

Registration No. 333-73946

SECURITIES AND EXCHANGE COMMISSION

AMENDMENT NO. 1

TO

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

MANTECH INTERNATIONAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)
7373 (Primary Standard Industrial Classification Code Number)
22-1852179 (I.R.S. Employer Identification No.)

ManTech International Corporation
12015 Lee Jackson Highway
Fairfax, VA 22033-3300
(703) 218-6000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

George J. Pedersen
Chairman, Chief Executive Officer
and President

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [ ]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. [ ]

CALCULATION OF REGISTRATION FEE

Table with 3 columns: Title of each class of securities to be registered, Proposed Maximum Aggregate Offering Price(1)(2), Amount of Registration Fee. Row 1: Class A common stock, \$0.01 par value per share, \$92,000,000, \$23,000.

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(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o).

(2) Includes shares issuable upon exercise of the underwriters' over-allotment option.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission acting pursuant to such Section 8(a) may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED DECEMBER 31, 2001.

[LOGO] Management Technology ManTech International Corporation

Shares

ManTech International Corporation

Class A Common Stock

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We are offering \_\_\_\_\_ shares of our Class A common stock and the selling stockholder identified in this prospectus is offering \_\_\_\_\_ shares of our Class A common stock through a syndicate of underwriters. The underwriters also have an option to purchase up to an additional \_\_\_\_\_ shares of Class A common stock from us and the selling stockholder solely to cover over-allotments. We will not receive any of the proceeds from the sale of shares by the selling stockholder.

This is our initial public offering. The initial public offering price of our Class A common stock is expected to be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_ per share. We are applying to list our Class A common stock on The Nasdaq Stock Market's National Market under the symbol "MANT."

Investing in our common stock involves risks. See "Risk Factors" beginning on page 7.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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	Per Share	Total
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Public offering price.....	\$	\$
Underwriting discount.....	\$	\$
Proceeds to us (before expenses).....	\$	\$
Proceeds to selling stockholder (before expenses)	\$	\$

The underwriters expect to deliver the shares to purchasers on or about \_\_\_\_\_, 2002.

Jefferies & Company, Inc.

Legg Mason Wood Walker Incorporated

BB&T Capital Markets

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The date of this prospectus is \_\_\_\_\_, 2001.

1. Inside Left Page:

The ManTech logo is positioned in the upper left corner of the page, written in solid black lettering blending into white-on-red lettering, divided with horizontal white lines. Beneath the logo is a caption reading, "Supporting U.S. Intelligence Community and Department of Defense Customers in Responding to the Challenges of Emerging Global Threats."

The lower right one-third of the page is solid red in the shape of a half circle with three photos positioned in outlined circles in the center of the red section against a white background. Above the circles a caption reads, "Managing Technology for a Changing World" in which the word "World" curves around the first quarter of the right-hand circle.

The left circle contains a picture of a satellite ground station. Beneath this circle a caption reads "Secure Systems and Infrastructure Solutions." The center circle contains a picture of a CD ROM with an image of binary code superimposed in light blue. Beneath this circle a caption reads, "Information Technology Solutions." The right circle contains a picture of the Hubble Space Telescope taken from space. Beneath this circle a caption reads, "Systems Engineering Solutions."

Centered at the bottom of the page is the text "ManTech International Corporation."

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Through and including , 2002, which is the 25th day after the date of this prospectus, all dealers effecting transactions in the Class A common stock, whether or not participating in this distribution, may be required to deliver a prospectus. This is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments.

You should rely only on the information contained in this document. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

## PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary may not contain all of the information that you should consider before deciding to invest in our Class A common stock. We urge you to read this entire prospectus carefully, including the "Risk Factors" section and our consolidated financial statements and the notes to those statements. Unless otherwise indicated, information presented in this prospectus assumes no exercise of the underwriters' over-allotment option and assumes the occurrence of the transactions described in "Corporate Structure" on page 3.

### ManTech International Corporation

ManTech International Corporation delivers a broad array of information technology and technical services solutions to U.S. federal government customers, focusing primarily on critical national defense programs for the intelligence community and Department of Defense. We design, develop, procure, implement, operate, test and maintain mission-critical, enterprise information technology and communication systems and infrastructures for federal government customers in the United States and 28 countries worldwide. More than 1,700 of our nearly 3,500 employees hold government security clearances, including over 600 with access to Top Secret Sensitive Compartmented Information, allowing us to work with our customers in highly classified environments and at front-line deployments. We have established and maintain long-standing, successful relationships with our customers, having supported many of them for 15 to 30 years. Given the critical nature of many of our services and our close relationships with our customers, we are often called upon to support our customers as they respond to crisis situations around the world.

We provide comprehensive information technology and technical services solutions, separately or in combination, to our customers by drawing upon three principal areas of expertise: secure systems and infrastructure; information technology; and systems engineering. In some cases, our work under a single contract draws upon two or all three of our areas of expertise. We provide these solutions for sophisticated airborne, shipboard, satellite and tactical and strategic land-based communication and information systems and intelligence-processing activities.

- . As part of our secure systems and infrastructure solutions, we conduct vulnerability assessments of critical infrastructures that enable our customers to identify evolving foreign and domestic threats, which may include espionage, terrorist activities and other intelligence operations, to quantify exposure to these threats and to implement prudent countermeasures. We also design, implement and maintain secure communication systems, computer networks and other information assurance programs, and develop and integrate signal processing systems that assist our government customers in their intelligence gathering activities.
  
- . As part of our information technology solutions, we integrate diverse technologies into customized systems that meet a variety of customer needs. We design and implement electronic data interchange systems and network infrastructures that help sustain or extend our customers' existing proprietary or legacy systems and provide enhanced capabilities based on new technology platforms. We also provide systems support for customers' critical information management systems.
  
- . As part of our systems engineering solutions, we analyze and assist in designing, developing, integrating and installing hardware and software for communication, intelligence, electronic

warfare and information systems. We also test and certify complex military systems hardware and software and orbital payloads and perform a variety of environmental research and testing functions for federal government customers.

Since our founding in 1968, we have grown from supplying engineering services to the U.S. Navy to providing sophisticated information technology and technical services solutions to a wide range of federal government customers. For both the year ended December 31, 2000 and the nine months ended September 30, 2001, approximately 84.0% of our revenues were derived from our customers in the intelligence community and Department of Defense. Among these customers are a number of agencies and departments that the government identifies at [www.cia.gov/ic](http://www.cia.gov/ic) as being part of the U.S. intelligence community, including the Department of State and a number of offices within the Department of Defense. Our other Department of Defense customers include the Office of the Secretary of Defense, the Army, Navy, Air Force and Marine Corps, and a number of joint military commands.

We also provide comprehensive information technology and technical services solutions to federal government civilian agencies, including the National Aeronautics and Space Administration (NASA), the Environmental Protection Agency (EPA) and the Departments of Justice, Commerce and Energy. Additionally, we provide business enterprise solutions to state and local governments and database conversion solutions to commercial customers.

#### Our Market Opportunity

The federal government has consistently increased spending on information technology each year since 1980 and is the largest purchaser of these services and products. This trend of increased spending is expected to continue over the next five years as federal government spending on information technology increases from \$36.4 billion in 2001 to \$60.3 billion in 2006, a compound annual growth rate of 10.6%. Moreover, this data may not fully reflect government spending on complementary technical services, which include sophisticated systems engineering and testing services. We believe that strong growth opportunities exist for information technology and technical services providers who serve the government market because the federal government is:

- . Increasing defense spending focused on C4I (command, control, communication, computers and intelligence), homeland defense and intelligence activities;
- . Adopting commercialized procurement methods that promote the use of efficient contracting vehicles, such as government- or agency-wide pricing schedule contracts that are negotiated and awarded by the General Service Administration (GSA) and other central contracting authorities;
- . Increasing reliance on technology service providers to deliver cost-effective solutions and to address staffing challenges facing the government; and
- . Focusing on modernizing proprietary legacy information technology and communication infrastructures.

#### Our Approach

We seek to address the requirements of our customers in the intelligence community and Department of Defense through our:

- . Comprehensive technology-based solutions;

- . Expertise in the migration, integration, optimization and maintenance of proprietary legacy systems used by the federal government and ability to enhance the interoperability and accessibility of critical enterprise data;
- . More than 1,700 employees with government security clearances, which are required for work on classified programs for the intelligence community and Department of Defense;
- . Proven track record of fulfilling our customers' requirements, demonstrated by our many long-standing customer relationships; and
- . Extensive experience of our management team and advisory board members in supporting our customers in the intelligence community and Department of Defense.

#### Our Strategy

Our objective is to profitably grow our business as a premier provider of comprehensive information technology and technical services solutions to the federal government, focusing primarily on customers in the intelligence community and Department of Defense. To achieve our objective, we intend to:

- . Expand our customer base by capitalizing on our existing customer relationships and reputation and pursuing strategic acquisitions to attract new customers and to cross-sell solutions and products to existing and new customers, and by selectively hiring key individuals with additional customer relationships;
- . Increase profitability by focusing our contract bidding and new business development efforts on specialized services that can generate higher value-added solutions, such as threat exposure analysis and systems architecture design, and on more efficient and flexible contract vehicles, such as GSA schedule contracts;
- . Target our service offerings in high growth program areas, including safeguarding critical infrastructures and information assurance for the intelligence community and Department of Defense;
- . Continue to attract and retain skilled professionals, including engineers, scientists, analysts, technicians and support specialists, who possess a wide range of technical skills and prior experience with the intelligence community or Department of Defense; and
- . Pursue a disciplined acquisition strategy focused on businesses that support the intelligence community and Department of Defense, expand our service offerings and establish relationships with new customers.

#### Corporate Structure

Our principal executive offices are located at 12015 Lee Jackson Highway, Fairfax, Virginia 22033-3300. Our telephone number at that address is (703) 218-6000. Our website can be visited at [www.mantech.com](http://www.mantech.com). Information contained on our website is not part of this prospectus.

## The Offering

The share information contained below excludes the \_\_\_\_\_ shares reserved for issuance under our Management Incentive Plan and our Employee Stock Purchase Plan.

Class A common stock offered by us.....	_____ shares.
Class A common stock offered by our selling stockholder.....	_____ shares.
Class A common stock to be outstanding immediately after this offering.....	_____ shares.
Class B common stock to be outstanding immediately after this offering.....	_____ shares.
Use of proceeds.....	We expect to use the net proceeds of this offering to repay a portion of our existing indebtedness, to fund strategic acquisitions of businesses and for working capital and for general corporate purposes. See "Use of Proceeds" on page 18.
Over-allotment option.....	We and one of our existing stockholders have granted the underwriters an option to purchase up to an additional _____ shares solely to cover over-allotments.
Proposed Nasdaq symbol.....	MANT

## Risk Factors

See "Risk Factors" beginning on page 7 for a discussion of material risks that prospective purchasers of our Class A common stock should consider.

Summary Financial Data

The following summarizes our historical consolidated financial information. We derived the information as of and for each of the five years ended December 31, 2000 and for the nine months ended September 30, 2001 from our audited consolidated financial statements. The data for the nine months ended September 30, 2000 is derived from our unaudited consolidated financial statements and includes all adjustments, consisting of normal and recurring adjustments, that we consider necessary for a fair presentation of the financial position and results of operations as of and for such periods. Interim consolidated financial results for the nine months ended September 30, 2000 and September 30, 2001 are not necessarily indicative of the results that may be expected for the full year. You should read the summary financial data presented below in conjunction with our consolidated financial statements, the notes to our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Year Ended December 31,					Nine Months Ended September 30,	
	1996	1997	1998	1999	2000	2000	2001
(In thousands, except per share amounts)							
<b>Statement of Income Data:</b>							
Revenues.....	\$223,049	\$286,051	\$314,309	\$353,924	\$378,827	\$280,970	\$316,266
Cost of services.....	191,589	245,857	265,189	296,306	315,414	234,834	258,412
Gross profit.....	31,460	40,194	49,120	57,618	63,413	46,136	57,854
Income from operations.....	7,019	10,381	13,447	15,168	18,589	12,695	22,237
Income from continuing operations.....	3,077	5,438	2,921	6,796	7,125	5,113	12,160
(Loss) income from discontinued operations(1)	(1,039)	255	(1,268)	(2,727)	(4,667)	(3,124)	(6,533)
Loss on disposal of discontinued operations..	(93)	--	--	--	(719)	(719)	(5,890)
Net income (loss).....	\$ 1,945	\$ 5,693	\$ 1,653	\$ 4,069	\$ 1,739	\$ 1,270	\$ (263)
Income from continuing operations per share - diluted(2).....							
Net income (loss) per share - diluted.....							
<b>Balance Sheet Data:</b>							
Cash and cash equivalents.....	\$ 13,276	\$ 17,318	\$ 14,572	\$ 19,571	\$ 29,578	\$ 11,366	\$ 18,231
Total assets.....	108,705	154,886	165,718	186,070	186,843	176,736	177,061
Long-term debt.....	37,642	49,135	66,377	72,005	73,000	69,075	66,668
Total stockholders' equity.....	12,506	16,831	15,515	19,548	21,794	21,433	21,402

(1) We have decided to exit certain lines of business so that we can continue to enhance our core competencies. For more information on our discontinued operations, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations--Discontinued Operations" and note 15 to our consolidated financial statements.

(2) Prior to the closing of this offering, we anticipate that our board of directors and stockholders will approve a -for-one stock split for the outstanding shares of our common stock.

## Transactions Prior to the Offering

Termination of Personal Service Corporation Status. For periods prior to the closing of this offering, we had elected to be taxed as a personal service corporation. As a result, we accounted for our earnings on a cash basis for federal income tax purposes. Effective as of the closing of this offering, our status as a personal service corporation terminates and we will apply accrual-based accounting for federal income tax purposes. The termination of our personal service corporation status will result in \$31.0 million in deferred income being recognized for tax purposes. Taxes on this amount totaling \$12.1 million will be due with respect to the four taxable years beginning with the taxable year of this offering. Because we previously recognized the deferred income for accounting purposes and accrued for the taxes, this change in our tax status and the tax payments will not affect our earnings.

Reincorporation and Recapitalization. We are incorporated in Delaware and are the successor by merger to ManTech International Corporation, a New Jersey corporation. See "Description of Capital Stock--Certificate of Incorporation and Bylaws." As of the effective date of the merger, which will occur prior to the closing of this offering, each outstanding share of the New Jersey corporation's common stock will be exchanged for one share of our Class A common stock or Class B common stock. For purposes of this prospectus, the merger of the New Jersey corporation with the Delaware corporation is assumed to be effective, other than with respect to the historical consolidated financial statements. Prior to this offering, we also will effect a -for-one stock split of our Class A common stock and Class B common stock.

## RISK FACTORS

Before making an investment in our Class A common stock you should carefully consider the risks described below, as well as the other information set forth in this prospectus, including our consolidated financial statements and related notes. Some of the following risks relate principally to the industry in which we operate and to our business. Other risks relate principally to the securities markets and ownership of our stock. Additional risks and uncertainties not presently known to us, or risks that we currently consider immaterial, may also impair our operations. Any of the risk factors described below could significantly and negatively affect our business, prospects, financial condition or operating results, which could cause the trading price of our Class A common stock to decline and could cause you to lose all or part of your investment.

### RISKS RELATED TO OUR BUSINESS

We are dependent on contracts with the U.S. federal government for substantially all of our revenues.

For the year ended December 31, 2000 and for the nine months ended September 30, 2001, we derived 96.1% and 95.8%, respectively, of our revenues from federal government contracts, either as a prime contractor or a subcontractor. For 2000 and for the nine months ended September 30, 2001, we derived 83.6% and 84.1%, respectively, of our revenues from contracts with agencies in the intelligence community and Department of Defense. We expect that federal government contracts will continue to be the primary source of our revenues for the foreseeable future. If we were suspended or debarred from contracting with the federal government generally, or any significant agency in the intelligence community or Department of Defense, if our reputation or relationship with government agencies were impaired, or if the government otherwise ceased doing business with us or significantly decreased the amount of business it does with us, our business, prospects, financial condition or operating results could be materially harmed.

Federal government spending priorities may change in a manner adverse to our business.

Our business depends upon continued federal government expenditures on intelligence, defense and other programs that we support. The overall U.S. defense budget declined from time to time in the late 1980s and the early 1990s. While spending authorizations for intelligence and defense-related programs by the government have increased in recent years, and in particular after the September 11, 2001 terrorist attacks, future levels of expenditures and authorizations for those programs may decrease, remain constant or shift to programs in areas where we do not currently provide services. A significant decline in government expenditures, or a shift of expenditures away from programs that we support, could adversely affect our business, prospects, financial condition or operating results.

