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GOVERNMENT AFFAIRS CONSULTING AGREEMENT

THIS GOVERNMENT AFFAIRS CONSULTING AGREEMENT ("Agreement"), dated February 21, 2005, is between BEARINGPOINT, INC., having an office at 1676 International Drive, McLean, Virginia 22102 ("BearingPoint"), and Kathy L. Nealy & Associates, with her principal place of business at 1211 Willow Glen Drive, Dallas, Texas 75232 ("Consultant").

WITNESSETH

WHEREAS, Consultant has the knowledge and expertise in public affairs, government relations and political advocacy;

WHEREAS, BearingPoint desires to retain Consultant to perform such services ("Services") for BearingPoint;

NOW, THEREFORE, in consideration of the promises & mutual covenants contained herein, the Parties agree as follows:

1. SERVICES.

BearingPoint agrees to retain Consultant to perform the services described in Exhibit "A" hereto ("Services") and Consultant agrees to furnish the Services to BearingPoint on the terms and subject to the conditions set forth in this Agreement. In performing the Services, Consultant agrees to provide its own equipment, tools and other materials at its own expense. BearingPoint may make its facilities and equipment available to Consultant to the extent necessary to perform the Services as the parties may mutually agree. It is expressly understood that Consultant is an independent Consultant of BearingPoint and that Consultant shall use its professional discretion in determining the best means by which to perform the Services.

2. TERM AND TERMINATION.

The term of this Agreement shall begin on February 21, 2005, and conclude on December 31, 2005, or until termination. By written mutual agreement, the parties may renegotiate this agreement as necessary. The Agreement can be terminated by either party upon 30 days written notice. In addition, BearingPoint may terminate this Agreement immediately upon notice to consultant in the event of any material breach of this Agreement or obligations established hereunder by Consultant.

3. CONSULTANT'S COMPENSATION.

BearingPoint agrees to pay Consultant a fee of \$4000.00 per month for a total of \$41,000 in year one. In addition, BearingPoint shall reimburse Contractor its actual out-of-pocket expenses as reasonably incurred by Consultant in connection with the performance of Services provided that any expenses for an amount greater than two hundred dollars (\$200.00) shall be submitted to BearingPoint for its prior written approval. Consultant will not incur any expenses on BearingPoint's behalf that would violate any applicable laws or regulations including but not limited to laws regarding gratuities to government employees.

Consultant shall invoice BearingPoint on a monthly basis. Consultant shall track and report to BearingPoint on a monthly basis all activities taken on behalf of BearingPoint (the "Activity Report"). The invoices for all services and reimbursable expenses shall contain the following

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statement signed by the Consultant or if this Agreement is with a firm, an officer or authorized representative of the firm:

“I hereby certify to the best of my knowledge and belief, that this invoice is correct, and that all items invoiced are based upon actual costs incurred or services rendered consistent with the terms of this Agreement.”

The Activity Report shall also be certified by the Consultant or an officer or authorized representative as being accurate and complete. Consultant agrees that it shall not be entitled to, or receive any form of compensation or bonus that is based on or is contingent on the success or outcome of any government action in response to the services provided herein.

4. COMPLIANCE.

Consultant represents that Consultant has a full understanding of all applicable laws and regulations governing Consultant’s actions, including applicable restrictions, and prohibitions and reporting requirements. Consultant warrants that it will comply with all such laws and regulations in connection with the performance of Consultant’s duties hereunder including but not limited to fully and timely filing all required registrations, disclosures, and other forms and providing BearingPoint with all required information such that BearingPoint may comply with all required registrations and disclosure requirements. Consultant shall provide BearingPoint with a copy of any filings with a federal, state, or government agency filed pursuant to this agreement. Consultant shall immediately provide written notice to BearingPoint in the event of any actual or alleged noncompliances with the foregoing. In the event Consultant becomes the subject of any investigations or reviews by any State or Federal agency during the course of this engagement, Consultant shall promptly give Company notice of the same.

Consultant warrants that it shall make no communication to, or appear before any officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress with the intent to influence such individual in connection with any Federal contract, grant, loan, or cooperative agreement as set forth in Federal Acquisition Regulation Subpart 3.8.

