No. 5 Extension Term Monthly Rent") shall be as follows:

<u>Period</u>	<u>Storage Space Addendum No. 5 Extension Term Monthly Rent</u>	<u>Annual Amount Per Square Foot</u>
---------------	---	--

November 1, 2015 – October 31, 2016	\$	414.27	\$	24.25
November 1, 2016 – October 31, 2017	\$	422.64	\$	24.74
November 1, 2017 – October 31, 2018	\$	431.01	\$	25.23
November 1, 2018 – October 31, 2019	\$	439.55	\$	25.73
November 1, 2019 – October 31, 2020	\$	448.27	\$	26.24
November 1, 2020 – October 31, 2021	\$	457.15	\$	26.76
November 1, 2021 – October 31, 2022	\$	466.38	\$	27.30
November 1, 2022 – October 31, 2023	\$	475.77	\$	27.85
November 1, 2023 – October 31, 2024	\$	485.34	\$	28.41
November 1, 2024 – October 31, 2025	\$	495.08	\$	28.98
November 1, 2025 – October 31, 2026	\$	504.98	\$	29.56
November 1, 2026 – October 31, 2027	\$	515.06	\$	30.15
Addendum No. 5 Hold Space Extension Period (if applicable)	\$	525.31	\$	30.75

For the avoidance of doubt, Lessee is not obligated to pay any Operating Expenses, Operating Costs or Real Estate Taxes with respect to the Storage Space and the numerator used to calculate Lessee's proportionate shares in Section 3(C) above does not include the area of the Storage Space.

15. AMENDMENT AND RESTATEMENT

This Addendum No. 5 amends and restates, and supersedes in all respects, that certain Addendum No. 5 dated as of December 22, 2014 (the "December 2014 Addendum"). For the avoidance of doubt, any abatement heretofore provided under Section 5(B) of the December

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2014 Addendum shall count against the abatement to be provided under Section 5(B) of this Addendum No. 5 and any Lessor's Contribution heretofore provided under Exhibit B of the December 2014 Addendum shall count against the Lessor's Contribution to be provided under Exhibit B of this Addendum No. 5.

16. LENDER APPROVAL

The terms and conditions of this Addendum No. 5 are contingent upon the consent of Lessor's current lender for the Building ("**Lender Approval**"). The terms and conditions of this Addendum No. 5 shall not be effective until the Effective Date. The term "**Effective Date**" shall mean the later to occur of the following dates: (a) the date this Addendum No. 5 is fully executed, and (b) the date upon which Lessor advises Lessee in writing that Lender Approval has been received (the "**Lender Approval Notification Date**"). Lessor shall use commercially reasonable, good faith, diligent efforts to obtain Lender Approval as soon as is reasonably possible following the full execution of this Addendum No. 5. If the Lender Approval Notification Date does not occur within forty (40) days following the date on which this Addendum No. 5 has been fully executed by Lessor and Lessee, then Lessee shall have the right to cancel this Addendum No. 5 upon five (5) days' prior written notice to Lessor, such notice to be given, if at all, prior to the Lender Approval Notification Date. If the Lender Approval Notification Date does not occur within fifty-five (55) days following the date on which this Addendum No. 5 has been fully executed by Lessor and Lessee, then, provided Lessor has used its commercially reasonable good faith diligent efforts to obtain Lender Approval as required above, Lessor shall have the right to cancel this Addendum No. 5 upon five (5) days' prior written notice to Lessee, such notice to be given, if at all, prior to the Lender Approval Notification Date. If this Addendum No. 5 is cancelled by Lessor or Lessee as aforesaid, (i) this Addendum No. 5 shall be null and void as if the same had never been executed by Lessor and Lessee, (ii) the Lease as un-amended by this Addendum No. 5 shall remain in full force and effect, and (iii) neither party hereto shall have any rights against or obligations to the other under this Addendum No. 5.

17. BROKER AND AGENT

Lessor and Lessee each represent and warrant one to another that, except as hereinafter set forth, neither of them has employed any broker in carrying on the negotiations, or had any dealings with any broker, relating to this Addendum No. 5. Lessee represents that it has employed CBRE, Inc., as its broker. Lessor represents that it has employed Tishman Speyer Properties, L.P., as its broker. Lessor, pursuant to separate written agreements, has agreed to pay the commission of the aforementioned brokers. Lessor shall indemnify and hold Lessee harmless, and Lessee shall indemnify and hold Lessor harmless, from and against all claim or claims for brokerage or other commission arising from or out of any breach of the foregoing representation and warranty by the respective indemnitor.

18. EXCULPATION

(A) Notwithstanding anything appearing to the contrary in the Lease (as amended hereby), Lessee shall not be entitled to enforce the liability and obligation of Lessor hereto to pay, perform and observe the obligations contained in the Lease (as amended hereby) by any action or proceeding against any member, shareholder, partner, manager, director, officer, agent, affiliate, beneficiary, trustee or employee of Lessor, or against any direct or indirect member,

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shareholder, partner or other owner of any such member, shareholder, partner, manager, director, officer, agent, affiliate or employee of Lessor, or against any director, officer, employee, agent, manager or trustee of any of the foregoing.

(B) Notwithstanding anything appearing to the contrary in the Lease (as amended hereby), Lessor shall not be entitled to enforce the liability and obligation of Lessee hereto to pay, perform and observe the obligations contained in the Lease (as amended hereby) by any action or proceeding against any member, shareholder, partner, manager, director, officer, agent, affiliate, beneficiary, trustee or employee of Lessee, or against any direct or indirect member, shareholder, partner or other owner of any such member, shareholder, partner, manager, director, officer, agent, affiliate or employee of Lessee, or against any director, officer, employee, agent, manager or trustee of any of the foregoing.

19. CONFIDENTIALITY

Lessee acknowledges and agrees that the terms of this Addendum No. 5 are confidential and constitute proprietary information of Lessor. Disclosure of the terms hereof could adversely affect the ability of Lessor to negotiate other leases and/or lease amendments with respect to the Building and may impair Lessor's relationship with other tenants of the Building. Lessee agrees that it and its partners, officers, directors, and employees shall not, without the prior written consent of Lessor, make any public disclosure of the terms and conditions of this Addendum No. 5 other than (a) in Lessee's ordinary course of business to Permitted Recipients, and (b) if required by applicable laws or governmental authorities (including, without limitation, any legal disclosures required with respect to Lessee's status as a publicly traded corporation). Lessee shall use commercially reasonable, good faith efforts to cause the Permitted Recipients to comply with the confidentiality provisions set forth herein.