Federal government contracts contain provisions that are unfavorable to us.

Federal government contracts contain provisions and are subject to laws and regulations that give the government rights and remedies not typically found in commercial contracts, including allowing the government to:

- . Terminate existing contracts for convenience, as well as for default;
- . Reduce or modify contracts or subcontracts;
- . Cancel multi-year contracts and related orders if funds for contract performance for any subsequent year become unavailable;
- . Decline to exercise an option to renew a multi-year contract;

- . Claim rights in products and systems produced by us;
- . Suspend or debar us from doing business with the federal government or with a governmental agency; and
- . Control or prohibit the export of our products.

If the government terminates a contract for convenience, we may recover only our incurred or committed costs, settlement expenses and profit on work completed prior to the termination. If the government terminates a contract for default, we may not recover even those amounts, and instead may be liable for excess costs incurred by the government in procuring undelivered items and services from another source. As is common with government contractors, some of our contracts have had or are currently experiencing performance issues. We have received and may in the future receive show cause or cure notices under contracts that, if not addressed to the government's satisfaction, could give the government the right to terminate those contracts for default or to cease procuring our services under those contracts in the future.

We must comply with complex procurement laws and regulations.

We must comply with and are affected by laws and regulations relating to the formation, administration and performance of federal government contracts, which affect how we do business with our customers and may impose added costs on our business. For example, we are subject to the Federal Acquisition Regulations and all supplements, which comprehensively regulate the formation, administration and performance of federal government contracts, and to the Truth in Negotiations Act, which requires certification and disclosure of cost and pricing data in connection with contract negotiations. If a government review or investigation uncovers improper or illegal activities, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments, fines and suspension or debarment from doing business with federal government agencies, which could materially adversely affect our business, prospects, financial condition or operating results. From time to time in the past, we have been subject to government investigations. Currently, we are subject to three on-going investigations. For additional information regarding the government investigations to which we are currently subject, see "Business--Legal Proceedings." In addition, we are subject to industrial security regulations of Department of Defense and other federal agencies that are designed to safeguard against foreigners' access to classified information. If we were to come under foreign ownership, control or influence, our federal government customers could terminate or decide not to renew our contracts, and it could impair our ability to obtain new contracts. The government may reform its procurement practices or adopt new contracting rules and regulations, including cost accounting standards, that could be costly to satisfy or that could impair our ability to obtain new contracts.

We face competition from other firms, many of which have substantially greater resources.

We operate in highly competitive markets and generally encounter intense competition to win contracts. We compete with many other firms, ranging from small specialized firms to large diversified firms, many of which have substantially greater financial, management and marketing resources than we do. Our competitors may be able to provide customers with different or greater capabilities or benefits than we can provide in areas such as technical qualifications, past contract performance, geographic presence, price and the availability of key professional personnel. Our failure to compete effectively with respect to any of these or other factors could have a material adverse effect on our business, prospects, financial condition or operating results. In addition, our competitors also have established or may establish relationships among themselves or with third parties to increase their

ability to address customer needs. Accordingly, it is possible that new competitors or alliances among competitors may emerge.

We derive significant revenues from contracts awarded through a competitive bidding process.

We derive significant revenues from federal government contracts that were awarded through a competitive bidding process. For example, in each of the past three fiscal years, each of our ten largest contracts, in terms of revenues, was awarded through a competitive bidding process. Much of the business that we expect to seek in the foreseeable future likely will be awarded through competitive bidding. Competitive bidding presents a number of risks, including the:

- . Need to bid on programs in advance of the completion of their design, which may result in unforeseen technological difficulties and cost overruns;
- . Substantial cost and managerial time and effort that we spend to prepare bids and proposals for contracts that may not be awarded to us;
- . Need to accurately estimate the resources and cost structure that will be required to service any contract we are awarded; and
- . Expense and delay that may arise if our competitors protest or challenge contract awards made to us pursuant to competitive bidding, and the risk that any such protest or challenge could result in the resubmission of bids on modified specifications, or in termination, reduction or modification of the awarded contract.

We may not be provided the opportunity in the near term to bid on contracts that are held by other companies and are scheduled to expire if the government determines to extend the existing contract. If we are unable to win particular contracts that are awarded through the competitive bidding process, we may not be able to operate in the market for services that are provided under those contracts for a number of years. If we are unable to consistently win new contract awards over any extended period, our business and prospects will be adversely affected.

Failure to maintain strong relationships with other contractors could result in a decline in our revenues.

For 2000 and for the nine months ended September 30, 2001, we derived 7.8% and 8.4%, respectively, of our revenues from contracts in which we acted as a subcontractor to other contractors or to joint ventures which we and other contractors have formed to bid on and execute particular contracts or programs. We expect to continue to depend on relationships with other contractors for a portion of our revenues in the foreseeable future. Our business, prospects, financial condition or operating results could be adversely affected if other contractors eliminate or reduce their subcontracts or joint venture relationships with us, either because they choose to establish relationships with our competitors or because they choose to directly offer services that compete with our business, or if the government terminates or reduces these other contractors' programs or does not award them new contracts.

We may not receive the full amount authorized under contracts that we have entered into and may not accurately estimate our backlog and GSA schedule contract value.

The maximum contract value specified under a government contract that we enter into is not necessarily indicative of revenues that we will realize under that contract. For example, we derive some of our revenues from government contracts in which we are not the sole provider, meaning that the government could turn to other companies to fulfill the contract, and from indefinite delivery, indefinite quantity contracts, which specify a maximum but only a token minimum amount of goods or

services that may be provided under the contract. In addition, Congress often appropriates funds for a particular program on a yearly basis, even though the contract may call for performance that is expected to take a number of years. As a result, contracts typically are only partially funded at any point during their term, and all or some of the work to be performed under the contracts may remain unfunded unless and until Congress makes subsequent appropriations and the procuring agency allocates funding to the contract. Nevertheless, we look at these contract values, including values based on the assumed exercise of options relating to these contracts, in estimating the amount of our backlog. Because we may not receive the full amount we expect under a contract, we may not accurately estimate our backlog. Similarly, in recent years we have been deriving an increasing percentage of our revenues under GSA schedule contracts. GSA schedule contracts are procurement vehicles under which government agencies may, but are not required to, purchase professional services or products. As a result, we believe that potential GSA schedule contract values are not fully reflected in traditional backlog calculations. We have developed a method of calculating GSA schedule contract value that we use to evaluate estimates for the revenues we may receive under our GSA schedule contracts. Although we believe our method of determining GSA schedule contract value is based on reasonable estimates and assumptions, our experience with GSA schedule contracts has been limited to date. We are not currently aware of other companies within our market that employ comparable methods of determining GSA schedule contract value. Estimates of future revenues included in backlog and GSA schedule contract value are not necessarily precise and the receipt and timing of any of these revenues are subject to various contingencies, many of which are beyond our control. For a discussion of these contingencies see "Business--Backlog and GSA Schedule Contract Value." The actual accrual of revenues on programs included in backlog and GSA schedule contract value may never occur or may change.

We may not accurately estimate the expenses, time and resources necessary to satisfy our contractual obligations.

We enter into three types of federal government contracts for our services: cost-plus, time-and-materials and fixed-price. For the nine months ended September 30, 2001, we derived 36.3%, 35.6% and 28.1% of our revenues from cost-plus, time-and-materials and fixed-price contracts, respectively. For 2000, the revenues were 39.7%, 34.6% and 25.7%, respectively. Under cost-plus contracts, we are reimbursed for allowable costs and paid a fee, which may be fixed or performance-based. To the extent that the actual costs incurred in performing a cost-plus contract are within the contract ceiling and allowable under the terms of the contract and applicable regulations, we are entitled to reimbursement of our costs, plus a profit. However, if our costs exceed the ceiling or are not allowable under the terms of the contract or applicable regulations, we may not be able to recover those costs. Under time-and-materials contracts, we are reimbursed for labor at negotiated hourly billing rates and for certain expenses. We assume financial risk on time-and-material contracts because we assume the risk of performing those contracts at negotiated hourly rates. Under fixed-price contracts, we perform specific tasks for a fixed price. Compared to cost-plus contracts, fixed-price contracts generally offer higher margin opportunities, but involve greater financial risk because we bear the impact of cost overruns and receive the benefit of cost savings. Our profits could be adversely affected if our costs under any of these contracts exceed the assumptions we used in bidding for the contract. Although we believe that we have recorded adequate provisions in our consolidated financial statements for losses on our contracts, as required under U.S. generally accepted accounting principles, our contract loss provisions may not be adequate to cover all actual losses that we may incur in the future.

Our contracts are subject to audits and cost adjustments by the federal government.

The federal government audits and reviews our performance on contracts, pricing practices, cost structure and compliance with applicable laws, regulations and standards. Like most large government

contractors, our contract costs are audited and reviewed on a continual basis. Although audits have been completed on our incurred contract costs through 1999, audits for costs incurred or work performed after 1999 remain ongoing and, for much of our work in recent years, have not yet commenced. In addition, non-audit reviews by the government may still be conducted on all our government contracts. An audit of our work, including an audit of work performed by companies we have acquired or may acquire, could result in a substantial adjustment to our revenues because any costs found to be improperly allocated to a specific contract will not be reimbursed, and revenues we have already recognized may need to be refunded. If a government audit uncovers improper or illegal activities, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments, fines and suspension or debarment from doing business with federal government agencies. In addition, we could suffer serious harm to our reputation if allegations of impropriety were made against us.

We may be liable for systems and service failures.

We create, implement and maintain information technology and technical services solutions that are often critical to our customers' operations, including those of federal, state and local governments. We have experienced and may in the future experience some systems and service failures, schedule or delivery delays and other problems in connection with our work. If our solutions, services, products or other applications have significant defects or errors, are subject to delivery delays or fail to meet our customers' expectations, we may:

- . Lose revenues due to adverse customer reaction;
- . Be required to provide additional services to a customer at no charge;
- . Receive negative publicity, which could damage our reputation and adversely affect our ability to attract or retain customers; or
- . Suffer claims for substantial damages against us.

In addition to any costs resulting from product warranties, contract performance or required corrective action, these failures may result in increased costs or loss of revenues if they result in customers postponing subsequently scheduled work or canceling or failing to renew contracts.

While many of our contracts with the federal government limit our liability for damages that may arise from negligence in rendering services to our customers, we cannot be sure that these contractual provisions will protect us from liability for damages if we are sued. Furthermore, our errors and omissions and product liability insurance coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims, or the insurer may disclaim coverage as to some types of future claims. The successful assertion of any large claim against us could seriously harm our business. Even if not successful, these claims could result in significant legal and other costs and may be a distraction to our management.

Security breaches in classified government systems could adversely affect our business.

Many of the programs we support and systems we develop, install and maintain involve managing and protecting information involved in intelligence, national security and other classified government functions. A security breach in one of these systems could cause serious harm to our business, damage our reputation and prevent us from being eligible for further work on critical classified systems for federal government customers. Losses that we could incur from such a security breach could exceed the policy limits that we have for errors and omissions or product liability insurance.

Our quarterly operating results may vary widely.

Our quarterly revenues and operating results may fluctuate significantly in the future. A number of factors cause our revenues, cash flow and operating results to vary from quarter to quarter, including:

- . Fluctuations in revenues earned on fixed-price contracts and contracts with a performance-based fee structure;
- . Commencement, completion or termination of contracts during any particular quarter;
- . Variable purchasing patterns under government GSA schedule contracts, blanket purchase agreements and indefinite delivery, indefinite quantity contracts;
- . Changes in Presidential administrations and senior federal government officials that affect the timing of technology procurement;
- . Changes in policy or budgetary measures that adversely affect government contracts in general; and
- . Acquisitions of other technology service providers.

Changes in the volume of services provided under existing contracts and the number of contracts commenced, completed or terminated during any quarter may cause significant variations in our cash flow from operations because a relatively large amount of our expenses are fixed. We incur significant operating expenses during the start-up and early stages of large contracts and typically do not receive corresponding payments in that same quarter. We may also incur significant or unanticipated expenses when contracts expire or are terminated or are not renewed. In addition, payments due to us from government agencies may be delayed due to billing cycles or as a result of failures of governmental budgets to gain Congressional and Administration approval in a timely manner.

Our senior management and advisory board are important to our customer relationships.

We believe that our success depends in part on the continued contributions of our co-founder, Chairman of the Board of Directors, Chief Executive Officer and President, George J. Pedersen, our Executive Vice President, Chief Financial Officer, Treasurer and Director, John A. Moore, Jr., other members of our senior management and advisory board. We rely on our executive officers and senior management to generate business and execute programs successfully. In addition, the relationships and reputation that members of our management team and advisory board have established and maintain with government and military personnel contribute to our ability to maintain good customer relations and to identify new business opportunities. While we have employment agreements with some of our executive officers, these agreements do not prevent them from terminating their employment. The loss of Mr. Pedersen, Mr. Moore or any other senior management or advisory board members could impair our ability to identify and secure new contracts and otherwise to manage our business.

We must recruit and retain skilled employees to succeed in our labor-intensive business.

We believe that an integral part of our success is our ability to provide employees who have advanced information technology and technical services skills and who work well with our customers in a government or defense-related environment. These employees are in great demand and are likely to remain a limited resource in the foreseeable future. If we are unable to recruit and retain a sufficient number of these employees, our ability to maintain and grow our business could be negatively

impacted. In addition, some of our contracts contain provisions requiring us to commit to staff a program with certain personnel the customer considers key to our successful performance under the contract. In the event we are unable to provide these key personnel or acceptable substitutions, the customer may terminate the contract, and we may not be able to recover our costs in the event the contract is terminated.

Our business is dependent upon obtaining and maintaining required security clearances.

Many of our federal government contracts require our employees to maintain various levels of security clearances, and we are required to maintain certain facility security clearances complying with Department of Defense requirements. Obtaining and maintaining security clearances for employees involves a lengthy process, and it is difficult to identify, recruit and retain employees who already hold security clearances. If our employees are unable to obtain or retain security clearances or if our employees who hold security clearances terminate employment with us, the customer whose work requires cleared employees could terminate the contract or decide not to renew it upon its expiration. In addition, we expect that many of the contracts on which we will bid will require us to demonstrate our ability to obtain facility security clearances and perform work with employees who hold specified types of security clearances. To the extent we are not able to obtain facility security clearances or engage employees with the required security clearances for a particular contract, we may not be able to bid on or win new contracts, or effectively rebid on expiring contracts.

If we are unable to manage our growth, our business could be adversely affected.

Sustaining our growth has placed significant demands on our management, as well as on our administrative, operational and financial resources. For us to continue to manage our growth, we must continue to improve our operational, financial and management information systems and expand, motivate and manage our workforce. If we are unable to successfully manage our growth without compromising our quality of service and our profit margins, or if new systems that we implement to assist in managing our growth do not produce the expected benefits, our business, prospects, financial condition or operating results could be adversely affected.

We may undertake acquisitions that could increase our costs or liabilities or be disruptive.

One of our key operating strategies is to selectively pursue acquisitions. While we do not currently have any commitments, agreements or understandings to acquire any specific businesses or other material operations, we have made a number of acquisitions in the past and will consider other acquisitions in the future. We may not be able to locate suitable acquisition candidates at prices that we consider appropriate or to finance acquisitions on terms that are satisfactory to us. If we do identify an appropriate acquisition candidate, we may not be able to successfully negotiate the terms of an acquisition, finance the acquisition or, if the acquisition occurs, integrate the acquired business into our existing business. Negotiations of potential acquisitions and the integration of acquired business operations could disrupt our business by diverting management away from day-to-day operations. The proceeds we receive from this offering may not be sufficient to fund the full cost of acquisitions that we may determine to pursue. Acquisitions of businesses or other material operations may require additional debt or equity financing, resulting in additional leverage or dilution of ownership. The difficulties of integration may be increased by the necessity of coordinating geographically dispersed organizations, integrating personnel with disparate business backgrounds and combining different corporate cultures. We also may not realize cost efficiencies or synergies that we anticipated when

selecting our acquisition candidates. In addition, we may need to record write downs from future impairments of intangible assets, which could reduce our future reported earnings. At times, acquisition candidates may have liabilities or adverse operating issues that we fail to discover through due diligence prior to the acquisition.

We may be exposed to liabilities or losses from operations that we have discontinued.