5. CONSULTANT'S WARRANTIES AND REPRESENTATIONS.

Consultant warrants and represents that:

(a) Consultant's performance of the Services called for by this Agreement, shall be in compliance with and does not and shall not violate any applicable law, rule, or regulation and/or any contracts with third parties;

(b) Consultant represents that it is free to engage, without conflict with the interests of any other client or interference from any other activity, in the work necessary to actively represent BearingPoint’s interests and Consultant shall not provide any services on BearingPoint’s behalf that would cause Consultant to have an actual or apparent conflict of interest or that would otherwise cause an appearance of impropriety. Consultant shall immediately provide BearingPoint with written notice in the event Consultant’s services (whether performed or contemplated) have or could cause an actual or apparent conflict of interest or if the services could cause an appearance of impropriety;

- (c) Consultant has full right and authority to enter into this Agreement;
- (d) Consultant's Invoice and Activity Reports shall be complete and accurate;
- (e) Consultant shall not perform legal services or provide legal advice to BearingPoint under this Agreement; and
- (f) Consultant shall submit all appropriate reports on a timely basis to local government entities as may be required by virtue of its engagement and its performance of service herewith.

6. INDEMNIFICATION.

Consultant hereby agrees to indemnify, hold harmless and defend BearingPoint from and against all claims, liabilities, losses, expenses (including reasonable attorney's fees and reasonable legal expenses related to such defense), fines, penalties, or damages (collectively "Liabilities") asserted by any third party where such Liabilities arise out of or result from: (1) the negligence of Consultant in the course of providing any Services hereunder; or (2) the representations or warranties made by Consultant hereunder, or their breach. BearingPoint shall promptly notify Consultant of any third party claim and Consultant shall conduct the defense in any such third party action arising as described herein at Consultant's sole expense and BearingPoint shall cooperate with such defense.

7. OWNERSHIP AND CONFIDENTIALITY.

All information, documents, reports, data, records, forms and other materials developed by Consultant for BearingPoint or obtained by or disclosed to Consultant in the course of performing the Services, except for information that is in the public domain, are the proprietary, confidential and trade secret information of BearingPoint. Consultant will deliver to BearingPoint all tangible forms of such proprietary confidential and trade secret information and all copies thereof (and all other property obtained from or through BearingPoint) when BearingPoint requests the same or immediately upon termination or expiration of this Agreement, whichever occurs earlier.

Consultant agrees during the term of this Agreement and thereafter that it will take all steps reasonably necessary to hold BearingPoint's and any of its client's proprietary, confidential and trade secret information in trust and confidence. Consultant shall not use or disclose to any person, firm or entity any proprietary, confidential or trade secret information of BearingPoint or its clients without BearingPoint's express, prior written permission.

8. INDEPENDENT CONTRACTOR.

Consultant agrees that Consultant's relationship with BearingPoint is that of an independent contractor and nothing in this Agreement shall be deemed or construed as creating a partnership, joint venture or employer-employee relationship. Under no circumstances shall BearingPoint be considered the employer of any Consultant employee, nor shall BearingPoint have any right or obligation with respect to an employee of Consultant.

9. ASSIGNMENT.

Consultant shall not assign, transfer, or subcontract this Agreement or any of its obligations hereunder without BearingPoint's express, prior written permission.

10. NON-EXCLUSIVITY.

During the term of this Agreement, BearingPoint may engage the services of any individual or entity that competes with Consultant or offers services similar to those offered by Consultant, and any such engagement shall not be considered a breach of this Agreement.

11. SEVERABILITY.

In the event that any term or provision of this Agreement shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the state of Virginia, without regard to the conflict of laws provisions thereof. Both parties hereby irrevocably consent to venue for any action relating to this Agreement being in the appropriate state or Federal courts in Virginia.

13. INTEGRATION.

This Agreement constitutes the entire agreement of the parties hereto and supersedes all prior and contemporaneous representations, proposals, discussions, and communications, whether oral or in writing. This Agreement may be modified or amended only in writing and shall be enforceable in accordance with its terms when signed by each of the parties hereto.