20. OTHER TERMS AND PROVISIONS

All other provisions of the Lease shall remain in effect and unchanged except as modified herein, and all terms, covenants and conditions shall remain in effect as modified by this Addendum No. 5. If any provision of this Addendum No. 5 conflicts with the Lease, the provisions of this Addendum No. 5 shall control.

[Signature pages to follow]

[Remainder of page left intentionally blank]

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IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum No. 5 to be signed in their names under seal by themselves or by their duly authorized representatives and delivered as their act and deed, intending to be legally bound by all its terms and conditions.

LESSOR:

1201 F STREET, L.P.,
a Delaware limited partnership

By: /s/ Steven R. Wechsler

Name: Steven R. Wechsler

Title: Managing Director

LESSEE:

CRA INTERNATIONAL, INC., formerly known as Charles River Associates
Incorporated, a Massachusetts corporation

By: /s/ Chad M. Holmes

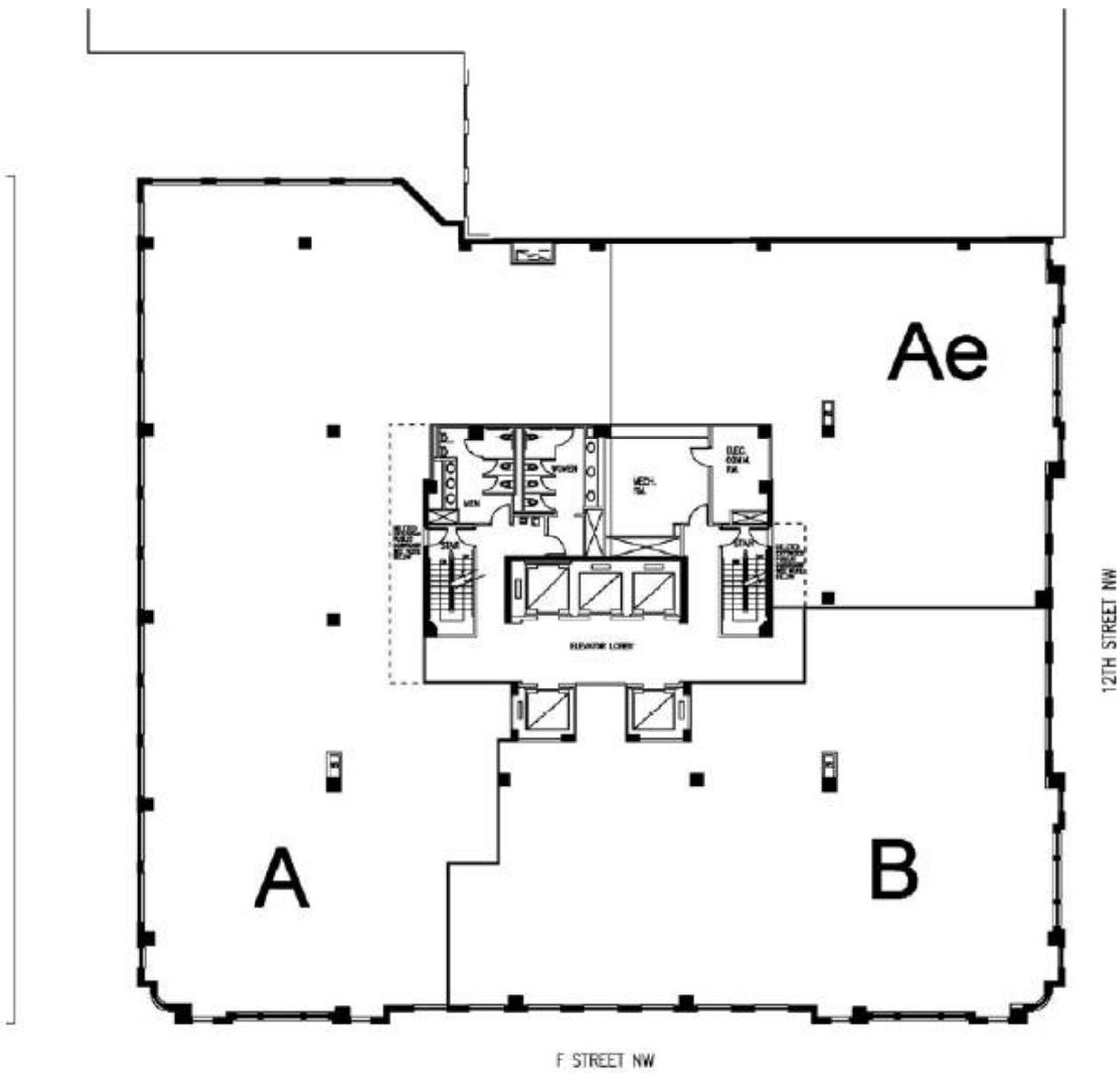
(SEAL)

Name: Chad M. Holmes

Title: Chief Financial Officer, Exec. Vice President and Treasurer

EXHIBIT A-1

ADDITIONAL GIVE-BACK PREMISES ("B") AND RE-INCLUDED SPACE ("Ae")



14 APRIL 2015

SUITE	USEABLE AREA	FLOOR COMMON	FLOOR SUBTOTAL	BUILDING COMMON	TOTAL RENTABLE
A	7,626	813	8,439	774	9,213
Ae	3,505	373	3,878	365	4,243
SubTotal	11,131	1,186	12,317	1,139	13,440
B	5,289	582	5,831	535	6,366
TOTAL	16,400	1,748	18,148	1,664	19,812

**1201 F STREET NW
WASHINGTON, DC
SEVENTH FLOOR**



NOTE: INITIAL SUITES A B AND EXPANSION AREA Ae ARE RE-MEASURED TO REFLECT THE ELIMINATION OF THE PUBLIC CORRIDOR EXTENSIONS PREVIOUSLY INCLUDED IN THE FLOOR COMMON AREAS.