We have determined to dispose of certain of our businesses, either by selling them or by winding down their operations. For more information on these discontinued operations, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations--Discontinued Operations" and note 15 to our consolidated financial statements. Our consolidated financial statements reflect, under the heading "Discontinued Operations," our estimate of the net losses expected from these operations through the date we estimate we will dispose of them, and all losses expected to be realized upon disposal of these operations. If we incur greater losses than we expect on dispositions, or if the operation of these businesses generates greater losses than we expect prior to disposition, there will be a negative impact on future operating results. Even if we are successful in disposing of these businesses, we may continue to be exposed to some liabilities for their operations.

For example, we are a defendant in a lawsuit where the plaintiff alleges that one of the businesses we intend to dispose of or its subcontractors caused soil and groundwater contamination by improperly disposing of dry cleaning solvents. For more information on this lawsuit, see "Business--Legal Proceedings." The operations from this business, particularly the performance of environmental consulting and remediation services, may not have been or in the future may not be conducted in compliance with environmental laws, exposing us to further liability and damages for the costs of investigating and cleaning up sites of spills, disposals or other releases of hazardous materials. We cannot assure you that our liability in this matter, or any other environmental liabilities that arise in the future, will not exceed our resources or will be covered by insurance. Even after we dispose of this and the other discontinued operations, we likely will remain liable for any costs, damages or other liabilities imposed upon them that result from or relate to their operations prior to the disposition.

We may be affected by intellectual property infringement claims.

Our business operations rely extensively on procuring and deploying intellectual property. Our employees develop some of the software solutions and other forms of intellectual property that we use to provide information technology solutions to our customers, but we also license technology from primary vendors. Typically, under federal government contracts, our government customers may claim rights in the intellectual property we develop, making it impossible for us to prevent their future use of our intellectual property. We are and may in the future be subject to claims from our employees or third parties who assert that software solutions and other forms of intellectual property that we used in delivering services and solutions to our customers infringe upon intellectual property rights of such employees or third parties. If our vendors, our employees or third parties assert claims that we or our customers are infringing on their intellectual property, we could incur substantial costs to defend these claims. In addition, if any of our vendors' infringement claims are ultimately successful, our vendors could require us to:

- . Cease selling or using products or services that incorporate the challenged software or technology;

- . Obtain a license or additional licenses from our vendors; or
- . Redesign our products and services that rely on the challenged software or technology.

Covenants in our credit facility may restrict our financial and operating flexibility.

Our credit facility contains covenants that limit or restrict, among other things, our ability to borrow money outside of the amounts committed under the credit facility, make investments in our subsidiaries that are borrowers under the credit facility and designated as discontinued operations or in other entities not listed as borrowers under the credit facility, make other restricted payments, pay dividends on our common stock, sell or otherwise dispose of assets other than in the ordinary course of business, merge or consolidate, or make acquisitions, in each case without the prior written consent of our lenders. Our credit facility also requires us to maintain specified financial covenants relating to fixed charge coverage, interest coverage, debt coverage, and minimum consolidated net worth. Our ability to satisfy these financial ratios can be affected by events beyond our control, and we cannot assure you that we will meet those ratios. For example, on two occasions in the past five years, in March 2001 and in November 2000, we obtained waivers for failure to maintain the required fixed charge coverage ratio as of the end of the preceding quarters under the credit facility that was in effect at that time. Default under our credit facility could allow the lenders to declare all amounts outstanding to be immediately due and payable. We have pledged substantially all of our assets, including the stock of our subsidiaries to secure the debt under our credit facility. If the lenders declare amounts outstanding under the credit facility to be due, the lenders could proceed against those assets. Any event of default, therefore, could have a material adverse effect on our business if the creditors determine to exercise their rights. We also may incur future debt obligations that might subject us to restrictive covenants that could affect our financial and operational flexibility, restrict our ability to pay dividends on our common stock or subject us to other events of default. Any such restrictive covenants in any future debt obligations we incur could limit our ability to fund our businesses with equity investments or intercompany advances, which would impede our ability to operate or expand our business.

From time to time we may require consents or waivers from our lenders to permit actions that are prohibited by our credit facility. For example, we will require the consent of our lenders to complete the merger through which we reincorporate in Delaware. If in the future our lenders refuse to provide waivers of our credit facility's restrictive covenants and/or financial ratios, then we may be in default under our credit facility, and we may be prohibited from undertaking actions that are necessary to maintain and expand our business.

Our employees may engage in misconduct or other improper activities.

We are exposed to the risk that employee fraud or other misconduct could occur. Misconduct by employees could include intentional failures to comply with federal government procurement regulations and failing to disclose unauthorized or unsuccessful activities to us. Employee misconduct could also involve the improper use of our customers' sensitive or classified information, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to deter employee misconduct, and the precautions we take to prevent and detect this activity may not be effective in controlling unknown or unmanaged risks or losses.

## RISKS RELATED TO OUR COMMON STOCK AND THIS OFFERING

An active public market for our Class A common stock may not develop.

The initial price of our Class A common stock to be sold in this offering will be determined through negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the trading market. Before this offering, no public market existed for our common stock. An active public market for our Class A common stock may not develop or be sustained after this offering, which could affect your ability to sell your shares or depress the market price of your shares. The market price of your shares may fall below the initial public offering price.

You will experience immediate and substantial dilution.

The initial public offering price per share will significantly exceed the current net tangible book value per share of our stock that was outstanding prior to this offering. As a result, investors purchasing Class A common stock in this offering will experience immediate and substantial dilution in the amount of \$ per share. In addition, we have issued options to acquire Class A common stock at prices below the initial public offering price. The exercise of these employee and director stock options will result in further dilution to new investors.

Mr. Pedersen, our Chairman, Chief Executive Officer and President, will continue to control our company.

Upon completion of this offering, Mr. Pedersen will own or control approximately . % of the combined voting power of the Class A and Class B common stock, or . % if the underwriters' over-allotment option is exercised in full. Accordingly, Mr. Pedersen will control the vote on all matters submitted to a vote of the holders of our common stock. For more information, see "Description of Capital Stock, Certificate of Incorporation and Bylaws--Common Stock." As long as Mr. Pedersen beneficially owns a majority of the combined voting power of our common stock, he will have the ability, without the consent of our public stockholders, to elect all members of our board of directors and to control our management and affairs. Mr. Pedersen's voting control may have the effect of preventing or discouraging transactions involving an actual or a potential change of control of ManTech, regardless of whether a premium is offered over then-current market prices. Mr. Pedersen will be able to cause a change of control of our company. Mr. Pedersen also will be able to cause a registration statement to be filed and to become effective under the Securities Act of 1933, thereby permitting him to freely sell or transfer the shares of common stock that he owns. In addition, the interests of Mr. Pedersen may conflict with the interests of other holders of our common stock.

Provisions in our charter documents could make a merger, tender offer or proxy contest difficult.

Our certificate of incorporation and bylaws may discourage, delay or prevent a change in control of ManTech that stockholders may consider favorable. Our certificate of incorporation and bylaws:

- . Authorize the issuance of blank check preferred stock that could be issued by our board of directors to thwart a takeover attempt;
- . Prohibit cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of the stock to elect some directors;
- . Limit who may call special meetings of stockholders;
- . Prohibit stockholder action by written consent, requiring all actions to be taken at a meeting of the stockholders;

- . Establish advance notice requirements for nominating candidates for election to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings; and
- . Require that vacancies on our board of directors, including newly-created directorships, be filled only by a majority vote of directors then in office.

In addition, Section 203 of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting the company from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder. For more information, see "Description of Capital Stock, Certificate of Incorporation and Bylaws."

The market price of our Class A common stock may fluctuate widely and trade at prices below the initial public offering price.

The price of our Class A common stock after this offering may fluctuate widely, depending upon many factors, including our perceived prospects, and the prospects of the information technology and government contracting industries in general, differences between our actual financial and operating results and those expected by investors and analysts, changes in analysts' recommendations or projections, changes in general valuations for information technology and technical services companies, changes in general economic or market conditions and broad market fluctuations. In addition, the terrorist attacks of September 11, 2001 and subsequent bioterrorism concerns have contributed to an economic slowdown and to significant instability in the U.S. and other global financial equity markets. The armed hostilities that were initiated as a result of these attacks and future responses by the federal government may lead to further acts of terrorism in the United States or elsewhere, and such developments would likely cause further instability in financial markets. All of these factors subject our operations to increased risks and could have a material adverse effect on your investment in our common stock. As a result, our Class A common stock may trade at prices significantly below the initial public offering price.

We will have broad discretion over the use of proceeds from this offering.

We intend to use the net proceeds from this offering to retire portions of our outstanding debt obligations, to pursue possible acquisitions and for working capital and other general corporate purposes. We may not use the proceeds from this offering for each of these purposes. Future events, including changes in competitive conditions, our ability to identify appropriate acquisition candidates, the availability of other financing and funds generated from operations and the status of our business from time to time, may lead us to change the allocation of the net proceeds of this offering among these possible uses. We will have broad discretion with respect to the use of these funds and the determination of the timing of expenditures. We cannot assure you that we will use these funds in a manner that you would approve of or that the allocations will be in the best interests of all of our stockholders.

We make forward-looking statements in this prospectus that involve risks, uncertainties and assumptions.

We have made forward-looking statements in this prospectus, including in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," that are based on our management's beliefs and assumptions and on information currently available to our

management. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believes," "expects," "anticipates," "intends," "plans," "estimates" or similar expressions. Forward-looking statements include the information concerning our possible or assumed future results of operations, business strategies, anticipated expenses, anticipated backlog and GSA schedule contract value, financing plans, competitive position, potential growth opportunities, the future of our industry, the effects of future regulation and the effects of competition. Forward-looking statements involve risks, uncertainties and assumptions. You should not put undue reliance on any forward-looking statements. You should understand that many important factors discussed in this "Risk Factors" section and elsewhere in this prospectus could cause our results to differ materially from those expressed in forward-looking statements. We do not have any intention or obligation to update forward-looking statements after the underwriters cease to distribute this prospectus, except as provided by law.

#### USE OF PROCEEDS

We estimate the net proceeds to us of this offering to be approximately \$ . million, based on an assumed offering price of \$ per share, the mid-point of the estimated price range set forth on the cover of this prospectus, after deducting the underwriting discount and the estimated expenses related to this offering, which are payable by us. We intend to use the net proceeds we receive to pay off all of the principal and accrued interest then outstanding under our term loan and under our subordinated debt and to pay off all but \$25.0 million of principal owing under our revolving credit facility. The amounts outstanding under these borrowings fluctuate from time to time, but as of September 30, 2001, the principal and accrued interest under our term loan was approximately \$7.2 million, principal and accrued interest under our subordinated debt was approximately \$8.0 million, and principal and accrued interest under our revolving credit facility was approximately \$53.1 million. We intend to use the remainder of the net proceeds of this offering (together with cash on hand, additional borrowings and capital stock) to fund all or a portion of the costs of any acquisitions of complementary businesses we determine to pursue in the future, although there are no assurances that we will be able to successfully identify or consummate any such acquisitions. To the extent that we do not pursue or consummate any acquisitions, any remaining net proceeds to us will be used for working capital and general corporate purposes. We have no present commitments, agreements or understandings to acquire any business. We may invest the net proceeds of this offering in short-term, investment grade, interest-bearing securities or guaranteed obligations of the United States or its agencies. We will not receive any proceeds from the sale of the shares to be sold by the selling stockholder in this offering or under the over-allotment option.

#### DIVIDEND POLICY

Our credit facility prohibits us from issuing cash dividends to holders of our common stock. In addition, we currently intend to retain any earnings for the future operation and growth of our business. Therefore, we do not anticipate paying any cash dividends on our common stock in the foreseeable future. No dividends have been declared on any class of our common stock during the past two fiscal years. Any future dividends declared would be at the discretion of our board of directors and would depend, among other factors, upon our results of operations, financial condition and cash requirements and the terms of our credit facility and other financing agreements at the time such payment is considered.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization at September 30, 2001 on an actual and as adjusted basis. As adjusted figures assume the application of the net proceeds of this offering to us. You should read this table in conjunction with the consolidated financial statements and notes to the consolidated financial statements included elsewhere in this prospectus.

	At September 30, 2001	
	-----	
	As	
	Actual	Adjusted(1)
	-----	
	(In thousands)	
Cash and cash equivalents.....	\$ 18,231	\$
	=====	==
Debt:		
Current portion of long-term debt.....	\$ 2,769	\$
Total long-term debt, net of current portion.	66,668	--
	-----	--
Total debt.....	69,437	--
	-----	--
Redeemable Class B common stock.....	1,462	
Stockholders' equity:		
Common stock.....	1,200	
Additional paid-in capital.....	2,468	
Retained earnings.....	33,246	
Accumulated other comprehensive loss.....	(1,540)	
Deferred compensation.....	640	
Treasury stock.....	(14,612)	
	-----	--
Total stockholders' equity.....	21,402	--
	-----	--
Total capitalization.....	\$ 92,301	\$
	=====	==

(1) The as adjusted balance sheet data as of September 30, 2001 gives effect to the following transactions:

- . Our reincorporation as a Delaware corporation through our merger with ManTech International Corporation, a New Jersey corporation. As of the effective date of the merger, each outstanding share of the New Jersey corporation's common stock will be exchanged for one share of our corporation's Class A common stock or Class B common stock; and
- . We will effect a -for-one stock split of the outstanding shares of Class A and Class B common stock of the Delaware corporation.

DILUTION

At September 30, 2001, we had net tangible book value of \$ . million, or \$ . per share, after giving effect to the sale of shares of Class A common stock that we are offering at an assumed initial public offering price of \$ . per share, the mid-point of the estimated price range set forth on the cover of this prospectus. This represents an immediate appreciation in net tangible book value of \$ . per share to existing stockholders and an immediate dilution of net tangible book value of \$ . per share to new investors. The following table illustrates the pro forma per share dilution and appreciation at September 30, 2001:

. Initial public offering price per share.....	\$
. Net tangible book value per share as of September 30, 2001.....	\$
. Appreciation per share attributable to new investors.....	\$
. Pro forma net tangible book value per share after giving effect to this offering	\$
. Dilution per share to new investors.....	\$

Net tangible book value per share of common stock is determined by dividing our tangible net worth, which consists of tangible assets less liabilities, by the number of shares of our common stock outstanding. Dilution is determined by subtracting the net tangible book value per share of Class A common stock after this offering from the public offering price per share. Appreciation per share to new investors would be \$ . if the underwriters exercise in full their over-allotment option.

The following table compares the public offering price of the shares of Class A common stock to the cost to our existing stockholders of shares of Class A and Class B common stock that they acquired within the past five years, or which they have the right to acquire under outstanding stock options.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent(1)	Amount	Percent(2)	
Existing stockholders	(3)	%	\$	%	(4)
New investors.....		%		%	(5)
Total.....					
	=====	=====	=====	=====	=====

- (1) The number of shares purchased as a percent of the total number of shares of our common stock outstanding on September 30, 2001.
- (2) The amount paid for the shares purchased as a percent of total price paid for the shares of our common stock in the past five years.
- (3) Includes all shares of our common stock purchased in the last five years and assumes the exercise of all stock options outstanding as of September 30, 2001.
- (4) Based on the weighted average exercise price of all stock options exercised during the last five years, as well as all stock options outstanding as of September 30, 2001.
- (5) The mid-point of the estimated initial public offering price range set forth on the cover page of this prospectus.