14. NOTICES.

All notices and invoices permitted or required under this Agreement shall be in writing and shall be by personal delivery, a nationally recognized overnight courier service, facsimile transmission or certified or registered mail, return receipt requested. Notices shall be deemed given upon the earlier of actual receipt or one (1) day after deposit with the courier service, receipt by sender of confirmation of electronic transmission or five (5) days after deposit with the U.S. Postal Service. Notices shall be sent to the addresses listed below, or to such other address as either party may specify in writing.

If to BearingPoint:

Ms. Helena Tantillo

301 Congress Avenue, 13th Floor

Austin, Texas 78701

If to Consultant:

Ms. Kathy L. Nealy

1211 Willow Glen Drive

Dallas, Texas 75232

15. CONFLICT OF INTEREST.

Consultant represents that Consultant is not, as of the effective date of this Agreement, aware of any conflict of interest, but in the event such conflict should arise, Consultant shall promptly notify BearingPoint and devote Consultant's best efforts to resolving any such conflict. If the conflict is not resolved in a manner satisfactory to BearingPoint, then BearingPoint will so notify Consultant and may terminate this Agreement as of the date of that notification.

16. SURVIVAL.

Paragraphs 5, 6, 7, and 8 shall survive the expiration or earlier termination of this Agreement by either party for any reason, or the completion of the services as the case may be.

IN WITNESS WHEREOF, the parties hereto have or caused this Agreement to be executed by their duly authorized representatives, as of the date first above written.

Kathy L. Nealy & Associates

BEARINGPOINT, INC.

By: Kathy L. Nealy

By: Cathy Pomanti

Name: Kathy L. Nealy

Name: Cathy Pomanti

Title: President

Title: Senior Vice President

Date: 2/22/05

Date: 2/23/05

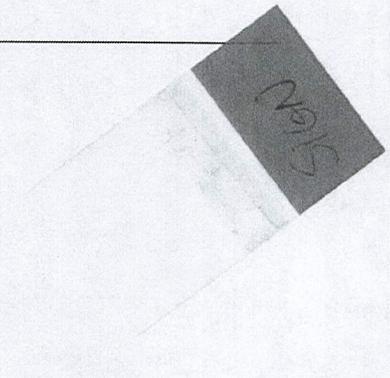


EXHIBIT A

DESCRIPTION OF CONTRACTOR SERVICES

Contractor shall provide the following services:

Contractor shall perform services with respect to advocacy, bid-winning methods, and strategies concerning the Texas Metropolitan Local Government market, as requested by BearingPoint. Contractor shall perform Services diligently and according to Contractor's best abilities in all respects, perform in the best interest of BearingPoint, and honor its obligation to perform legally and ethically on behalf of BearingPoint.

The Contractor shall provide analysis of various bidding opportunities issued by Texas Metropolitan Local Governments and will advise BearingPoint on bid-winning methods and strategies.

It is expressly agreed by the Parties that Contractor is an independent contractor and as such, shall:

- (i) be responsible for the timely performance of services pursuant to professional practices within the framework of the Services;
- (ii) provide detailed monthly reports describing Contractor activities and accomplishments;
- (iii) have no authority, without obtaining the prior written approval of BearingPoint to make purchases and sales on behalf of BearingPoint or to make or imply any binding commitment upon BearingPoint;
- (iv) have the right to perform Services for others, subject to Contractor's timely and satisfactory fulfillment of the Services for which Contractor is being retained by BearingPoint on an independent non-exclusive basis, subject to the restrictions set forth in this Agreement;
- (v) be exclusively liable to make all required estimated payments related to, or to withhold from wages, file returns for, and pay, all taxes imposed under the Federal Insurance Contribution Act and all other wages, income, unemployment insurance, disability, employment, payroll and other taxes of every kind imposed by the United States, any state, or any political subdivision thereof, with respect to any compensation or other amounts paid to Contractor under this Agreement. Contractor hereby indemnifies and holds harmless BearingPoint representatives and employees from and against any and all claims arising out of Contractors failure to perform as set forth in this Section (v) of Exhibit A; and
- (vi) at the request of BearingPoint, Contractor will advise BearingPoint which elected officials to support through lawful contributions and any other lawful means.

All documents, materials and all work products, including all information, data and the like generated by Contractor and/or resulting from Services which Contractor performs for BearingPoint hereunder shall be the sole property of BearingPoint.