EXHIBIT A-2

GIVE-BACK STORAGE SPACE

[see attached]

EXHIBIT A-3

SWING SPACE

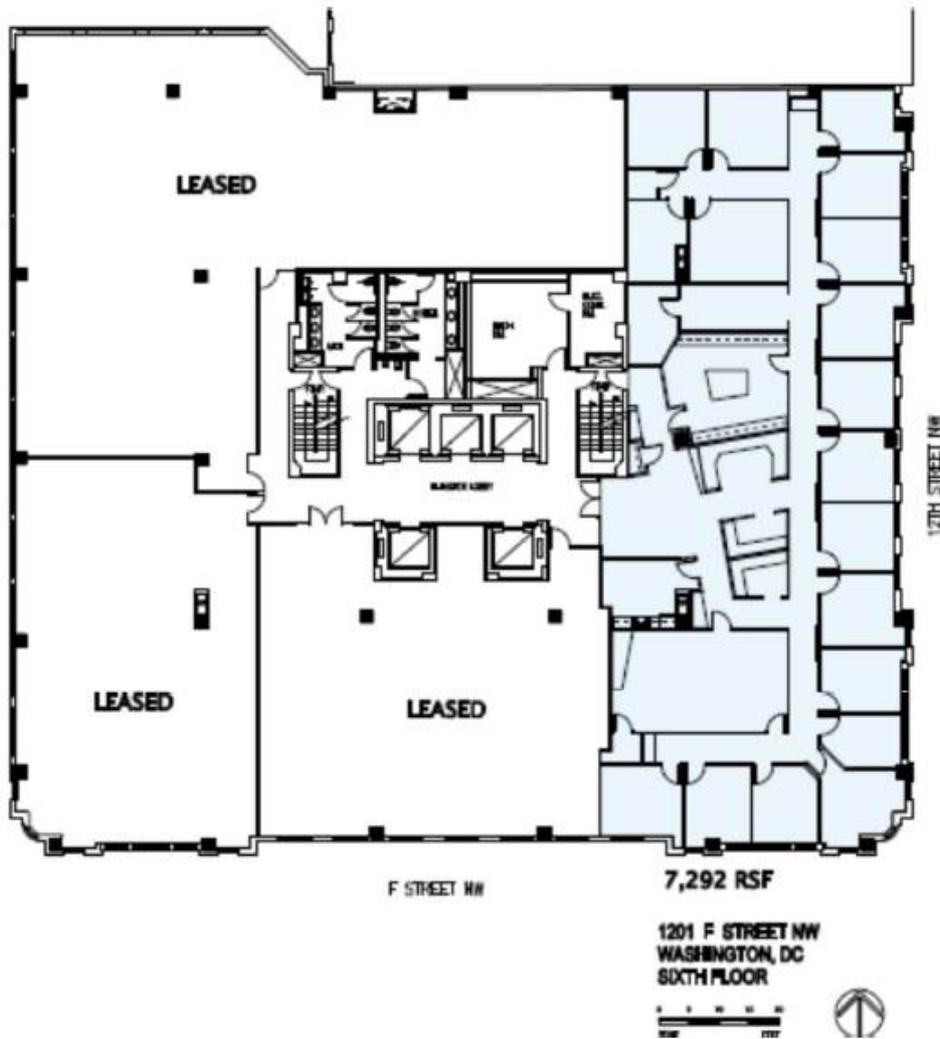


EXHIBIT B

WORK AGREEMENT

This Work Agreement is a part of Addendum No. 5. In the event of any conflict between the terms of this Work Agreement and the terms of the Lease (as amended by Addendum No. 5), the terms of this Work Agreement shall control.

Article 1 - Definitions

1. Definitions.

1.1 “**Base Building Plans**” means the base building plans and specifications for the Building.

1.2 “**Base Building Systems**” means the structural components of the Building and the mechanical, electrical, plumbing, sanitary, sprinkler, heating, ventilation and air conditioning, security, life-safety and other service systems or facilities of the Building up to the point of connection for localized distribution to the Demised Premises and the mechanical, electrical, plumbing, heating, ventilation and air conditioning, elevators and other service systems or facilities servicing the common areas of the Building.

1.3 “**Change Order**” means any change in any of Lessee’s Plans after Lessor has approved any such plan and/or any change in the work or materials to be included in the Leasehold Improvements.

1.4 “**Comparable Building**” means first-class office buildings of comparable age and size in the central business district of the District of Columbia.

1.5 “**Contractor**” means the general contractor selected by Lessee in accordance with the terms of this Work Agreement to construct and install the Leasehold Improvements.

1.6 “**Construction Costs**” means all costs in the permitting, demolition, construction and installation of the Leasehold Improvements and acquiring the materials for the Leasehold Improvements.

1.7 “**Effective Date**” has the meaning given such term in Addendum No. 5.

1.8 “**Engineers**” means the mechanical, electrical, plumbing and structural and engineers and other licensed third-parties selected by Lessee to assist in the preparation of Lessee’s Plans.

1.9 “**Essential Subs**” means those subcontractors to be specifically designated by Lessor acting reasonably for purposes of working on the Building mechanical, energy management, structural, exterior windows (including window removal and reinstallation for hoisting purposes), roof (excluding HVAC), sprinkler and fire and life safety systems.

1.10 “**Final Space Plan**” means a detailed space plan for the Leasehold Improvements prepared by Lessee’s Architect, which space plan shall be substantially in conformance with the Preliminary Plan approved by Lessor and any updates or changes thereto approved by Lessor and shall contain the information and otherwise comply with the requirements set forth on Annex 2 attached hereto.

1.11 “**Improvement Costs**” means, collectively, (i) the Soft Costs; (ii) the Construction Costs; and (iii) Lessor’s Fee.

1.12 “**Leasehold Improvements**” means the improvements set forth in Lessee’s Plans as approved by Lessor in accordance with the terms of this Work Agreement.

1.13 “**Lessee’s Architect**” means the architect engaged by Lessee to design the Leasehold Improvements and prepare Lessee’s Plans.

1.14 “**Lessee’s Contractors**” means Contractor and all subcontractors and subsubcontractors (including the Essential Subs) who will work on the Leasehold Improvements.

1.15 “**Lessee’s Equipment**” means any telephone, telephone switching, telephone and data cabling, furniture, computers, servers, Lessee’s trade fixtures and other personal property to be installed by or on behalf of Lessee in the Demised Premises.

1.16 “**Lessee’s Plans**” means the Preliminary Plan, the Final Space Plan and the Plans and Specifications.

1.17 “**Lessee’s Representative**” means Renee Collins, whose address is 750 9th Street, NW, Suite 900, Washington, DC 20001, and whose telephone number is (202) 783-8200.

1.18 “**Lessor’s Contribution**” means an amount equal to Two Million Eight Hundred Seventeen Thousand Seventy Dollars (\$2,817,070.00).