SELECTED FINANCIAL DATA

The selected financial data presented below for the nine months ended September 30, 2001 and for each of the years in the five-year period ended December 31, 2000 is derived from our audited consolidated financial statements. The data for the nine months ended September 30, 2000 and the recent operating results for each of the most recent eight quarters is derived from our unaudited consolidated financial statements and includes all adjustments, consisting of normal and recurring adjustments, that we consider necessary for a fair presentation of the financial position and results of operations as of and for such periods. Interim financial results for any quarter and for the nine months ended September 30, 2000 and September 30, 2001 are not necessarily indicative of the results that may be expected for the full year. You should read the selected financial data presented below in conjunction with our consolidated financial statements, the notes to our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Year Ended December 31,					Nine Months Ended September 30,	
	1996	1997	1998	1999	2000	2000	2001
(In thousands, except per share amounts)							
<b>Statement of Income Data:</b>							
Revenues.....	\$223,049	\$286,051	\$314,309	\$353,924	\$378,827	\$280,970	\$316,266
Cost of services.....	191,589	245,857	265,189	296,306	315,414	234,834	258,412
Gross profit.....	31,460	40,194	49,120	57,618	63,413	46,136	57,854
<b>Costs and expenses:</b>							
General and administrative.....	23,141	27,509	33,389	39,175	41,545	30,993	33,166
Depreciation and amortization.....	1,300	2,304	2,284	3,275	3,279	2,448	2,451
Total costs and expenses.....	24,441	29,813	35,673	42,450	44,824	33,441	35,617
Income from operations.....	7,019	10,381	13,447	15,168	18,589	12,695	22,237
Interest expense.....	1,647	2,434	4,020	4,122	4,438	3,316	2,383
Loss from investment default.....	--	--	5,230	--	--	--	--
Other (income) expense, net.....	(326)	(1,925)	(940)	(1,253)	1,039	(73)	(1,386)
Income before provision for income taxes and minority interest.....	5,698	9,872	5,137	12,299	13,112	9,452	21,240
Provision for income taxes.....	(2,614)	(4,410)	(2,183)	(5,466)	(5,974)	(4,327)	(9,062)
Minority interest.....	(7)	(24)	(33)	(37)	(13)	(12)	(18)
Income from continuing operations.....	3,077	5,438	2,921	6,796	7,125	5,113	12,160
(Loss) income from discontinued operations....	(1,039)	255	(1,268)	(2,727)	(4,667)	(3,124)	(6,533)
Loss on disposal of discontinued operations...	(93)	--	--	--	(719)	(719)	(5,890)
Net income (loss).....	\$ 1,945	\$ 5,693	\$ 1,653	\$ 4,069	\$ 1,739	\$ 1,270	\$ (263)
Income from continuing operations available to common stockholders.....	\$ 1,947	\$ 4,189	\$ 2,838	\$ 6,796	\$ 7,125	\$ 5,113	\$ 12,160
Basic earnings per share from continuing operations.....	\$ 1.67	\$ 3.60	\$ 2.46	\$ 5.98	\$ 6.29	\$ 4.53	\$ 10.68
Diluted earnings per share from continuing operations.....	\$ 1.64	\$ 3.54	\$ 2.43	\$ 5.93	\$ 6.24	\$ 4.49	\$ 10.59
<b>Balance Sheet Data:</b>							
Cash and cash equivalents.....	\$ 13,276	\$ 17,318	\$ 14,572	\$ 19,571	\$ 29,578	\$ 11,366	\$ 18,231
Working capital.....	36,916	46,593	59,354	66,784	71,882	67,503	62,016
Total assets.....	108,705	154,886	165,718	186,070	186,843	176,736	177,061
Long-term debt.....	37,642	49,135	66,377	72,005	73,000	69,075	66,668
Total stockholders' equity.....	12,506	16,831	15,515	19,548	21,794	21,433	21,402

## QUARTERLY RESULTS OF OPERATIONS

Our results of operations, particularly our revenues, gross profit and cash flow, may vary significantly from quarter to quarter depending on a number of factors, including the progress of contract performance, revenues earned on contracts, the number of billable days in a quarter, the timing of customer orders and billing of other direct costs, the commencement and completion of contracts during any particular quarter, the timing of government contract awards, the term of each contract that we have been awarded and general economic conditions. For example, revenues in the first quarter of 2000 were lower than the fourth quarter of 1999 due to two fewer billable days in the first quarter, and the inclusion in the fourth quarter's revenues of a larger than usual amount of other direct costs incurred on our programs. Because a significant portion of our expenses, such as personnel and facilities costs, are fixed in the short term, successful contract performance and variation in the volume of activity, as well as in the number of contracts commenced or completed during any quarter may cause significant variations in operating results from quarter to quarter.

The federal government's fiscal year ends September 30. If a budget for the next fiscal year has not been approved by that date in each year, our customers may have to suspend engagements that we are working on until a budget has been approved. Such suspensions may cause us to realize lower revenues in the fourth quarter of the year. Further, a change in Presidential administrations or in senior government officials may negatively affect the rate at which the federal government purchases technology.

As a result of the factors above, period-to-period comparisons of our revenues and operating results may not be meaningful. You should not rely on these comparisons as indicators of future performance as no assurances can be given that quarterly results will not fluctuate, causing a material adverse effect on our operating results and financial condition.

	Quarters Ended							
	Dec. 31, 1999	Mar. 31, 2000	June 30, 2000	Sept. 30, 2000	Dec. 31, 2000	Mar. 31, 2001	June 30, 2001	Sept. 30, 2001
	(In thousands)							
Statement of Income Data:								
Revenues.....	\$94,953	\$91,320	\$93,485	\$96,165	\$97,857	\$105,081	\$105,627	\$105,558
Cost of services.....	80,642	75,717	78,558	80,559	80,580	86,433	86,623	85,356
Gross profit.....	14,311	15,603	14,927	15,606	17,277	18,648	19,004	20,202
Costs and expenses:								
General and administrative.....	10,937	10,431	10,076	10,486	10,552	10,436	11,258	11,472
Depreciation and amortization.....	786	824	828	796	831	826	827	798
Total costs and expenses.....	11,723	11,255	10,904	11,282	11,383	11,262	12,085	12,270
Income from operations.....	2,588	4,348	4,023	4,324	5,894	7,386	6,919	7,933
Interest expense.....	1,057	1,027	1,082	1,207	1,122	807	771	805
Loss from investment default.....	--	--	--	--	--	--	--	--
Other (income) expense, net.....	(585)	(246)	141	32	1,112	(443)	(749)	(194)
Income before provision for income taxes and minority interest.....	2,116	3,567	2,800	3,085	3,660	7,022	6,897	7,321
Provision for income taxes.....	(930)	(1,617)	(1,314)	(1,396)	(1,647)	(3,006)	(2,953)	(3,103)
Minority interest.....	(12)	(7)	--	(5)	(1)	(7)	(7)	(4)
Income from continuing operations.....	1,174	1,943	1,486	1,684	2,012	4,009	3,937	4,214
Loss from discontinued operations.....	(603)	(886)	(1,394)	(844)	(1,543)	(2,361)	(1,907)	(2,265)
Loss on disposal of discontinued operations.....	--	--	--	(719)	--	--	--	(5,890)
Net income (loss).....	\$ 571	\$ 1,057	\$ 92	\$ 121	\$ 469	\$ 1,648	\$ 2,030	\$ (3,941)
As a Percentage of Revenues:								
Revenues.....	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of services.....	84.9	82.9	84.0	83.8	82.3	82.3	82.0	80.9
Gross profit.....	15.1	17.1	16.0	16.2	17.7	17.7	18.0	19.1
Costs and expenses:								
General and administrative.....	11.5	11.4	10.8	10.9	10.8	9.9	10.7	10.9
Depreciation and amortization.....	0.8	0.9	0.9	0.8	0.8	0.8	0.8	0.8
Total costs and expenses.....	12.3	12.3	11.7	11.7	11.6	10.7	11.5	11.7
Income from operations.....	2.8	4.8	4.3	4.5	6.1	7.0	6.5	7.4
Interest expense.....	1.1	1.1	1.2	1.3	1.1	0.8	0.7	0.8
Loss from investment default.....	--	--	--	--	--	--	--	--
Other (income) expense, net.....	(0.6)	(0.3)	0.2	0.0	1.1	(0.4)	(0.7)	(0.2)
Income before provision for income taxes and minority interest.....	2.3	4.0	2.9	3.2	3.9	6.6	6.5	6.8
Provision for income taxes.....	(1.0)	(1.8)	(1.4)	(1.5)	(1.7)	(2.9)	(2.8)	(2.9)
Minority interest.....	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income from continuing operations.....	1.3	2.2	1.5	1.7	2.2	3.7	3.7	3.9
Loss from discontinued operations.....	(0.6)	(1.0)	(1.5)	(0.9)	(1.6)	(2.2)	(1.8)	(2.1)
Loss on disposal of discontinued operations.....	--	--	--	(0.7)	--	--	--	(5.6)
Net income (loss).....	0.7%	1.2%	0.0%	0.1%	0.6%	1.5%	1.9%	(3.8%)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read together with the consolidated financial statements and the notes to those statements included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. For additional information regarding some of the risks and uncertainties that affect our business and the industry in which we operate and that apply to an investment in our Class A common stock, please see "Risk Factors." This discussion addresses only our continuing operations, except in the discussion under the heading, "Discontinued Operations." For more information on our discontinued operations, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations--Discontinued Operations" and note 15 to our consolidated financial statements.

#### Overview

We deliver a broad array of information technology and technical services solutions to U.S. federal government customers, focusing primarily on critical national defense programs for the intelligence community and Department of Defense. We design, develop, procure, implement, operate, test and maintain mission-critical, enterprise information technology and communication systems and intelligence processing infrastructures for our federal government customers. We also provide solutions to federal government civilian agencies, as well as to state and local governments and commercial customers.

A substantial portion of our revenues are derived from contracts with the federal government. For the nine months ended September 30, 2001 and the year ended December 31, 2000, 95.8% and 96.1%, respectively, of our revenues were derived, either as a prime or a subcontractor, from contracts with the federal government. For the nine months ended September 30, 2001 and 2000, we derived 84.1% and 83.3%, respectively, of our revenues from contracts with our customers in the intelligence community and Department of Defense.

Our revenues consist primarily of payments for the work of our employees and, to a lesser extent, the pass-through of costs for material and subcontract efforts under contracts with our customers. We enter into three types of federal government contracts: cost-plus, time-and-materials and fixed-price. Under cost-plus contracts, we are reimbursed for allowable costs and paid a fee, which may be fixed or performance-based. Under time-and-materials contracts, we are reimbursed for labor at negotiated hourly billing rates and for certain expenses. We assume financial risk on time-and-material contracts because we assume the risk of performing those contracts at negotiated hourly rates. Under fixed-price contracts, we perform specific tasks for a fixed price. Compared to cost-plus contracts, fixed-price contracts generally offer higher margin opportunities but involve greater financial risk because we bear the impact of cost overruns and receive the benefit of cost savings. For the nine months ended September 30, 2001, we derived approximately 36.3%, 35.6% and 28.1% of our revenues from cost-plus, time-and-materials and fixed-price contracts, respectively. For the year ended December 31, 2000, we derived approximately 39.7%, 34.6% and 25.7% of our revenues from cost-plus, time-and-materials and fixed-price contracts, respectively.

We recognize revenues under cost-plus contracts as our costs are incurred and we include an estimate of applicable fees earned. We recognize revenues under time-and-materials contracts by multiplying the number of direct labor-hours expended in the performance of the contract by the contract billing rates and adding other billable direct costs. For contracts that include performance-based incentives, we recognize the incentives when they have been earned and we can reasonably demonstrate satisfaction of the performance goal or when the incentive has been awarded. We

recognize revenues under fixed-price contracts using the percentage of completion method, which involves a periodic assessment of costs incurred to date in relation to the estimated total costs at completion, or upon the delivery of specific products or services. We record the cumulative effects of any revisions to our estimated total costs and revenues in the period in which the facts requiring revisions become known. If we anticipate a loss on a contract, we provide for the full amount of the anticipated loss at the time of that determination.

Our most significant expense is our cost of services, which consists primarily of direct labor costs for program personnel and direct expenses incurred to complete contracts, including cost of materials and subcontract efforts. Our ability to accurately predict personnel requirements, salaries and other costs, as well as to manage personnel levels and successfully redeploy personnel, can have a significant impact on our cost of services. General and administrative expenses consist primarily of costs associated with our management, finance and administrative groups; personnel training; sales and marketing expenses which include bid and proposal efforts; and certain occupancy, travel and other corporate costs.

#### Results of Operations

The following table sets forth, for each period indicated, the percentage of items in the consolidated statement of operations in relation to revenues.

	Year Ended December 31,			Nine Months Ended September 30,	
	1998	1999	2000	2000	2001
Revenues.....	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of services.....	84.4	83.7	83.3	83.6	81.7
Gross profit.....	15.6	16.3	16.7	16.4	18.3
Costs and expenses:					
General and administrative.....	10.6	11.1	11.0	11.0	10.5
Depreciation and amortization.....	0.7	0.9	0.9	0.9	0.8
Total costs and expenses.....	11.3	12.0	11.9	11.9	11.3
Income from operations.....	4.3	4.3	4.8	4.5	7.0
Interest expense.....	1.3	1.2	1.2	1.2	0.8
Loss from investment default.....	1.7	--	--	--	--
Other (income) expense, net.....	(0.3)	(0.4)	0.3	(0.0)	(0.4)
Income before provision for income taxes and minority interest	1.6	3.5	3.3	3.3	6.6
Provision for income taxes.....	(0.7)	(1.5)	(1.6)	(1.5)	(2.9)
Minority interest.....	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income from continuing operations.....	0.9	2.0	1.7	1.8	3.7
Loss from discontinued operations.....	(0.4)	(0.8)	(1.2)	(1.1)	(2.1)
Loss on disposal of discontinued operations.....	--	--	(0.2)	(0.3)	(1.9)
Net income (loss).....	0.5%	1.2%	0.3%	0.4%	(0.3)%

The following table sets forth, for each period indicated, the percentage of our revenues derived from each of our major types of customers.

	Year Ended December 31,			Nine Months Ended September 30,	
	1998	1999	2000	2000	2001
Intelligence / Department of Defense	82.9%	81.7%	83.6%	83.3%	84.1%
Federal Civilian Agencies.....	14.2	14.3	12.5	12.8	11.7
Commercial / State / Local.....	2.9	4.0	3.9	3.9	4.2
Total.....	100.0%	100.0%	100.0%	100.0%	100.0%

Nine Months Ended September 30, 2001 Compared to the Nine Months Ended September 30, 2000

Revenues. Revenues increased 12.6% to \$316.3 million for the nine months ended September 30, 2001, compared to \$281.0 million for the period in 2000. This increase is attributable primarily to additional work under contracts that were in existence during the corresponding period of the prior year. Additional work from the Department of State and the Army for secure systems and infrastructure solutions, the Defense Security Service for information technology solutions and from the Marine Corps for systems engineering solutions contributed significantly to the increased revenues. We derived approximately 31.1% of our revenues for the nine months ended September 30, 2001 from work under GSA schedule contracts, compared with approximately 29.8% for 2000. We derived approximately 8.4% of our revenues for the nine months ended September 30, 2001 from contracts in which we acted as a subcontractor, compared with approximately 7.8% for 2000.

Cost of services. Cost of services increased 10.0% to \$258.4 million for the nine months ended September 30, 2001, compared to \$234.8 million for 2000. As a percentage of revenues, cost of services decreased from 83.6% to 81.7%. Direct labor costs increased by 6.0%, while other direct costs increased by 18.2% over 2000. Material and subcontract costs increased 18.2% to \$108.6 million for the nine months ended September 30, 2001, compared to \$91.9 million for 2000. The increase arose primarily from our secure systems and infrastructure solutions work and, to a lesser degree, our Defense Security Service information technology work.

Gross profit. Gross profit increased 25.4% to \$57.9 million for the nine months ended September 30, 2001, compared to \$46.1 million for 2000. Gross profit margin increased to 18.3% for the nine months ended September 30, 2001, compared to 16.4% for 2000. The increase resulted from higher margins on new secure systems and infrastructure and information technology tasks, in conjunction with our improved realization of cost efficiencies, as a greater percentage of our work is performed under GSA schedule contracts.

General and administrative. General and administrative expenses increased 7.0% to \$33.2 million for the nine months ended September 30, 2001, compared to \$31.0 million for 2000 for additional management personnel and infrastructure to support the growth of our business. As a percentage of revenues, general and administrative expenses declined 0.5% over the comparable period during the prior year as a result of operating efficiencies, such as our improved monitoring of costs.

Depreciation and amortization. Depreciation and amortization expense has remained relatively constant for the nine months ended September 30, 2001 and 2000, because we have not acquired any companies or made any significant purchases of fixed assets during the periods.

Income from operations. Income from operations increased 75.2% to \$22.2 million for the nine months ended September 30, 2001, compared with \$12.7 million for 2000. The increase was primarily a result of the increase in revenues relative to the cost of services discussed above. Another contributing factor was the improvement in other income that was driven by our receipt of \$500,000 from our agreement to discontinue a subcontract.

Income from continuing operations. Income increased 137.8% to \$12.2 million for the nine months ended September 30, 2001, compared to \$5.1 million for 2000. The increase resulted from higher operating income, an increase in other income, reduced interest expense and a lower effective tax rate. Other income increases are primarily attributable to our equity investment in an affiliate which incurred losses in 2000, but has been profitable in 2001. Interest expense for the period decreased by 28.1% from the nine months ended September 30, 2000 as a result of a \$4.0 million reduction in our average balance under our line of credit and from lower interest rates. Our effective tax rate for the nine months ended September 30, 2001 was 42.7%, compared to 45.8% for 2000, due to a relative decrease in non-deductible expenses.

Year Ended December 31, 2000 Compared to the Year Ended December 31, 1999

Revenues. Revenues increased 7.0% to \$378.8 million for the year ended December 31, 2000, compared to \$353.9 million for 1999. This increase was attributable primarily to additional work under contracts that were in existence during the prior year. Additional work from the Department of State and the Army for secure systems and infrastructure solutions and from the Marine Corps for systems engineering solutions contributed significantly to the increased revenues, offset in part by declines in work under an Army information technology solutions contract. We derived approximately 29.8% of our revenues for 2000 from work under GSA schedule contracts, compared with approximately 20.3% for 1999. We derived approximately 7.8% of our revenues for 2000 from contracts in which we acted as a subcontractor, compared with approximately 6.8% for 1999.

Cost of services. Cost of services increased 6.4% to \$315.4 million for 2000, compared to \$296.3 million for 1999. As a percentage of revenues, cost of services decreased from 83.7% to 83.3%. Direct labor costs increased by 5.9%, while other direct costs increased by 8.2% over 1999. Material and subcontract costs increased 8.2% to \$127.2 million in 2000, compared to \$117.6 million in 1999, as a result of costs primarily associated with increased secure systems and infrastructure solutions.

Gross profit. Gross profit increased 10.1% to \$63.4 million for 2000, compared to \$57.6 million for 1999. Gross profit margin increased to 16.7% for 2000, compared to 16.3% for 1999. This increase resulted from our improved realization of cost efficiencies as a greater percentage of our work was performed under GSA schedule contracts.

General and administrative. General and administrative expenses increased 6.0% to \$41.5 million for 2000, compared to \$39.2 million for 1999, as our expenses grew in line with the growth of our business. As a percentage of revenues, general and administrative expenses declined 0.1%.

Depreciation and amortization. Depreciation and amortization expense remained relatively constant for 2000 and 1999, because we did not acquire any companies in 2000 or make any significant purchases of fixed assets during the year. There were no significant purchases of fixed assets during the year, primarily due to the fact that we began leasing the majority of our computer equipment under three-year leases in the first quarter of 1999.

Income from operations. Income from operations increased 22.6% to \$18.6 million for 2000, compared to \$15.2 million for 1999. The increase was primarily a result of the increase in revenues relative to the cost of services discussed above, offset by increased general and administrative expenses.

Income from continuing operations. Income increased 4.8% to \$7.1 million for 2000, compared to \$6.8 million for 1999. The increase resulted from higher operating income, offset by higher interest expense, a reduction in other income and a higher effective tax rate. While the average debt balance remained fairly constant year over year, interest expense for the year increased by \$0.3 million from the prior year as a result of increasing interest rates. Other income declined by \$2.3 million in 2000 compared to 1999 as a result of reduced earnings from an equity investment and a non-recurring \$0.4 million gain recorded in 1999 upon our sale of a building. Our effective tax rate for 2000 was 45.6%, compared to 44.4% for 1999, due to a relative increase in non-deductible expenses.

Year Ended December 31, 1999 Compared to the Year Ended December 31, 1998

Revenues. Revenues increased 12.6% to \$353.9 million for the year ended December 31, 1999, compared to \$314.3 million for 1998. This increase is attributable primarily to contracts with the Department of State and other intelligence agency contracts for secure systems and infrastructure solutions, which were awarded in 1999. We also had approximately \$7.4 million in additional revenues, which resulted from our January 1999 acquisition of Advanced Development Group, Inc., most of which consists of information technology work for the Army. The balance of the increase is attributable to additional work under contracts that were in existence during the prior year, including work from several intelligence agency customers and from the Marine Corps for systems engineering solutions. We derived approximately 20.3% of our revenues for 1999 from work under GSA schedule contracts, compared with approximately 10.4% for 1998. We derived approximately 6.8% of our revenues for 1999 from contracts in which we acted as a subcontractor, compared with approximately 6.2% for 1998.

Cost of services. Cost of services increased 11.7% to \$296.3 million for 1999, compared to \$265.2 million for 1998. As a percentage of revenues, cost of services decreased from 84.4% to 83.7%. Direct labor costs increased by 14.6% as a result of additional staff hired to support new and expanded contract work as well as the addition of staff from Advanced Development Group. Other direct costs increased by 7.6% over the comparable period in 1998. Material and subcontract costs increased 7.6% to \$117.6 million for 1999, compared to \$109.2 million for 1998.

Gross profit. Gross profit increased 17.3% to \$57.6 million for 1999, compared to \$49.1 million for 1998. Gross profit margin increased to 16.3% for 1999, compared to 15.6% for 1998. This increase resulted from improved margins as a result of reduced reliance on subcontractors and additional services provided under new GSA schedule contracts.

General and administrative. General and administrative expenses increased 17.3% to \$39.2 million for 1999, compared to \$33.4 million for 1998. As a percentage of revenues, general and administrative expenses increased 0.5% over the prior year, primarily as a result of increased infrastructure requirements, including expenses associated with our management and marketing of our new GSA schedule contracts.

Depreciation and amortization. Depreciation and amortization expense increased 43.4% to \$3.3 million for 1999 compared to \$2.3 million for 1998. The increase resulted from amortization of purchased contract costs and noncompete agreements associated with our acquisition of Advanced

Development Group and, to a lesser extent, amortization of capitalized software development costs. There were no significant purchases of fixed assets during 1999, primarily due to the fact that we began leasing the majority of our computer equipment under three-year leases in the first quarter of 1999.

Income from operations. Income from operations increased 12.8% to \$15.2 million for 1999, compared to \$13.4 million in 1998. The increase was primarily a result of the increase in revenues relative to the cost of services discussed above, offset by increased general and administrative expenses.

Income from continuing operations. Income increased 132.7% to \$6.8 million for 1999, compared to \$2.9 million for 1998. The increase resulted from higher operating income and higher other income, offset by a higher effective tax rate. Other income rose during the period by \$0.4 million as a result of a gain posted on the sale of a building. Interest expense for 1999 increased by \$0.1 million from an increase of \$0.9 million in the average debt balance. Our effective tax rate for 1999 was 44.4%, compared to 42.5% for 1998, due to a relative increase in non-deductible expenses. In addition, income from continuing operations in 1998 was affected by a \$5.2 million non-recurring charge that resulted from Global Intellicom defaulting on notes it had issued to us in 1996 in connection with Global Intellicom's 1996 purchase of our custom computer hardware business.

#### Liquidity and Capital Resources

Our primary source of liquidity is cash provided by operations and our revolving credit and term-loan facility. We fund our operations primarily through cash provided by operating activities. Cash provided by continuing operations was \$12.5 million for the nine months ended September 30, 2001, an increase of \$11.3 million from the prior year period. The primary reason for this increase was a \$7.0 million increase in income from continuing operations and increases in salary-related accruals and decreases in prepaid and other assets offset by increased contract receivables and decreased advanced billings and accounts payable and other accruals.

Cash provided by operating activities of continuing operations for 2000, 1999 and 1998 was \$19.9 million, \$9.4 million and \$7.9 million, respectively. In 2000, cash provided by operating activities was generated primarily from income from continuing operations of \$7.1 million, a decrease in contract receivables as a result of greater efforts to monitor and collect these amounts, an increase in advanced billings and an increase in salary-related accruals, offset by increases in prepaid expenses and other assets and decreases in accounts payable and accrued expenses. In 1999, cash flow was principally due to income from continuing operations of \$6.8 million, increases in accounts payable and accrued expenses and decreases in prepaid expenses and other assets, offset by a significant increase in contract receivables resulting from growth in our contract base. In 1998, cash was generated by income from continuing operations of \$2.9 million plus the non-cash investment default of \$5.2 million offset by increased contract receivables and decreased advanced billings.

Cash used in investing activities of continuing operations was \$5.6 million for the nine months ended September 30, 2001, compared to \$2.1 million for the prior nine month period. Investment activities included extending loans to an affiliate, purchase of property and equipment and investments in intellectual property. Cash used in investing activities for 2000, 1999 and 1998 was \$4.2 million, \$2.6 million and \$5.0 million, respectively. Financing activities have primarily consisted of investments in intellectual property, acquisitions of businesses, investments and loans to affiliates and purchase of property and equipment.

Cash used in financing activities of continuing operations was \$7.7 million for the nine months ended September 30, 2001, compared to \$3.8 million for the nine months ended September 30, 2000. The net cash used during 2001 and 2000 is primarily the result of reduction in debt.

Cash used in financing activities of continuing operations was \$0.0 million for 2000. Cash provided by financing activities of continuing operations was \$2.0 million for 1999 and \$1.3 million for 1998. Debt repayments and borrowings produced no significant cash impact in 2000. Borrowings under our line of credit exceeded repayments of other debt items by \$2.0 million in 1999. In 1998, we undertook \$8.0 million in subordinated debt in order to finance the redemption of \$8.0 million in preferred stock. We also redeemed \$2.9 million in common stock from a former employee. This was financed through borrowings under our line of credit.

On December 17, 2001, we executed a new Business Loan and Security Agreement with Citizens Bank of Pennsylvania, PNC Bank N.A., Branch Banking and Trust Company of Virginia, and Chevy Chase Bank, F.S.B. to refinance and replace our prior agreement. The new agreement provides for a \$65.0 million revolving credit facility and a \$6.4 million term loan. Under the term-loan portion of the new agreement, the principal balance is payable in consecutive quarterly installments of \$0.5 million on the last business day of each quarter commencing with the last business day of December 2001. The maturity date of the new agreement is December 31, 2004. Borrowings under the new agreement are collateralized by our eligible contract receivables, inventory, all of our stock in our subsidiaries and certain property and equipment and bear interest at the London Interbank Offering Rate (LIBOR), or the lender's prime rate, plus market-rate spreads that are determined based on a company leverage ratio calculation. The LIBOR spreads may range from 1.75% to 2.75% and the prime rate spreads may range from 0.50% to 1.50%.

Our new loan agreement replaced a November 1998 Business Loan and Security Agreement with Mellon Bank N.A., First Union Commercial Corporation and PNC Bank N.A. that, as modified in October 2000, consisted of a \$60.0 million revolving credit facility and a \$16.0 million term loan. Under the revolving portion of the former agreement, we could borrow the lesser of defined percentages of receivables or \$60.0 million. Under the term-loan portion of the former agreement, the principal balance was payable in consecutive quarterly installments of \$0.8 million on the last business day of each quarter with a final payment of \$6.4 million due upon the expiration of the agreement on December 31, 2001. Borrowings under the former agreement were collateralized by our eligible contract receivables, inventory and certain property and equipment and as of September 30, 2001 bore interest at the agreed-upon LIBOR plus 2.25% for the first \$25.0 million outstanding, at LIBOR plus 2.75% for the term loan, at LIBOR plus 2.03125% for European currency loans of \$1.0 million and at the bank's prime rate plus 1.00% for outstanding amounts greater than \$33.2 million. The aggregate weighted average interest rate for the nine months ended September 30, 2001 was 8.49%. At September 30, 2001, we had \$60.3 million in borrowings outstanding under the former agreement.

In January 1998, we executed a seven-year Subordinated Credit Agreement with First Source Financial LLP for \$8.0 million to finance the redemption of preferred stock. The principal balance is payable in eight consecutive quarterly installments of \$0.9 million on the first business day of each quarter commencing with the first business day of January 2003. A ninth and final payment is due on the last day of December 2004.

We believe the capital resources available to us under our credit agreements and cash from our operations are adequate to fund our ongoing operations and to support the internal growth we expect to achieve for at least the next 12 months. We anticipate financing our external growth from acquisitions

as well as our longer-term internal growth through one or a combination of the following: cash from operations; additional borrowing; issuance of equity; use of the existing revolver facility; or a refinancing of our credit facilities.

#### Discontinued Operations

Prompted by the prospect in the early 1990s of stable or declining federal government spending on defense programs as a result of the end of the Cold War, we made a number of investments in businesses operating primarily in non-governmental markets in the United States and internationally. Our investment in commercial and international business ventures contributed to our expertise with leading-edge information technology and technical services solutions. As a result of the favorable outlook for government technology service providers and the slowdown in the commercial information technology market, we determined in January 2001 to refocus our business strategy on our core competencies and business operations in the U.S. federal government market. In September 2001, we decided to exit certain lines of business involving foreign operations or operations that primarily serve commercial customers. We have decided to dispose of or discontinue our Australian-based software solutions consulting business, our United Kingdom-based bank remittance processing business, our China-based consulting business, our U.S.-based environmental consulting and remediation business and our U.S.-based application-hosting business. We are not discontinuing or disposing of our operations that currently provide comprehensive information technology and systems engineering solutions to federal government agencies, including the EPA, or that currently provide database conversion solutions to commercial customers. The lines of business to be disposed of or discontinued have been classified as discontinued operations in our consolidated financial statements. Based on independent valuations, market comparable information and interest expressed in these businesses, we have estimated the likely net gains and losses to income expected from these businesses through the estimated date of disposal. In accordance with Accounting Principles Board Opinion No. 30, Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business and Extraordinary Unusual and Infrequently Occurring Events and Transactions, we have recorded all current and expected future losses and deferred all gains expected to be realized upon disposal of the respective entities.

#### Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risk relates to changes in interest rates for borrowings under our senior term loan and our revolving credit facility. These borrowings bear interest at variable rates. We also have an unsecured note that bears interest at a fixed rate. We estimate the fair value of this note to approximate the \$8.0 million principal balance. Based on our senior term loan and our revolving credit facility borrowings during 2000, a hypothetical 10% increase in interest rates would have increased our annual interest expense by approximately \$0.5 million and would have decreased our annual cash flow from operations by approximately \$0.5 million.

In November 2000, we entered into an interest swap agreement in order to reduce our exposure associated with the market volatility of interest rates. This agreement has a notional amount of \$25.0 million and, as of September 30, 2001, had a rate of 6.53%. This agreement is a hedge against revolving debt of \$25.0 million, which bears interest at monthly floating LIBOR plus 2.25%. At stated monthly intervals the difference between the interest on the floating LIBOR-based debt and the interest calculated in the swap agreement are settled in cash. The value of the swap at September 30, 2001 was

a negative \$2,084,000. In December 2001, the swap agreement was reset within our new banking group at a rate of 6.83% with a four-year term.

#### Accounting Pronouncements

In June 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141, Business Combinations (SFAS No. 141). SFAS No. 141 requires that all business combinations be accounted for by a single method--the purchase method. The provisions of SFAS No. 141 apply to all business combinations initiated after June 30, 2001. SFAS No. 141 also applies to all business combinations accounted for using the purchase method for which the date of acquisition is July 1, 2001, or later. We do not expect the adoption of the provisions of SFAS No. 141 to have an impact on our consolidated financial position or results of operations.

In June 2001, the FASB issued Statement No. 142, Goodwill and Other Intangible Assets (SFAS No. 142). SFAS No. 142 requires that, upon its adoption, amortization of goodwill will cease and instead, the carrying value of goodwill will be evaluated for impairment on an annual basis. Identifiable intangible assets will continue to be amortized over their useful lives and reviewed for impairment in accordance with SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of (SFAS No. 121). SFAS No. 142 will be effective for fiscal years beginning after December 15, 2001. We have not yet completed our analysis of this new pronouncement and the impact it will have on the consolidated financial statements.

In July 2001, the FASB issued Statement No. 143, Accounting for Asset Retirement Obligations (SFAS No. 143). SFAS No. 143 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The associated asset retirement cost would be capitalized as part of the carrying amount of the long-lived asset. SFAS No. 143 will be effective for fiscal years beginning after June 15, 2002. We have not determined the effect that this statement will have on our consolidated financial position or results of operations.

In October 2001, the FASB issued Statement No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets (SFAS No. 144), that replaces SFAS No. 121. SFAS No. 144 requires that long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. SFAS No. 144 also broadens the reporting of discontinued operations to include all components of an entity with operations that can be distinguished from the rest of the entity and that will be eliminated from the ongoing operations of the entity in a disposal transaction. The provisions of SFAS No. 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001. We have not yet completed our analysis of this new pronouncement and the impact it will have on the consolidated financial statements.

In November 2001, the Emerging Issues Task Force (EITF) issued Topic No. D-103, Income Statement Characterization of Reimbursements Received for "Out-of-Pocket" Expenses Incurred. EITF No. D-103 requires that companies report reimbursements received for out-of-pocket expenses incurred as revenue, rather than as a reduction of expenses. The provisions of EITF No. D-103 are effective for financial statements issued for fiscal years beginning after December 15, 2001. As we have historically accounted for reimbursements of out-of-pocket expenses in the manner provided for under EITF No. D-103, we do not expect the adoption of the provisions of EITF No. D-103 to have an impact on our consolidated financial position or results of operations.