1.19 “**Lessor’s Fee**” means a fee payable to Lessor equal to either (a) one percent (1%) of the Construction Costs (if Lessee retains a third-party project manager, other than Lessor or its affiliate, in connection with the Leasehold Improvements) or (b) three percent (3%) of the Construction Costs (if Lessor does not retain a third-party project manager, other than Lessor or its affiliate, in connection with the Leasehold Improvements), as applicable.

1.20 “**Lessor’s Representative**” means Rustom Cowasjee, whose address is Tishman Speyer Properties, 1875 Eye Street, NW, Suite 300, Washington, DC 20006 and whose telephone number is (202) 420-2123 and whose telecopier number is (202) 777-0370.

1.21 “**Permits**” means all necessary permits in connection with the Leasehold Improvements.

1.22 “**Plans and Specifications**” means all architectural plans, construction drawings and specifications necessary and sufficient (i) for the construction of the Leasehold Improvements in accordance with the Final Space Plan and (ii) to enable the Contractor to obtain all necessary

Permits for the construction of the Leasehold Improvements, and which shall contain the information and otherwise comply with the requirements set forth on Annex 3 attached hereto.

1.23 “**Preliminary Plan**” means a preliminary space plan prepared by Lessee’s Architect showing the general layout of the Demised Premises upon completion of the Leasehold Improvements, which space plan shall contain the information and otherwise comply with the requirements set forth on Annex 1 attached hereto.

1.24 “**Punch List Work**” means minor details of construction, decoration and mechanical adjustment, if any, the noncompletion of which do not materially interfere with the use of the relevant portion of the Building.

1.25 “**Soft Costs**” means the sum of (a) all architectural, space planning, engineering and other costs related to the design of the Leasehold Improvements including, without limitation, the fees of Lessee’s Architect, the Engineers and the professionals preparing and/or reviewing Lessee’s Plans (or any of them), plus (b) the cost of relocating Lessee’s furniture, fixtures and equipment to the Demised Premises, the cost of installing networking and wiring in the Demised Premises and the cost of purchasing furniture, fixtures and equipment (including audiovisual equipment) for use in the Demised Premises.

1.26 “**Substantial Completion**” means, as to any construction performed by any party, that such work has been completed, as reasonably mutually determined by Lessor’s architect and Lessee’s architect, in accordance with (a) the provisions of the Lease (as amended by Addendum No. 5) applicable thereto, and (b) the plans and specifications for such work, except for any Punch List work.

Capitalized terms used but not defined in this Work Agreement shall have the meanings given such terms in the Lease (as amended by Addendum No. 5).

Article 2 — Plans

2.1 **Lessee’s Architect and Engineers.** Lessee has or will retain Lessee’s Architect to design the Leasehold Improvements and prepare Lessee’s Plans. Lessee’s Architect and the Engineers shall be subject to Lessor’s reasonable approval, which approval shall not be unreasonably withheld, conditioned or delayed.

2.2 **Preliminary Plan.** Lessor has previously approved the Preliminary Plan.

2.3 Final Space Plan. Lessor has previously approved the Final Space Plan.

2.4 Plans and Specifications. Lessor has previously approved the Plans and Specifications.

2.5 Changes to Plans.

(a) In the event of any Change Order or in the event that Lessor determines that any of Lessee's Plans have not been prepared in accordance with the requirements of this Work Agreement, Lessee shall be solely responsible for all costs and expenses and for all delays in

reoccupancy by Lessee resulting therefrom including, without limitation, costs or expenses relating to (i) any additional architectural or engineering services and related design expenses; (ii) any reasonable architectural or engineering costs incurred by Lessor in connection with its review of such requested change; (iii) any changes to materials in process of fabrication; (iv) cancellation or modification of supply or fabricating contracts; (v) removal or alteration of work or plans completed or in process; or (vi) delay claims made by Contractor.

(b) No changes shall be made to any of Lessee's Plans and no Change Orders shall be implemented without the prior written approval of Lessor, which approval shall not be unreasonably withheld, conditioned or delayed (but which shall be subject to the Alterations limitations set forth in the Lease). All Change Orders shall be in writing and shall be on such AIA form as is required by Lessor and/or Contractor. Lessee shall evidence in writing its approval of any Change Order prior to requesting Lessor's approval of same.

2.6 General Plan Provisions.

(a) Lessee shall cause (i) Lessee's Plans to comply with all Applicable Laws; (ii) Lessee's Plans to be prepared by Lessee's Architect and the Engineers in accordance with the terms of this Work Agreement and in conformity with the Base Building Plans and the base Building systems (including, without limitation, the base Building HVAC, mechanical, electrical, plumbing and life safety systems); (iii) the Plans and Specifications to be sufficient to enable Contractor (with respect to the Plans and Specifications) to obtain all necessary Permits; and (iv) the Plans and Specifications to be prepared using the AutoCAD Computer Assisted Drafting and Design System format. Lessee shall cause Lessee's Plans not to include any Leasehold Improvements that will or that reasonably might be anticipated to (1) interfere with the normal operation of the Building, Building operations, or the Base Building Systems; (2) materially increase maintenance or utility charges for operating the Building in excess of the standard requirements for Comparable Buildings, or (3) affect the exterior or structure of the Building. Lessee shall cause Lessee's Plans to include as part of the Leasehold Improvements the construction of a Building standard demising wall to separate the Additional Give-Back Premises from the balance of the Demised Premises located on the seventh (7th) floor of the Building.

(b) Any provision of this Work Agreement or the Lease (as amended by Addendum No. 5) to the contrary notwithstanding, Lessor's approval of the Plans and Specifications shall not constitute an assurance by Lessor that the Plans and Specifications satisfy any Applicable Laws or are sufficient to enable the Contractor to obtain a building permit for the undertaking of the Leasehold Improvements. If Lessor notifies Lessee at any time that the Plans and Specifications must be revised due to their failure to comply with the terms of this Work Agreement, such revisions shall be made at Lessee's expense and any delay arising in connection therewith shall constitute a Lessee delay and shall not give rise to any claim or cause of action against Lessor.

(c) Prior to making or installing any of the Leasehold Improvements, Lessee shall perform a field verification to independently determine the existing conditions, specifications and dimensions of the Demised Premises and any variances from the Base Building Plans.

(d) Lessee has appointed Lessee's Representative for purposes of granting any consents or approvals by Lessee under this Work Agreement and for authorizing and executing any and all Change Orders or other documents in connection with this Work Agreement and Lessor shall have the right to rely on Lessee's Representative's consent, approval, authorization or execution as aforesaid.

(e) Lessor has appointed Lessor's Representative for purposes of granting any consents or approvals by Lessor under this Work Agreement and for authorizing and executing any and all Change Orders or other documents in connection with this Work Agreement and Lessee shall have the right to rely on Lessor's Representative's consent, approval, authorization or execution as aforesaid.

(f) Lessee shall reimburse Lessor for all reasonable out-of-pocket costs incurred by Lessor in reviewing any proposed Lessee Plans and Change Orders within thirty (30) days after Lessee's receipt of an invoice therefor.

Article 3 — Construction

3.1 Lessor Improvements. Except as might be expressly set forth in Addendum No. 5 to the contrary, Lessor has no obligation to do any other work or pay any amounts with respect to the Demised Premises.

3.2 Leasehold Improvements. Lessee shall, at Lessee's expense, Substantially Complete the Leasehold Improvements in a good and workmanlike manner and in accordance with the terms of this Work Agreement not later than on October 31, 2015. Except to the extent that the Plans and Specifications provide otherwise, Lessee will cause the Leasehold Improvements to be constructed of new materials commensurate with the level of improvements for a typical first-class tenant in Comparable Buildings.

3.3 General Contractor.

(a) Lessor has previously approved the contract and general contractor (Rand Construction) relating to the construction of the Leasehold Improvements.

(b) The Contractor shall be responsible for all required construction, management and supervision of the Lessee Improvement work.

3.4 Subcontractors. Lessor shall have the right to approve Lessee's subcontractors, such approval not to be unreasonably withheld, conditioned or delayed.

3.5 Certain Essential Work. All Lessee Improvement connections or tie-ins to the base Building energy management, sprinkler and fire and life safety systems shall be performed at Lessee's expense by the applicable Essential Sub. All Lessee Improvement work relating to the Building exterior walls and windows (including window removal and reinstallation for hoisting purposes), and the roof (excluding HVAC), shall be performed at Lessee's expense by the applicable Essential Sub.

3.6 Permits. Prior to commencement of the Leasehold Improvements, Lessee shall, at Lessee's expense, obtain the Permits.

3.7 Pre-Construction Deliveries. Not fewer than ten (10) days prior to commencement of construction of the Leasehold Improvements, Lessee shall deliver the following information and items to Lessor:

- (a) the names and addresses of Lessee's Contractors;
- (b) the schedule for commencement of construction, the estimated date of Substantial Completion, the fixturing work and the date on which Lessee will commence occupancy of the Demised Premises for the conduct of Lessee's business;
- (c) Lessee's itemized statement of the estimated Improvement Costs;
- (d) certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement; and
- (e) a copy of the Permits.

3.8 Lessee's Equipment. Lessee, at Lessee's expense, shall be responsible for ordering and for the delivery and installation of Lessee's Equipment.

3.9 Post Construction Activities. Prior to Lessee's use or reoccupancy of the Demised Premises or any portion thereof and Lessor's disbursement of any portion of the Retainage, Lessee shall, at Lessee's expense, deliver to Lessor all certifications and approvals with respect to the Leasehold Improvements that may be required from any governmental authority and/or any board or fire underwriters or similar body for the use and/or occupancy of the Demised Premises; and certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement.

3.10 General Construction Provisions.

(a) Any damage caused by Lessee's Contractors to any portion of the Building or to any property of Lessor or other tenants shall be repaired forthwith after written notice from Lessor to its condition prior to such damage by Lessee at Lessee's expense.

(b) Lessee and Lessee's Contractors shall access the Demised Premises via the Building freight elevator, work in harmony and not interfere with the performance of other work in the Building.

(c) If at any time such entry shall cause, or in Lessor's reasonable judgment threaten to cause, such disharmony or interference, Lessor may terminate such permission upon 24 hours' notice to Lessee, and thereupon, Lessee or its employees, agents, contractors, and suppliers causing such disharmony or interference shall immediately withdraw from the Demised Premises and the Building until Lessor reasonably determines such disturbance no longer exists.

(d) Lessee shall comply with and cause Lessee's Contractors to comply with the rules and regulations attached hereto as Annex 4-Construction Rules and Regulations and such other reasonable rules and regulations as Lessor from time to time establishes concerning construction work in the Building.

3.11 Access During Construction. At least one elevator to the Demised Premises shall be available at all times during construction, to be coordinated with Lessor's construction or property management representative, to bring materials to the space for the purposes of modifying the Demised Premises. Subject to the rules and regulations attached hereto as Annex 4-Construction Rules and Regulations and such other reasonable rules and regulations as Lessor from time to time establishes concerning construction work in the Building, Lessor shall assure Lessee of adequate access to the Demised Premises during construction of Leasehold Improvements.

3.12 Miscellaneous. Lessor, at Lessor's sole cost and expense, shall provide during normal business hours, reasonable electric power, water, sewer and HVAC during Lessee's construction of the Leasehold Improvements. Except as otherwise noted Lessee shall not be responsible for any additional Building charges (including, but not limited to, freight elevator usage, operator's cost, staging area costs, loading dock fees, security guard fees, or utility charges) in connection with Lessee's construction during normal business hours.

Article 4 — Improvement Costs and Lessor's Contribution

4.1 Improvement Costs. Lessee shall be responsible for the full and timely payment of all Improvement Costs, subject to Lessor's disbursement of Lessor's Contribution as provided in this Work Agreement. Lessor shall make disbursements from Lessor's Contribution as invoices are rendered to Lessor, provided that Lessor has received partial or final (as applicable) lien waivers and such other documentation as Lessor may reasonably require from the party requesting such payment. Lessor shall have the right to deduct Lessor's Fee from Lessor's Contribution as and when Lessor makes disbursements from Lessor's Contribution. Lessee agrees that Lessor's Contribution must be applied relatively proportionately towards the payment of Improvements Costs for the entire Demised Premises.