## Overview

ManTech International Corporation delivers a broad array of information technology and technical services solutions to U.S. federal government customers, focusing primarily on critical national defense programs for the intelligence community and Department of Defense. We design, develop, procure, implement, operate, test and maintain mission-critical, enterprise information technology and communication systems and intelligence processing infrastructures for our federal government customers. More than 1,700 of our nearly 3,500 employees hold government security clearances, including over 600 with access to Sensitive Compartmented Information allowing us to work with our customers in highly classified environments and at front-line deployments in the United States and 28 countries globally.

We were founded in 1968 and have exhibited strong growth and profitability since 1980 largely as a result of successful long-standing relationships with our customers, having supported many of them for 15 to 30 years. For both the year ended December 31, 2000 and the nine months ended September 30, 2001, approximately 84.0% of our revenues were derived from our customers in the intelligence community and Department of Defense. These customers include the Office of the Secretary of Defense; the Department of State; various intelligence agencies; the U.S. Army, Navy, Air Force and Marine Corps; and joint military commands. We also provide solutions to federal government civilian agencies, including NASA, EPA and the Departments of Justice, Commerce and Energy, as well as to state and local governments and commercial customers.

## Industry Background

The federal government is the largest purchaser of information technology solutions. Federal government spending on information technology has consistently increased in each year since 1980. This trend is expected to continue, with federal government spending on information technology expected to increase from \$36.4 billion in 2001 to an estimated \$60.3 billion in 2006, a compound annual growth rate of 10.6%. Moreover, this data may not fully reflect government spending on complementary technical services, which include sophisticated systems engineering and testing services. We believe that government spending will continue to increase due to several trends:

Increasing U.S. Department of Defense budgets. The Department of Defense is the largest purchaser of information technology in the federal government. The federal government is projected to increase spending on defense-related programs from \$291.0 billion in 2001 to \$400.0 billion in 2003, a compound annual growth rate of 17.2%. For fiscal year 2002, the President has signed a bill that authorizes \$343.0 billion in defense spending. In addition, emergency supplemental funds for homeland defense initiatives add at least an additional \$3.5 billion to the Department of Defense's budget for fiscal year 2002. Within this expanding market, there are several notable trends affecting information technology and technical services providers:

- . Command, Control, Communication, Computers and Intelligence (C4I). According to Frost & Sullivan, a market research firm, the federal government spends approximately \$11.3 billion annually on advanced systems and communications for C4I-related activities. We believe that spending on advanced command and control architectures will increase as the Department of Defense seeks to use information technology to increase combat power, improve battle management and enhance communications and systems interoperability.

. Homeland Defense Programs. The Pentagon has stated that the military's most urgent priority is to defend the United States from external attack, including cyber-assaults and bioterrorism. To accomplish this mission, we believe the federal government will rely heavily on cooperative and coordinated information systems, technologies and technical services. According to the Government Electronics and Information Technology Association, federal spending on information assurance initiatives is expected to increase from \$2.7 billion in 2000 to \$6.7 billion in 2005, a compound annual growth rate of approximately 19.9%. In addition, on September 18, 2001, the President signed into law an emergency spending bill that provides \$40.0 billion for Homeland Defense initiatives, \$20.0 billion of which will be obligated for spending in fiscal year 2001 and \$20.0 billion for fiscal year 2002.

. Intelligence Spending. The U.S. intelligence community is comprised of 13 federal agencies and organizations responsible for the collection, analysis and dissemination of strategic and tactical intelligence information. Information on the intelligence community is available from the government's website at [www.cia.gov/ic](http://www.cia.gov/ic). The budget for the intelligence community is coordinated under the Director of Central Intelligence and the Secretary of Defense. The intelligence community budget has traditionally been classified for national security reasons, but figures released to the public for the fiscal years 1997 and 1998 indicated annual budgets in excess of \$26.0 billion. While budget numbers for subsequent years have not been released, according to the U.S. House of Representatives Appropriations Committee, the fiscal year 2002 spending bill "adds significant funds in support of classified programs and also provides funding to accelerate and enhance U.S. military intelligence, surveillance, and reconnaissance (ISR) capabilities." In addition, the emergency supplemental spending bill signed into law by the President on September 18, 2001 allows for spending on intelligence-related activities, although specific spending amounts have not been released to the public.

Increasing adoption of commercialized procurement methods in the federal government. Recent changes in procurement legislation have incorporated commercial buying techniques into the government's source selection process. These changes have resulted in reduced supplier selection time and have facilitated "best value" contracting, which considers qualitative selection criteria, such as past performance and technical approach. Other changes allow government technology service providers to attain pre-approved status and gain the opportunity to market their services to federal government customers through contracts with established pricing metrics, such as GSA schedule contracts. These contracts enable government agencies to transition from cost-plus contracts to time-and-materials and fixed-price contracts, which promotes increased efficiencies for federal government customers by incentivizing technology service providers to reduce costs.

Increasing reliance on technology service providers. Market researchers estimate that the federal government information technology outsourcing budget will grow from approximately \$6.3 billion in 2001 to approximately \$13.2 billion in 2006, a compound annual growth rate of approximately 15.9%, due to the government's need for cost-effective technologies and efficient services. The trend towards use of technology service providers is expected to accelerate in light of staffing challenges facing the government. The National Academy of Public Administrators estimates that approximately 50.0% of the federal government information technology workforce will be eligible to retire by 2006 and that there will be a shortage of technically skilled replacements. Given the difficulty the federal government has experienced in hiring and retaining skilled technology personnel in recent years, we believe the federal government will need to rely heavily on technology service providers that have experience with government legacy systems, can sustain mission-critical operations

and have the required government security clearances to deploy qualified personnel in classified environments.

Increasing focus on modernizing information technology and communication infrastructures. Traditionally, the federal government has relied on proprietary legacy systems that were developed with programming and computer standards unique to the government. These legacy systems often are expensive to maintain, lack scalability and are incompatible with current technologies. Nevertheless, the government has a significant amount of money and resources invested in these legacy systems, many of which serve mission-critical functions where even a minor failure can lead to substantial losses, including potential loss of life. The government therefore requires technology service providers with domain expertise who can successfully integrate and transition proprietary legacy systems to modern technologies.

#### Requirements for Government Technology Service Providers

We believe that government technology service providers face significant challenges when providing services to the intelligence community and Department of Defense. We believe they must:

- . Provide and support comprehensive technology-based solutions;
- . Demonstrate expertise in sustaining proprietary government legacy systems to maintain mission-critical functionality, while integrating or replacing them with modern systems and applications;
- . Comply with strict personnel and facility security clearance requirements for classified programs;
- . Demonstrate domain expertise, a record of past performance and the ability to successfully manage large and complex programs; and
- . Have a strong management team with practical experience in managing programs for the intelligence community and Department of Defense.

#### ManTech's Competitive Advantages

We believe we are well positioned to address the requirements of our customers in the intelligence community and Department of Defense because we possess the following key competitive advantages:

Comprehensive technology solutions provider. We offer comprehensive systems life-cycle support, through which we design, develop, procure, implement, operate, test and maintain sophisticated communication and information technology systems and infrastructures. Our ability to provide this broad array of capabilities affords us opportunities to expand our business with existing customers and to develop relationships with new customers. By offering domain expertise in customers' systems and infrastructures, we are able to identify, develop, implement and deploy solutions to support our customers' mission-critical and enterprise systems.

Extensive experience with government legacy systems. Our expertise with legacy systems migration, integration, optimization and maintenance enables us to sustain, modernize, maximize and protect our government customers' investments in systems and infrastructures. For over 30 years, we have worked with a variety of legacy information technology systems and programming languages that are proprietary to our customers in the intelligence community and Department of Defense, and we have gained extensive domain expertise through our on-site presence at government facilities. With

this background, we can transition a customer's legacy systems to, or integrate them with, new commercial technologies and web-enabled customized applications, enhancing the interoperability and accessibility of critical enterprise data.

Employees with security clearances. We are able to satisfy the strict security clearance requirements for personnel who work on classified programs for the intelligence community and Department of Defense. More than 1,700 of our approximately 3,500 employees have government security clearances. Approximately 1,100 of these employees hold Top Secret security clearances, including more than 600 employees who have access to Sensitive Compartmented Information. These employees have already completed the lengthy process necessary to obtain a security clearance, which requires a candidate to be sponsored by the government for a particular purpose, entails extensive background investigations that typically take between six months to a year and, for restricted access clearance, may require successful completion of polygraph testing. We also maintain facility clearances as required to support classified programs.

Proven track record of providing services to the federal government. We have a successful track record of fulfilling our customer needs as demonstrated by our long-term relationships with many of our largest customers. We have supported technical services programs for the Navy for over 30 years, intelligence activities for the Army for over 20 years and security programs for the Department of State for over 15 years. For example, since 1981 we have provided services under five successive competitively awarded contracts in support of the Naval Aviation Logistics Command Management Information System.

Experienced management team. Our executives and advisory board members provide us extensive experience supporting the intelligence community and Department of Defense. Many of our executives and advisory board members have long tenures in the government marketplace, and several are former senior military officers or intelligence agency executives. With their knowledge, valued relationships and reputations, our management plays a key role in building and sustaining our customer base.

#### ManTech's Growth Strategy

Our objective is to profitably grow our business as a premier provider of comprehensive information technology and technical services solutions to the federal government market. Our strategies for achieving this objective include:

Expand Our Customer Base. We intend to capitalize on our long-term relationships with our customers and our reputation within the intelligence community and Department of Defense to attract new customers and to cross-sell our broad array of solutions to our existing customers. Under the "best value" contracting process that has resulted from reforms in the government process, past performance and technical approach are key factors which the government may consider when evaluating competitive bids. Based on our long-term support to numerous customers, we believe we have a successful past performance track record and demonstrated technical expertise that gives us credibility recognition with these customers and enhances our ability to be successful in bidding on follow-on contracts and in competition for new programs of both existing and new customers. We also intend to pursue these opportunities by hiring key personnel with targeted domain expertise and by pursuing strategic acquisitions. Because our personnel are on-site with or working in close proximity to our customers, we develop close relationships with them and are often able to enhance our customers' operations by rapidly identifying and developing solutions for customer-specific requirements.

Increase Contract Profitability. We intend to continue increasing our profitability by pursuing contracts that require higher value-added solutions and by transitioning our services to more efficient and flexible contract vehicles, such as competitively awarded GSA schedule contracts. We leverage our customer relationships and our existing core competencies to identify and compete for service offerings where we can obtain improved margins by delivering higher value-added solutions. In addition, we have actively pursued flexible contract vehicles, such as competitively awarded GSA schedule contracts, as a quick, efficient way to engage our services. GSA schedule contracts are competitively awarded acquisition contracts which government agencies may use to purchase our solutions at predetermined ceiling prices, terms and conditions. In marketing to our customers, we are able to highlight the advantages that these contract vehicle alternatives offer our customers. In addition to providing our customers with pre-negotiated competitively priced arrangements, these advantages include the broad range of services that can be obtained under them, the quick response flexibility they offer to meet short time constraints and the capability to accommodate overall program technical, schedule and cost requirements at fair market prices. Customers which select these contract vehicles find that they can obtain the benefit of competitively priced services without the cost and delay of the government's traditional formal proposal and bid process. These contract vehicles also incentivize us to provide our services on a more cost-efficient basis. If we achieve cost efficiencies through effective management of these contracts, we can increase our profitability. Under GSA schedule contracts, we can also proactively market our advanced technology solutions to our federal government customers.

Target High Growth Segments of the Market. We believe the projected growth in government information technology and technical services spending will offer opportunities for development and delivery of advanced technology solutions for enterprise applications and information systems. We intend to expand our service offerings in high growth program areas. In particular, we intend to focus on providing new or improved solutions in critical infrastructure protection and information assurance, including cybersecurity and homeland defense programs, and other secure systems and infrastructure solutions to the intelligence community, Department of Defense and other civilian agencies. For example, our staffing levels in support of the Department of State's critical infrastructure and information assurance functions increased from approximately 100 to 450 personnel since 1998.

Attract and Retain Highly Skilled Personnel. We intend to continue to attract and retain skilled professionals, including engineers, scientists, analysts, technicians and support specialists, to ensure we have the capabilities to fulfill our customers' requirements. We target candidates who have served in the military or as civilian experts in the intelligence community and Department of Defense. We believe we can continue to retain our employees by offering competitive compensation and incentive plans, opportunities for career growth through company-supported education programs and diverse, challenging assignments at over 160 locations worldwide.

Pursue Strategic Acquisitions. We plan to enhance our internal growth by selectively pursuing strategic acquisitions of businesses that can cost-effectively broaden our domain expertise and service offerings and allow us to establish relationships with new customers. We are primarily focused on acquiring businesses that provide value-added solutions for the intelligence community and Department of Defense but will also consider opportunities to acquire other businesses where we can leverage our reputation and experienced management team.

#### ManTech's Services

We deliver comprehensive information technology and technical services solutions for mission-critical, enterprise information technology and communication systems through three principal areas of expertise, which are offered separately or in combination across our customer base:

## Secure Systems and Infrastructure Solutions

We provide a broad range of solutions to enhance systems and network availability and mission-critical performance of our customers' hardware, software, computer, network and telecommunication assets, including:

**Intelligence Operations.** We provide services for strategic and tactical intelligence systems, networks and facilities in support of the intelligence community and Department of Defense. To support classified systems and facilities designed to collect, analyze, process and report on signals intelligence, we develop and integrate advanced, signal processing systems and new signal processing techniques. Our intelligence-related services also include the design, rapid development and prototyping, integration and management of real-time signal processing systems. For example, when an adversary implements a new communication technique or protocol, we provide rapid prototyping and re-engineering services, which enable our customers in the intelligence community to decipher and exploit the communications.

**Communication systems and infrastructure support.** We design, develop, modify and maintain secure communication systems and network infrastructures. This process involves evaluating industry standards, systems architectures and applications in order to recommend and develop technology solutions and integrate them into a customer's secure communication systems. We also procure, install and test new voice, data and video communication systems. For example, we provided a comprehensive communication network infrastructure and systems solution in relocating, re-establishing and upgrading a major military command headquarters from Panama to Miami, Florida. We integrated the customer's classified and unclassified information processing and telecommunication network without disruption to the command mission.

**Safeguarding critical infrastructures.** We identify potential foreign and domestic threats, including terrorism, to quantify exposure to the threats and recommend prudent countermeasures. Our capabilities include threat definition and modeling, vulnerability identification, adversary characterization, lethal force defense analysis, security life-cycle planning and management, physical and cyber countermeasure optimization techniques and operations security assessments. For example, to assist the Department of State in addressing the requirements of Presidential Decision Directive 63, which requires all government agencies to identify and safeguard critical infrastructures from all forms of threats, we provide on-going support in the department-wide vulnerability assessments of their critical infrastructure and resources and perform worldwide network management and other integrated security services.

**Information assurance.** We provide comprehensive information assurance programs that assess and implement integrated physical, technical, operations, personnel, computer and communication security requirements, including disaster recovery assessment. Our services include systems security architecture development, test and evaluation, certification and accreditation support and compliance audits and inspections. We offer information assurance support for both classified and unclassified systems. For example, for the Department of State, we design and implement networks and host-based intrusion detection programs that are compatible with their evolving virtual private network architecture.

## Information Technology Solutions

We provide a broad range of information technology solutions to our customers, including:

Systems integration services. We perform comprehensive systems integration of hardware and software components using commercial products and our customers' proprietary software and legacy applications for our government and commercial customers. We analyze customer information systems, applications and platforms and develop solutions to sustain or extend systems performance and availability. For example, as a subcontractor on the Navy-Marine Corps Intranet program, we are transitioning legacy software applications to a standardized, end-to-end systems infrastructure for voice, video and data. This includes support of over 10,000 critical legacy business applications serving 350,000 Navy personnel, which must be migrated to the new program architecture. We also develop and provide specialized training programs for information systems, including interactive electronic training and technical manuals and enterprise-wide distance learning programs. We are working with the Internal Revenue Service's General Business Institute to design, develop and implement a web-based training management and delivery solution that provides access to more than 100 training courses via their intranet or the Internet.

In addition, we perform database conversion and application migration services for our customers. For example, we developed a software tool that enhances our database conversion and application migration services. This solution automates the database conversion process to enable better, faster and less expensive conversions and migrations.