4.2 Lessor's Contribution. Lessor shall disburse an amount not to exceed Lessor's Contribution toward the Improvement Costs; provided, however, that the portion of Lessor's Contribution to be applied against Soft Costs shall not exceed Five Hundred Sixty-Two Thousand Nine Hundred

4.3 Disbursement of Lessor's Contribution.

(a) Lessor shall make progress payments to Lessee (or, at Lessee's election, Lessee's general contractor) from Lessor's Contribution for the work performed during the previous month, less a retainage of ten percent (10%) of each progress payment ("**Retainage**"), such that if all conditions set forth in this Exhibit to Lessor's obligation to make a progress payment have been satisfied and (i) the invoice for which Lessee seeks a progress payment states that the Retainage has been deducted from the total amount owed, the progress payment will be for entire amount that is then payable under such invoice, and (ii) the invoice for which Lessee seeks a progress payment does not state that the Retainage has been deducted from the total amount owed, the progress

payment will be for ninety percent (90%) of the invoiced amount. Prior to disbursement of the first progress payment, Lessor shall have received a copy of Lessee's construction contract with the Contractor and Lessee's budget (showing all Improvement Costs) for the Leasehold Improvements. Each progress payment shall be limited to that fraction of the total amount of such payment, the numerator of which is the amount of Lessor's Contribution and the denominator of which is the total contract price (or, if there is no specified or fixed contract price for the Leasehold Improvements, then Lessor's reasonable estimate thereof) for the performance of all of the Leasehold Improvements shown Lessee's Plans as approved by Lessor.

(b) Prior to disbursement of the first progress payment, Lessor shall have approved Lessee's construction contract with the Contractor and Lessee's budget (showing all Improvement Costs) for the Leasehold Improvements, such approvals not to be unreasonably withheld, conditioned or delayed.

(c) If Lessor receives Lessee's request (together with the supporting documentation required hereunder) for a disbursement from Lessor's Contribution on or before the twentieth (20th) day of a month, Lessor will make such disbursement not later than on the last day of the first calendar month following the calendar month during which Lessor received such request. If Lessor receives Lessee's request (together with the supporting documentation required hereunder) for a disbursement from Lessor's Contribution after the twentieth (20th) day of a month, Lessor will make such disbursement not later than on the last day of the second calendar month following the calendar month during which Lessor received such request. Each of Lessee's requisitions for a disbursement from Lessor's Contribution shall be signed by Lessee's Representative, shall set forth the names of each contractor and subcontractor to whom payment is due or for which Lessee seeks reimbursements for payments made by Lessee and the amount thereof, and shall be accompanied by:

(i) with respect to the first requisition, copies of conditional waivers and releases of lien upon progress payment in such form as Lessor reasonably requires from all of Lessee's Contractors and material suppliers covering all work and materials for which the progress payment is being made, and after the first requisition, copies of conditional waivers and releases of lien upon progress payment in such form as Lessor reasonably requires from all of Lessee's Contractors and material suppliers covering all work and materials for which the progress payment is being made, together with copies of unconditional waivers and releases of lien upon progress payment in such form as Lessor reasonably requires from all of Lessee's Contractors and material suppliers covering all work and materials which were the subject of previous progress payments by Lessor and Lessee;

(ii) Lessee's Architect's written certification that the work for which the requisition is being made has been Substantially Completed in accordance with the Plans and Specifications; and

(iii) such other documents and information as Lessor may reasonably request.

(d) Lessor shall disburse the Retainage upon submission by Lessee to Lessor of Lessee's requisition therefor accompanied by all documentation required above, together with:

(i) Lessee's Architect's written certification of final completion of the Leasehold Improvements in accordance with the Plans and Specifications. In addition, Lessor with the opportunity to inspect the Demised Premises so that Lessor can be reasonably satisfied of the final completion of the Leasehold Improvements in accordance with the Plans and Specifications;

(ii) a copy of all certifications and approvals with respect to the Leasehold Improvements that may be required from any Governmental Authority and/or any board or fire underwriters or similar body for the use and/or reoccupancy of the Demised Premises;

(iii) final waivers and releases of lien in such form as Lessor reasonably requires from all of Lessee's Contractors and material suppliers;

(iv) certificates of insurance evidencing all insurance coverage required under the Lease and this Work Agreement;

(v) a copy of each guaranty, warranty and O&M manual in PDF format applicable to the Leasehold Improvements. At Lessor's request, Lessee shall enforce, at Lessee's expense, all guarantees and warranties made with respect to the Leasehold Improvements; and

(vi) final certified air balance reports for the Demised Premises. Final "as-built" plans in electronic form prepared on the AutoCAD Computer Assisted Drafting and Design System, using naming conventions, as well as a copy thereof in PDF format.

4.4 Special Application of Lessor's Contribution. If any portion of Lessor's Contribution remains after final payment of all Improvement Costs, such remaining portion shall be retained by and belong to Lessor.

4.5 Additional Rent. All amounts payable by Lessee pursuant to this Work Agreement shall be deemed to be additional rent for purposes of the Lease.

4.6 Conditions to Advance. Any provision of the Lease or this Work Agreement to the contrary notwithstanding, Lessor shall have no obligation to make any payment or disbursement from Lessor's Contribution (i) if the Lease is not in full force and effect or there exists any default by Lessee beyond any applicable notice and/or cure period; (ii) for any deposit or off-site prefabrication, whether for Leasehold Improvements, Lessee's Equipment or otherwise; (iii) for any Leasehold Improvements that is not in place at the Demised Premises; or (iv) for any Lessee's Equipment not located at the Demised Premises.

4.7 Failure to Pay Contractors. Any provision of the Lease or this Work Agreement to the contrary notwithstanding, assuming Lessor funds disbursement requests in accordance with the terms of this Work Agreement, if Lessee does not pay any of Lessee's Contractors or material suppliers, Lessor shall have the right, but not the obligation, to promptly pay to such contractor or supplier all sums so due from Lessee, and Lessee agrees the same shall be deemed Additional Rent and shall be paid by Lessee within ten (10) days after Lessor delivers to Lessee an invoice therefor.

4.8 Excess Costs. If Lessor reasonably determines at any time that the Improvement Costs exceed or might exceed the remaining Lessor's Contribution (the "**Excess Cost**"), Lessee shall pay such Excess Cost to Lessor within thirty (30) days after Lessee's receipt of a written

request therefor. Once Lessor has received the Excess Cost payment and the full amount of the Excess Cost held by Lessor has been used to pay Improvement Costs, Lessor shall apply the remaining Lessor's Contribution towards payment of the Improvement Costs.

Annex 1

Requirements for Preliminary Space Plan

Floor plans showing partition arrangement including the following information:

- a. space plan showing the general layout of offices, open plan areas and special tenant areas;
 - b. typical individual work station layouts;
 - c. show door locations and door swings in partitions;
 - d. identify general location and size of interconnecting stairs;
 - e. indicate preliminary furniture layout for typical offices and work stations, conference rooms, employee lounge, reception area, training room and print room;
 - f. indicate locations for coffee rooms and shower rooms; and
 - g. preliminary locations for built-in millwork.
-

Annex 2

Requirements for Final Space Plan and Design Development Review

Floor plans, together with related information for mechanical, electrical and plumbing design work, showing partition arrangement (3 sets), including without limitation the following information:

- a. identify the location of conference rooms and density of occupancy;
- b. indicate the density of occupancy for all rooms, except individual use rooms such as offices;
- c. identify the location of any food service areas or vending equipment rooms;
- d. identify areas, if any, requiring 24 hour air conditioning;
- e. indicate those partitions that are to extend from floor to underside of structural slab above or require special acoustical treatment;
- f. identify the location of rooms for telephone equipment other than Building core telephone closet, identify type of equipment for these rooms;
- g. identify the locations and types of plumbing required for toilets (other than core facilities), sinks, drinking fountains, etc.;
- h. indicate light switches in offices, conference rooms and all other rooms in the Demised Premises;
- i. indicate the layouts for specially installed equipment, including computer and duplicating equipment, the size and capacity of mechanical and electrical services required and heat rejection of the equipment;

- j. indicate the location of: (A) electrical receptacles one hundred twenty (120) volts, including receptacles for wall clocks, and telephone outlets and their respective locations (wall or floor), (B) electrical receptacles for use in the operation of Lessee's business equipment which requires 208 volts or separate electrical circuits, (C) electronic calculating and CRT systems, etc., and (D) special audio-visual requirements;
 - k. indicate proposed layout and location of any of special equipment (e.g., fire suppression equipment for computer room);
 - l. indicate the swing of each door;
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- m. indicate any special file systems to be installed which would require special construction; and
 - n. lighting layouts for each floor.
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Annex 3

Requirements for Plans and Specifications

Final architectural detail and working drawings, finish schedules and related plans in PDF format including without limitation the following information and/or meeting the following conditions:

- a. specifications of all materials, colors and suppliers/manufacturers of wallcoverings, floor coverings, ceiling systems, window coverings and other finishes; all millwork shall be fully detailed to the appropriate level for pricing and construction; all specialty items shall be identified as particular products; and paintings and decorative treatment required to complete all construction;
 - b. complete, finished, detailed mechanical, electrical, plumbing and structural plans and specifications for the Leasehold Improvements, including but not limited to the fire and life safety systems and all work necessary to connect any special or non-standard facilities to the Building's base mechanical systems; and
 - c. all final floor plans must be drawn to a scale of one-eighth (1/8) inch to one (1) foot except for larger scaled detailed drawings. Any architect or designer acting for or on behalf of Lessee shall be deemed to be Lessee's agent in all respects with respect to the design and construction of the Demised Premises.
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Annex 4

Construction Rules and Regulations

1. Lessee and/or the general contractor will supply Lessor with a copy of all permits prior to the start of any work.
2. Lessee and/or the general contractor will post the building permit, as required by applicable regulations, within the Demised Premises while work is being performed.
3. The Lessee shall provide, in writing, prior to commencement of the work, the names and emergency numbers of all subcontractors, the general contractor superintendent, general contractor's project manager and the Project Manager.
4. No construction is to be started until the drawings required under the Work Agreement have been submitted and approved in writing by Lessor.
5. Lessor is to be contacted by Lessee when work is completed for final inspection. All damage to building will be determined at that time unless determined earlier.
6. Any work that is to be performed in other than Lessee's Demised Premises must be reviewed and scheduled in advance with the Lessor.
7. Lessor will be notified of all work schedules of all workmen on the job and will be notified, in writing, in advance, of names of those who may be working in the building after "normal" business hours.
8. Construction personnel must carry proper identification at all times.
9. All workers to be appropriately dressed for their work responsibility.
10. Lessor must approve all roof top equipment and placement. All penetrations must be cut and flashed by the roof warranty holder of the existing roof system.
11. Lessor shall designate contractor-parking areas (if any).
12. Contractor must notify Lessor two days prior to an independent air balancing service by a certified air balance company. Lessor's building engineer will accompany the contractor during their work. Lessor must receive a copy of the final approved balance report.

13. Before Lessor makes final payment, five sets of as-built and all O&M manuals as well as a CADD disc must be submitted to Lessor.
 14. The general contractor and Lessee shall be responsible for all loss of their materials and tools and shall hold Lessor harmless for such loss and from any damages or claims resulting from the work.
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15. The general contractor shall maintain insurance coverage throughout the job of a type(s), in amounts and issued by an insurance company, reasonably satisfactory to Lessor and licensed to write the type of coverage so required in the jurisdiction in which the Building is located. Prior to the commencement of work, a Certificate of Insurance must be submitted with the limits of coverage per the limits noted in the Lease with such parties being named as additional insureds as Lessor requires from time to time.
 16. All key access, fire alarm work, or interruption of security hours must be arranged with the Lessor.
 17. Proper supervision shall be maintained at the job site at all times and Lessee's workmen, mechanics and contractors must not unreasonably interfere with the Buildings operations or Lessor. Lessee's workmen, mechanics and contractors shall use good faith efforts to work in harmony with and shall not unreasonably interfere with any labor employed by the property manager or any other Lessee, or their workmen, mechanics and contractors.
 18. Lessor is to be notified in advance of all ties into Base Building Systems, welding, or any work affecting the base building or other tenant spaces unless agreed to otherwise, all tie-ins to base building fire alarm systems are performed by Lessor, designated contractor and cost borne by Lessee.
 19. The following work, of which Lessor is to be notified in advance, must be done on overtime and not during normal business hours once any portion of the building is occupied (by tenants other than the property management office):
 - Demolition which per building manager's judgment may cause disruption to other tenants.
 - Oil base painting (on multi-tenant floors)
 - Gluing of carpeting (on multi-tenant floors)
 - Shooting of studs for mechanical fastenings
 - Testing of life safety system, sprinkler tie-ins.
 - Work performed in occupied spaces.
 - Welding, brazing, soldering and burning with proper fire protection and ventilation.
 - Other activities that, in building manager's judgment, may disturb other tenants.
 20. All building shutdowns — electrical, plumbing, HVAC equipment, fire and life-safety must be coordinated with Lessor in advance. Lessor's and Factory Mutual procedures for hot work, fire alarm and sprinkler shutdowns must be followed. Lessor's on-site engineer will detail the requirements summarized below:

 - Smoke detectors must be bagged or cleaned daily and placed back in service at the end of each day.
 - Call outs for fire alarm and sprinkler systems must be made with and only with Lessor's personnel and with the attached forms. All systems must be put back into service at the end of each work day and working correctly.
 - Hot work, i.e., torch burning/cutting and welding must be permitted through Lessor's personnel and contractor must use Lessor's form.
 - When welding, contractor shall provide a fused disconnect switch for connection to building power supply and a Fire Watch.
 - Forms are to be provided at kickoff meeting.
 21. Fire extinguishers supplied by the general contractor must be on the job-site at all times during demolition and construction
 22. No building materials are to enter the building by way of main lobby, and no materials are to be stored in any lobbies or fire stairs at any time.
 23. Contractors or personnel will use loading dock area for all deliveries and will not use loading dock for vehicle parking.
 24. Passenger elevators shall not be used for moving building materials and shall not be used for construction personnel except in the event of an emergency. The designated freight elevator and one or more protected passenger elevators are the only elevators to be used for moving materials and construction personnel. These elevators may be used only when they are completely protected as reasonably determined by Lessor's building engineer.
 25. Protection of hallway carpets, wall coverings, and elevators from damage with masonite board, carpet, cardboard, or pads is required. They may be removed from time to time as reasonably requested by the Lessor.
 26. Public spaces, corridors, elevators, bathrooms, lobby, etc. must be cleaned after use. Construction debris or materials found in public areas will be removed at Lessee's cost.

27. Contractors will remove their trash and debris daily or as often as necessary to maintain cleanliness in the building. Building trash containers are not to be used for construction debris. Lessor reserves the right to bill Lessee for any cost incurred to clean up debris left by the general contractor or any subcontractor (other than Contractor).
 28. All construction materials or debris must be stored within the project confines or in an approved lock-up.
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29. Contractors will be responsible for daily removal of waste foods, milk and soft drink containers, etc. to trash room and will not use any building trash receptacles but trash receptacles supplied by them.
 30. Construction personnel are not to eat in the lobby or in front of building nor are they to congregate in the lobby or in front of building.
 31. There will be no smoking, eating, or open food containers in the elevators, carpeted areas or public lobbies.
 32. There will be no alcohol or controlled substances allowed or tolerated.
 33. There will be no yelling or boisterous activities.
 34. Radios shall not be played on job site, except that radios shall be permitted until the first tenant occupies any portion of the Building. In any event, radio volume shall be kept to a reasonable level as reasonably determined by Lessor.
 35. Lessor shall grant access to the base building electrical, telephone and mechanical rooms.
 36. No utilities (electricity, water, gas, plumbing) or services to the tenants are to be cut off or interrupted without first having requested, in writing, and secured, in writing, the permission of Lessor (which shall not be unreasonably withheld, conditioned or delayed).
 37. No electrical services are to be put on the emergency circuit, without specific written approval from Lessor (which shall not be unreasonably withheld, conditioned or delayed).
 38. When utility meters are installed, the general contractor must provide the property manager with a copy of the operating instructions for that particular meter.
 39. All public areas such as elevator lobbies, corridors, toilets and service halls shall be protected with masonite and other such materials to the satisfaction of the building manager/representative or representative.
 40. Trash and debris resulting from the work shall be confined to either the interior of the space under construction or an on-site dumpster. If it is a dumpster, then such debris shall be kept within the confines of the dumpster. The general contractor shall coordinate the location of the dumpster with the landlord and plywood shall be used to protect the surface from damage.
 41. Contractor is responsible to keep the construction area safe and in a workmanlike manner. Machinery noise shall not interfere with the peaceful enjoyment of any tenant or their invitees to the building. No smoking in the building will be allowed at any time.
 42. Clear access to be provided at all times to stairwells, mechanical/electrical equipment and rooms, elevators, fire hoses, valves, fire dampers and maintenance sensitive equipment.
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43. Adequate lighting is to be provided in construction areas to achieve a safe working environment.
 44. A Lessee valve tag chart shall be submitted to the Lessor.
 45. All piping and wiring systems shall be adequately supported from building structure.
 46. The cleaning of condenser water pipes shall be done in the presence of the Lessor's representative with the chemical used per the building's chemical treatment company's recommendation.
 47. All mechanical and electrical equipment shall have permanent identification labels affixed.
 48. Kitchen exhaust access doors must be clearly identified and accessible for periodic inspection as required by law.
 49. All telecommunication cabling in common areas, mechanical equipment rooms, etc. shall be installed in an enclosed raceway and shall be identified.
 50. All air handlers, CAV boxes and VAV boxes need pre-filters (construction filters) installed over filter bank and may require periodic changes during the construction period until each floor is complete at which time a change out of filters is required. All units will be required to be cleaned thoroughly if the system is contaminated and this procedure is not maintained.
 51. All mechanical, telephone, electrical and pump room floors within the Demised Premises, must be painted at the end of the job. Damaged, stained or new walls and pipe, etc. must be painted to match existing pipes and new pipes must match Lessor's standard colors.
 52. If Lessee uses any elevator(s) during the performance of the Leasehold Improvements, after all tenant construction is complete, the mechanical equipment within the elevator shaft needs to be cleaned by the elevator service provider at tenant contractor's expense. This includes rails, pits and tops of cabs, but does not include the walls of the shaft.



CERTIFICATION

I, Paul A. Maleh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CRA International, 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 the 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 affect adversely 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 4, 2015

By: /s/ PAUL A. MALEH

Paul A. Maleh
President and Chief Executive Officer

QuickLinks

[Exhibit 31.1](#)

[CERTIFICATION](#)

CERTIFICATION

I, Chad M. Holmes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CRA International, 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 the 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 affect adversely 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 4, 2015

By: /s/ CHAD M. HOLMES

Chad M. Holmes
Chief Financial Officer, Executive Vice President and
Treasurer

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[Exhibit 31.2](#)

[CERTIFICATION](#)

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

In connection with the Quarterly Report on Form 10-Q of CRA International, Inc. (the "Company") for the quarter ended July 4, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned President and Chief Executive Officer and Executive Vice President, Treasurer, and Chief Financial Officer of the Company, certifies, to the best knowledge and belief of the signatory, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002, that:

- (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.

/s/ PAUL A. MALEH

/s/ CHAD M. HOLMES

Paul A. Maleh
President and Chief Executive Officer
Date: August 4, 2015

Chad M. Holmes
Chief Financial Officer, Executive Vice President
and Treasurer
Date: August 4, 2015

QuickLinks

[Exhibit 32.1](#)

[CERTIFICATION PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002](#)