Enterprise application solutions. We design, develop, implement, test, maintain and web-enable software applications for our customers' information systems and network infrastructures. We provide comprehensive e-commerce services, including web development efforts that focus on designing and maintaining scalable, interoperable, reliable and portable end-to-end information management solutions. Our e-commerce services also include global web-based collaboration, electronic cataloging, automated document imaging and business process re-engineering. For example, as part of our business process re-engineering services, we are working with the Office of the Secretary of Defense to develop industry-wide electronic data interchange standards.

We design, develop and implement electronic data interchange solutions, which enable different entities to communicate and execute orders and transactions electronically. For example, we developed an electronic data interchange solution for the Defense Commissary Agency, which operates over 370 commissaries worldwide. We also currently provide a web-based integrated solution for managing millions of vital records that document birth, death, marriage and divorce for several state and local governments.

Our information technology solutions allow end-users insight into and control over supply chain management. We have developed and implemented logistics management information systems for the Navy for more than 20 years, including the sophisticated Naval Aviation Logistics Command Management Information System application, which is used on every ship in the Navy and at over 450 shore facilities. We have also expanded our services for the Navy in this area so that we now develop, maintain and provide continuous systems process improvements for 19 other information systems as part of the Navy Tactical Command Support System, which automates numerous logistics functions. Applications we designed for the Navy have been adopted for use by other agencies, including the Marine Corps, the White House Communications Agency and three NASA centers.

Systems/network maintenance services. We have extensive experience in maintaining a wide range of information management resources for our customers. We perform comprehensive systems administration, including 24x7 support for continuous mission operations. For example, for the Army, we provide systems administration and help desk functions at a domestic location for a command and management system, as well as help desk functions in an overseas remote location that supports 1,500

users. For this customer, we also provide on-site support for the command and management system workstations and networks located throughout countries in Central and South America.

#### Systems Engineering Solutions

We offer our customers a broad range of systems engineering solutions, including:

Systems engineering services. We perform comprehensive systems engineering services to analyze and develop solutions for customer hardware and software requirements. We also evaluate existing systems designs to determine if performance enhancements or cost savings can be derived through the integration of current technologies. For more than 15 years, we have provided a broad range of systems engineering services to analyze acoustic data requirements and develop instrumentation to assist the Navy in maintaining or increasing the acoustical advantages of U.S. submarines. As part of these services, we have developed a wide range of hull-mounted and towed array sonar systems and acoustic measurement systems. We also provide systems engineering and technical services that support the design and installation of communication, intelligence, electronic warfare and information systems aboard Navy and Coast Guard ships and at shore-based facilities.

Testing and evaluation. For the past three decades, we have tested complex and mission-critical hardware and software systems used by the Army, Navy and NASA. We have played key roles in improving the performance, reliability, maintainability, supportability and weapons effectiveness of in-service rotary and fixed wing platforms, including the F/A-18E/F Super Hornet, and their associated ordnance. We are participating in development of plans for testing and evaluating the Joint Strike Fighter. We also perform submarine and surface ship acoustical trials to evaluate stealth abilities and to maintain the acoustical credibility of U.S. submarines. We have performed acoustic testing for every operational class of Navy combat vessel, both surface and submarine, in use today.

Through our work at NASA's Goddard Space Flight Center, our space payload test and integration services have supported every in-house earth orbit program since 1971. We conduct a broad range of tests, including structural, acoustics, vibration, space simulation and electromagnetic tests, to certify that all flight hardware can withstand the extreme conditions of space flight. We have won recognition within both Goddard and the NASA community for our test, integration, transportation and launch site support of the Hubble Space Telescope repair and servicing missions. For example, we received the Goddard Contractor Excellence Award for 2000.

We also design, manufacture and produce automated test technology for military and commercial customers. For example, we are the prime contractor for the U.S. Marine Corps Third Echelon Test System, a mobile testing platform that is designed to provide electronic repair support on the front lines of the battlefield.

Our services also include our environmental science, toxicology and ecology research and development services for the EPA, including assessing the human health impacts of a wide variety of air and waterborne contaminants, monitoring and predicting exposures, understanding exposure routes in the event of a release of chemicals or biological agents and modeling migration strategies to predict the movement of airborne and waterborne contaminants. In response to the September 11, 2001 terrorist attacks, we were asked by the EPA's National Exposure Research Laboratory to assemble and calibrate equipment for monitoring pollutants released around the collapsed World Trade Center complex. In less than 48 hours, we defined monitoring needs and configured equipment in a mobile laboratory that was delivered to the World Trade Center site to collect and evaluate samples of contaminants.

Independent validation and verification. We perform tests to certify that new systems or upgraded systems operate in accordance with their design requirements. For example, we have performed certification services for aircraft weapon systems in support of U.S. Naval Air Systems Command programs.

#### ManTech's Customers

Our customers include U.S. federal government intelligence, military and civilian agencies and other state and local governments and commercial customers. We have successful long-standing relationships with our customers, having supported many of them for 15 to 30 years. Representative customers include:

- . Intelligence and Department of Defense Customers
  - Office of the Secretary of Defense
  - U.S. Army, Navy, Air Force and Marine Corps
  - Multiple Intelligence and Classified Agencies
  - Department of State
  - Defense Information Systems Agency
  - Defense Logistics Agency
  - Defense Commissary Agency
  - Joint Interoperability Test Command
  
- . Civilian Agencies or Departments
  - Department of Energy
  - Department of Justice
  - National Aeronautics and Space Administration
  - Environmental Protection Agency
  - Internal Revenue Service
  - National Institutes of Health, including the National Cancer Institute

Our revenues derived from our federal government customers, consisting primarily of customers in the intelligence community and Department of Defense, accounted for approximately 95.8% of our revenues for the nine months ended September 30, 2001, and approximately 96.1%, 96.0% and 97.1% of our revenues for 2000, 1999 and 1998, respectively. Our federal government customers typically exercise independent contracting authority, and even offices or divisions within an agency or department may directly, or through a prime contractor, use our services as a separate customer so long as that customer has independent decision-making and contracting authority within its organization. For example, under a blanket purchasing agreement with one of the Army's contracting agencies, program managers throughout the Army and from other services and defense agencies are able to purchase a wide range of our solutions. Even though task orders under this agreement together accounted for 12.5% of our revenues for the nine months ended September 30, 2001, no one task order represented more than 4.7% of our revenues during that period.

For 2000 and the nine months ended September 30, 2001, we derived 7.8% and 8.4%, respectively, of our revenues through relationships with prime contractors, who contract directly with the customer and subcontract to us. For 2000, we derived 98.7% and 1.3% of our revenues from services provided in the United States and abroad, respectively. For the nine months ended September 30, 2001, we derived 98.4% and 1.6% of our revenues from services provided in the United States and abroad, respectively.

## Representative Customer Solutions

We have selected the following case studies to illustrate the breadth of comprehensive information technology and technical services solutions that we provide and the range of customers that benefit from our solutions. While we believe they are helpful in that regard, our selection of these case studies should not be viewed as depicting our largest or most profitable contracts, the full range of work that we have undertaken in the past or the type of contracts we will pursue in the future.

### Intelligence-Related Support

**Task Objective:** Establish and operate strategic and tactical intelligence systems, networks and facilities in classified environments to support our customers' worldwide intelligence-related operations.

**Solution:** For over 20 years, we have supported a broad range of strategic programs for classified agency customers to enhance signals intelligence systems and infrastructure availability and mission-critical functionality. We design, develop, monitor, maintain and upgrade designated site hardware, software, network and telecommunication assets to support continuous operations. We have consistently achieved required systems availability levels while accommodating a broad range of new technology integration initiatives for our customers' legacy systems.

For U.S. Army intelligence customers, we currently operate four centers in the United States, one in Germany and one in South Korea to support intelligence, electronic warfare and other systems. These centers must be able to adapt and expand to support a wide range of electronic maintenance or logistics support missions. We perform broad maintenance, logistical and administrative services, including systems and network troubleshooting, maintenance and repair, and installation, integration and testing of electronic, electrical and mechanical equipment designed for vehicular, airborne and portable platforms. We also provide dedicated or on-call support on a 24x7 basis for designated systems during exercise and active deployments.

### U.S. Department of State Critical Infrastructure Protection Services

**Task Objective:** Establish program to support the Department of State's electronic and physical security systems, network intrusion detection systems, and classified communications programs at worldwide embassies and posts.

**Solution:** We are the primary technology service provider responsible for upgrading all electronic physical security infrastructure at more than 250 U.S. embassies and posts worldwide. This infrastructure includes perimeter surveillance, closed-circuit television, intrusion detection, access control and fire suppression systems. We continuously evaluate emerging security technologies for suitability and possible integration into Department of State facilities.

We also assess and test commercial off-the-shelf cyber intrusion detection products to meet the requirements of each location. We test each product in our secure laboratory prior to deployment. We recently designed and implemented a network and PC-based intrusion detection program compatible with the evolving virtual private network architecture serving

the Department of State and the foreign affairs community. We also provide incident handling support and develop procedures for coordinating espionage investigations.

For one of the Secretary of State's highest information technology priorities, we support the development of a secure global network and infrastructure for 190 foreign service post installations worldwide. We build, test and integrate equipment into approved solution configurations, which are shipped overseas and installed in the posts. Based on the customer's connectivity requirements, the solutions we provide range from simple secure dial-up to a more complex secure NT local area network providing classified message and e-mail delivery. To date, we have successfully installed classified Windows NT-based local area network solutions at 52 posts.

We have recently been tasked to provide Internet access worldwide at each department desktop within a secure infrastructure. We are developing a segmented architecture that identifies how security functionality can be implemented on local and wide area networks and host resources.

#### U.S. Southern Command Headquarters Services

**Task Objective:** Establish and maintain C4I information management processing capabilities for the headquarters of the U.S. Southern Command in Miami, Florida.

**Solution:** We were the C4I systems integration contractor for the relocation of the headquarters of the U.S. Southern Command from Panama to Miami, Florida. We designed and delivered a comprehensive integrated communications solution for the new facility that enhanced the overall information management capabilities of the command. We designed secure and non-secure local area networks for the new facility and migrated all military information processing and communication networks and commercial telecommunication services into a state-of-the-art, commercial off-the-shelf enterprise solution. We completed this \$35 million program within 18 months, on-time, within budget and without any interruption of mission operations.

Since the relocation, we have provided comprehensive services in support of the U.S. Southern Command facility to maintain and administer all automated information systems and networks. Our personnel perform:

- . Hardware and software maintenance services for all headquarters systems, including web and software development;
- . Multimedia services and video teleconferencing operations;
- . Systems administration, help desk services and network systems management on classified and unclassified networks; and
- . Technology upgrade integration to meet continuously changing user requirements.

## Defense Commissary Agency Corporate Information Utility Systems

**Task Objective:** Establish capability to support the Defense Commissary Agency business enterprise systems infrastructure, which consists of over 370 commissaries worldwide that service millions of customers each year.

**Solution:** Since 1995, we have worked with the agency to conduct detailed analyses of current and future agency business requirements and to recommend integration of new commercially available software and hardware products for large-scale upgrades to the agency's legacy systems. Recently, we developed the agency's first executive decision support system that automates many of the accounting functions performed at the individual commissaries and provides a tool for region and zone managers to effectively monitor their assigned stores. We also developed and implemented a web-based electronic data interchange interface that facilitates wholesale point-of-sale capability and allows small grocery vendors to submit product prices directly to the agency. It also provides real-time tracking of all consumer product prices and an on-line payment system. We deployed the solution to all of the agency's regional headquarters and stores in the United States. We believe our solutions played a key role in the agency winning the award for the Best Electronic Commerce Team in the Department of Defense in 1999.

## Navy Tactical Command Support System

**Task Objective:** Develop an integrated suite of applications to support mission-critical functions for a widely dispersed user population in the Naval aviation community.

**Solution:** Since 1981, we have been the prime contractor for development, implementation and systems life-cycle support of major applications that comprise the Navy Tactical Command Support System. This sophisticated logistics management information system now consists of 19 applications ranging from stand-alone desktops to web-enabled applications that facilitate management of the information, personnel, material and funds required to maintain and operate surface ships, submarines, aircraft and shore commands. At least one of the 19 systems applications is used aboard every ship in the Navy, in every Navy and Marine Corps aviation organizational maintenance activity and intermediate maintenance activity, by Marine Corps ground combat forces, and by more than 450 shore-based organizations worldwide. Our recent improvements to legacy applications include the integration of new technologies such as automated identification technology for component tracking, two-way data replication to facilitate information exchange among commands and development of interfaces with new tools such as smart cards and portable handheld electronic devices. After re-engineering and modernizing legacy systems, we are managing orderly, phased user migrations from legacy systems to the new optimized systems.

## Joint Interoperability Test Command Support Services

**Task Objective:** Support the Joint Interoperability Test Command in conducting interoperability and certification testing of new or upgraded C4I systems and information exchange standards in the command's verification and interoperability facility.

**Solution:** For the past 18 years, we have supported a wide range of interoperability, certification and standards conformance testing on tactical and strategic assets in support of all military systems and operations. Our services include comprehensive systems integration support during test and certification processes. We develop test plans and procedures, conduct tests and document test results on the interoperability of all C4I systems. We have developed and implemented networks; performed software development; and provided facility support, including help desk support for the command's 600-user local area network. We designed, installed, and operate a \$65 million Joint Interoperability Testbed and the Network Interoperability Testing Laboratory, consisting of tactical equipment from the various military services interconnected through a distributed test network. This virtual test network is quickly reconfigurable to replicate operational networks and permits the interconnection and testing of equipment and networks anywhere in the world. We also support the Joint Logistics Warfighter Initiative designed to improve military readiness by improving the responsiveness of multiple logistics systems of different military branches by integrating current technologies and business process improvements. We deploy with the command during military exercises and contingency operations and have supported 53 operations globally since 1991.

## Backlog and GSA Schedule Contract Value

At September 30, 2001, our backlog was \$765.0 million, of which \$228.6 million was funded backlog. At September 30, 2000, our backlog was \$871.9 million, of which \$282.5 was funded backlog. In addition, we estimate our GSA schedule contract value at September 30, 2001 was \$1,051.8 million. At September 30, 2000, we estimate our GSA schedule contract value was \$311.8 million. Backlog, funded backlog and GSA schedule contract value represent estimates that we calculate on the bases described below. We expect that more than 93.5% of our funded backlog at September 30, 2001 will be recognized as revenues prior to September 30, 2002.

We define backlog as our estimate of the remaining future revenues from existing signed contracts, assuming the exercise of all options relating to such contracts and including executed task orders issued under GSA schedule contracts. This includes an estimate of revenues for solutions that we believe we will be asked to provide in the future under the terms of executed multiple-award contracts in which we are not the sole provider, meaning that the customer could turn to companies other than us to fulfill the contract. It also includes an estimate of revenues from indefinite delivery, indefinite quantity contracts, which specify a maximum, but only a token minimum, amount of goods or services that may be provided under the contract. Backlog does not include the value for contracts where we have been given permission by the customer to begin or continue working, but where a formal contract or contract extension has not yet been signed.

We define funded backlog to be the portion of backlog for which funding currently is appropriated and allocated to the contract by the purchasing agency or otherwise authorized for

payment by the customer upon completion of a specified portion of work. Our funded backlog does not include the full value of our contracts, because Congress often appropriates funds for a particular program or contract on a yearly or quarterly basis, even though the contract may call for performance that is expected to take a number of years.

At September 30, 2001, our backlog included \$293.2 million of revenues for solutions pursuant to task orders that have been executed under GSA schedule contracts, of which \$119.0 million was included in funded backlog. The amount of our revenues generated under GSA schedule contracts has increased in recent years. Specifically, for the years ended December 31, 1998, 1999, and 2000, funded awards under GSA schedule contracts were \$35.1 million, \$102.5 million and \$135.2 million, respectively, and for the nine months ended September 30, 2001, funded awards under GSA schedule contracts were \$136.1 million. We believe that potential GSA schedule contract revenues are not fully reflected in traditional backlog calculations because, as described below, while GSA schedule contracts provide our customers with the flexibility to obtain our solutions through a streamlined procurement process, they do not provide for fixed, minimum or maximum purchase commitments. Therefore, we have developed a method of calculating GSA schedule contract value that we use to evaluate estimates for the amount of revenues that we may receive under our GSA schedule contracts. For these purposes, we determine GSA schedule contract value by multiplying the average monthly amount of funded work that we have been awarded under each of our GSA schedule contracts over the past nine months, by the number of months remaining in the term of those contracts, including under existing options, except that we do not take into account remaining contract terms of more than 72 months. Under this method, our GSA schedule contract value as of September 30, 2001 was approximately \$1,051.8 million. Beginning in January 2002, we intend to calculate GSA schedule contract value by multiplying the average monthly amount of funded work that we have been awarded under each of our GSA schedule contracts over the preceding twelve months by the number of months remaining in the term of those contracts, including under existing options, except that we do not take into account remaining contract terms of more than 72 months.

GSA schedule contracts are competitively awarded government-wide acquisition contracts negotiated and awarded by the General Services Administration and effectively act as fixed-price or time-and-materials contracts which government agencies may, but are not required to, use to purchase professional services and information technology products at predetermined ceiling prices, terms and conditions. Many of our customers are authorized to use GSA schedule contracts through blanket purchase agreements, which operate similarly to GSA schedule contracts by permitting one or more federal agencies to purchase professional services or products from technology service providers at predetermined prices, terms and conditions. GSA schedule contracts are master agreements that do not, by themselves, authorize the delivery of services or products. Therefore, even though we have been awarded a GSA schedule contract or blanket purchase agreement, we often must actively solicit post-award sales, and it remains difficult for us to estimate the amount of work, if any, we will obtain under the contract.

GSA schedule contracts benefit our federal government customers in a number of ways. First, they provide customers a streamlined means to competitively obtain professional services and technology products, allowing for a more efficient and timely procurement process. Second, because we must actively promote our services and technology to obtain work under these types of agreements, the customer benefits from continued competition. Third, as with fixed-price or time-and-materials contracts, GSA schedule contracts shift the risks of cost overruns to the technology service provider and promote effective contract management and cost-efficiencies by allowing the technology service provider to receive the benefit of cost savings that it generates. Although we must compete for or solicit individual task orders under GSA schedule contracts, we have found that they can benefit

companies such as ours which can respond quickly to emerging customer requirements and can manage contract performance efficiently. Finally, as with traditional fixed-price contracts, GSA schedule contracts involve greater financial risk but we believe offer opportunities for higher profitability because we bear the impact of cost overruns and receive the benefit of cost savings.

Changes in the amount of our backlog, funded backlog and GSA schedule contracts value result from potential future revenues from the execution of new contracts or the extension of existing contracts, reductions from contracts that end or are not renewed, reductions from the early termination of contracts, and adjustments to estimates of previously included contracts. Changes in the amount of our funded backlog and GSA schedule contract value also are affected by the funding cycles of the government. These estimates of future revenues are necessarily inexact and the receipt and timing of any of these revenues is subject to various contingencies, many of which are beyond our control. The actual accrual of revenues on programs included in backlog, funded backlog and GSA schedule contract value may never occur or may change because a program schedule could change or the program could be canceled, a contract could be modified or canceled, an option that we have assumed would be exercised is not exercised or initial estimates regarding the level of solutions that we may provide could prove to be wrong. For the same reason, we believe that period-to-period comparisons of backlog, funded backlog and GSA schedule contract value are not necessarily indicative of future revenues that we may receive.

#### Sales and Marketing

We market our solutions through the valuable relationships of our senior management, advisory board and business development staff. We also seek to leverage existing customer relationships and respond to competitive solicitations.

We employ a team-selling approach, where our senior management, business development staff and our program managers collaborate in identifying and developing business opportunities. With this approach, we are able to assess opportunities quickly, drawing on the experience and perspective of senior personnel across the company, including those working in close proximity with our customers. We have also established a formal process for making bid/no-bid decisions and use automated resources to track the status of each bid opportunity. We have effectively used GSA schedule contracts to respond quickly to emerging customer requirements.

To supplement or complement our core competencies, we have teaming relationships to work together on contracts with various industry partners, such as Computer Sciences Corporation, Electronic Data Systems Corporation and TRW Inc. While we are the prime contractor on substantially all of our contracts, we serve as subcontractor when teaming in that manner furthers our goals of expanding our customer base or pursuing high growth markets. Similarly, in some cases, we establish joint ventures with other companies in order to present the best value solution or proposal, particularly when we seek to enter new markets.

#### Employees

As of October 31, 2001, we had 3,539 employees, including 1,758 employees with government security clearances. Of these employees, 1,100 employees hold Top Secret security clearances, including 613 employees who have access to Sensitive Compartmented Information. Our employees with security clearances have already completed the lengthy process necessary to obtain the clearance. This process typically requires a candidate to be sponsored by the government with respect to a particular requirement, entails extensive background investigations that typically take from six months to a year and, for the most restricted access, may require successful completion of polygraph testing.

Over 3,150 of our employees are technical and service professionals and managers, and over 350 are in administrative or executive functions. Approximately 185 of our employees, all of whom are located at NASA's Goddard Space Flight Center, are represented by the International Brotherhood of Electrical Workers union under a collective bargaining agreement which is due to expire in June 1, 2005. We have not experienced any work stoppage or strike by these employees.

We believe we are successful in retaining our employees by offering competitive salary structures, attractive incentive compensation and benefits programs, career growth opportunities, flexible work assignments and the opportunity to perform mission-critical services, often in classified environments. Our current employees are offered an opportunity to respond to new job opportunities before we pursue external recruiting. We consider our relations with employees to be good.

#### Competition

We believe that the major competitive factors in our market are distinctive technical competencies, security clearances, price of services, successful past contract performance, reputation for quality and key management with domain expertise. Our key competitors currently include divisions of large defense contractors, such as BAE SYSTEMS, plc, Lockheed Martin Corporation, Northrop Grumman Corporation, Raytheon Company and TRW Inc., as well as information technology service companies, such as Affiliated Computer Systems, Inc., Booz Allen & Hamilton, CACI International, Inc., Computer Sciences Corporation, DynCorp, Electronic Data Systems Corporation, Science Applications International Corporation, Titan Corporation and Veridian Corporation.

#### Intellectual Property

Our solutions are not generally dependent upon patent protection. We routinely enter into confidentiality and non-disclosure agreements with our employees to protect our trade secrets. Our rights in intellectual property that we develop depend in part on the degree to which the intellectual property is developed with our private funds, rather than with funds of the federal government. Our federal government contracts routinely provide that we may retain ownership rights in works of authorship and inventions developed during the performance of those contracts. However, the rights granted to the federal government are, from time to time, a source of negotiation, and typically include the right of the federal government to use and share our intellectual property with other government contractors, making it impossible for us to prevent their non-exclusive use of our intellectual property. Our ability to protect our rights in intellectual property developed or delivered under government contracts also is dependent upon our compliance with applicable federal procurement statutes and regulations. There can be no assurance that the steps we take to protect our intellectual property will be adequate to deter misappropriation or to prevent use by others of our intellectual property.

#### Legal Proceedings

On July 29, 1999, Thomas Harris Corporation filed suit in state court in Rockwall County, Texas, against our environmental remediation subsidiary (which is among our businesses included in discontinued operations) and subcontractors to that subsidiary, alleging that our subsidiary or its subcontractors caused soil and groundwater contamination by improperly disposing of dry cleaning solvents, and seeking an unspecified amount of actual, consequential and punitive damages. We vigorously dispute and deny these allegations. Trial in this case has been set for April 22, 2002. While the ultimate outcome of litigation cannot be assured, if and to the extent that the damages alleged by the plaintiffs are ultimately determined to be our responsibility, we believe that we will be able to

recover a portion of the amount from our professional liability insurance, including fees for our attorneys, and that any amounts that we bear will not have a material adverse effect on our business, prospects, financial condition or operating results.

On June 1, 2001, CHBP, Ltd., a customer of our environmental remediation subsidiary, filed suit against third party defendants alleging that they caused soil and groundwater contamination while occupying a commercial business center owned by CHBP, Ltd. On November 15, 2001, some of the defendants in this suit filed a petition seeking to join our environmental remediation subsidiary as a third-party defendant, alleging that services provided by our subsidiary to CHBP, Ltd. caused or contributed to the alleged contamination of the property. We intend to contest this motion seeking to join our subsidiary as a third-party defendant, and believe that we have other defenses and claims, including indemnification claims and professional liability insurance coverage, and do not believe this litigation will have a material adverse effect on our business, prospects, financial condition or operating results.

Like most large government defense contractors, our contract costs are audited and reviewed on a continual basis by an in-house staff of auditors from the Defense Contract Auditing Agency. In addition to these routine audits, we are subject from time to time to audits and investigations by other agencies of the federal government. These audits and investigations are conducted to determine if our performance and administration of our government contracts is compliant with contractual requirements and applicable federal statutes and regulations. An audit or investigation may result in a finding that our performance and administration is compliant or, alternatively, may result in the government initiating proceedings against us or our employees, including administrative proceedings seeking repayment of monies, suspension and/or debarment from doing business with the federal government or a particular agency, or civil or criminal proceedings seeking penalties and/or fines. Audits and investigations conducted by the federal government frequently span several years. Other than routine audits of our contract costs, we are not aware of any other government audits or investigations except as set forth below.

On August 17, 2001, we were served with a grand jury subpoena issued by the United States District Court for the Eastern District of Virginia. The U.S. Attorney's Office for the Eastern District of Virginia has advised us that the investigation relates to whether we improperly charged a portion of our corporate merger and acquisition-related expenses and certain expenses of our Australian-based software consulting subsidiary (which is one of our businesses included in discontinued operations) in a manner that would have resulted in those expenses being reimbursed by the U.S. government. This investigation is in its preliminary stages and accordingly it is too early to tell whether the consequences of the investigation will have a material adverse effect on our business, prospects, financial condition or operating results. We are fully cooperating with the federal government's investigation of this matter.

We also are currently subject to an investigation by the Inspector General of the Department of State regarding our allocation of costs to a contract with the Department of State and an investigation by the Inspector General of the EPA regarding the number of hours we charged in the performance of a contract with the EPA. We do not believe that the outcome of either of these investigations will have a material adverse effect on business, prospects, financial condition or operating results. We are fully cooperating with the federal government's investigation of both matters.

In addition to the foregoing, we are subject to certain other legal proceedings, claims and disputes which arise in the ordinary course of our business. Although we cannot predict the outcomes of these other legal proceedings, based on the information now available to us, we do not believe that the ultimate resolution of these matters, either individually or in the aggregate, will have a material adverse effect on our business, prospects, financial condition or operating results.

## Facilities

Since 1992, we have leased our corporate headquarters office building in Fairfax, Virginia. We are in the fourth year of a ten-year lease on this facility. As of September 30, 2001, we leased 21 additional operating facilities throughout the metropolitan Washington, D.C. area and 63 facilities in other parts of the United States. We also have employees working at customer sites throughout the United States and in other countries. We believe that our facilities are adequate to support the normal course of business.

MANAGEMENT AND KEY EMPLOYEES

Directors and Executive Officers

The following table sets forth information concerning our directors and officers as of October 31, 2001.

Name	Age	Position
- - - - -	---	-----
George J. Pedersen.	66	Chairman of the Board of Directors, Chief Executive Officer and President
John A. Moore, Jr..	49	Executive Vice President, Chief Financial Officer, Treasurer and Director
R. Evans Hineman...	67	Executive Vice President and Chief Science and Technology Officer
Eugene C. Renzi....	67	Executive Vice President
Jerry L. Unruh.....	61	Senior Vice President
Bradley H. Feldmann	40	Senior Vice President
Michael D. Golden..	61	Director
Stephen W. Porter..	62	Director
Walter W. Vaughan..	68	Director

George J. Pedersen -- Co-founder, Chairman of the Board of Directors, Chief Executive Officer and President. Mr. Pedersen, who co-founded ManTech in 1968, has served as Chairman of the Board of Directors since 1979, adding the positions of Chief Executive Officer and President in 1995. Mr. Pedersen has been a Director of GSE Systems, Inc., an affiliated software design and development company, since 1994 and an executive employee since 1999. Mr. Pedersen has served on the board of directors of GP Strategies Corporation, a workforce development company that provides training, management systems and engineering services, since 2001. Mr. Pedersen is Chairman of the Board of Directors for the Institute for Software Research, Inc., a not-for-profit corporation that performs research and advanced development of software and related technologies, including research for NASA. Mr. Pedersen also serves as a Director Emeritus of the Professional Services Council, a national association of technology services companies, and as a Director and Executive Committee member of the National Defense Industrial Association, a trade association for the defense industry.

John A. Moore, Jr. -- Executive Vice President, Chief Financial Officer, Treasurer and Director. Mr. Moore joined us in 1982 and has served as Chief Financial Officer since 1993 and Executive Vice President since 1997 and has been a Director of our company since 1994. Mr. Moore oversees our financial operations and our business development activities. Mr. Moore has been a Director of GSE Systems, Inc., since 1997 and an executive employee since 1999. Prior to joining us, Mr. Moore was a supervisory auditor for the Defense Contract Audit Agency, which is responsible for performing contract audits for the Department of Defense.

R. Evans Hineman -- Executive Vice President and Chief Science and Technology Officer, ManTech International Corporation; President, National Security Solutions Group. Mr. Hineman joined us in 2001. From 1999 to 2001, he served as Vice President for Intelligence of Litton Industries Inc.'s Information Systems Group. From 1989 to 1999, Mr. Hineman was an officer of TASC, Inc., a provider of information management and systems engineering solutions, serving as President from 1998 to 1999. From 1964 to 1989, Mr. Hineman worked for the Central Intelligence Agency, serving as Deputy Director for Science and Technology from 1982 to 1989. Prior to 1982, he held various other senior positions with the Central Intelligence Agency, including Director of Weapons Intelligence and Chairman of the Director of Central Intelligence's Weapon and Space Systems

Intelligence Committee. Mr. Hineman was one of 50 recipients of the Trailblazer award on the 50th anniversary of the Central Intelligence Agency, and he was awarded the Central Intelligence Agency's Distinguished Intelligence Medal and the National Reconnaissance Office's Distinguished Service Medal.

Eugene C. Renzi -- Executive Vice President, ManTech International Corporation; President, ManTech Telecommunications and Information Systems Corporation (MTISC). Major General, U.S. Army (Ret.). Major General Renzi joined us in 1993 and since 1995 has served as President of MTISC. Prior to 1993, Major General Renzi served in the U.S. Army for more than 32 years, including as Director for Command, Control and Communications Systems for the U.S. Pacific Command from 1988 to 1990. Major General Renzi received numerous awards and decorations for his service in the U.S. Army, including the Defense Superior Service Medal, the Legion of Merit and the Joint Service Commendation Medal.

Jerry L. Unruh -- Senior Vice President, ManTech International Corporation; President, Systems Engineering Group. Vice Admiral, U.S. Navy (Ret.). Vice Admiral Unruh joined us in 1998 and since 1999 has served as President of ManTech Systems Engineering Corporation. From 1996 to 1998, Vice Admiral Unruh served as the President of the Association of Naval Aviation, a not-for-profit corporation that educates the public and national leaders about the role of naval aviation in national defense. Prior to that, Vice Admiral Unruh served in the U.S. Navy for over 37 years, including as Commander of the U.S. Third Fleet in the Pacific, Current Operations and Readiness Officer for the NATO Staff of Supreme Allied Commander Europe and held battlegroup, aircraft carrier and fighter squadron commands. Vice Admiral Unruh received numerous awards for his service in the U.S. Navy, including the Distinguished Service Medal, the Defense Superior Service Medal, the Legion of Merit and the Air Medal.

Bradley H. Feldmann -- Senior Vice President, ManTech International Corporation; President, Information Technology Group. Mr. Feldmann joined us in 2000. Mr. Feldmann served as the Senior Vice President and Chief Operating Officer of Comptek Research, Inc., a company supplying operational signal processing software for military systems that was acquired by Northrop Grumman Corporation in 2000. From 1989 to 1999, Mr. Feldmann worked for Cubic Defense Systems, Inc., a provider of combat training systems, where he served in various positions, including Senior Vice President and Chief Operating Officer. Prior to that, Mr. Feldmann served with the U.S. Air Force for five years and received two Meritorious Service Medals.

Michael D. Golden -- Director. Mr. Golden has been a Director of our company since 1995. He is a founding partner of the law firm of Golden & Nelson, PLLC, where he has practiced law since 1998, focusing on corporate and securities law. Prior to founding Golden & Nelson, PLLC, he was a partner at the law firm of Ginsburg, Feldman & Bress, Chtd. from 1996 to 1997, and prior to that, he was a partner at Verner, Liipfert, Bernhard, McPherson and Hand from 1991 to 1996.

Stephen W. Porter -- Director. Mr. Porter has been a Director of our company since 1991. Mr. Porter is a partner at the law firm of Arnold & Porter where he has practiced law since June 1993, focusing on real estate, tax and corporate law. Mr. Porter became a certified public accountant in 1961. Mr. Porter currently serves on the board of directors of the Greater Washington Board of Trade and the District of Columbia Chamber of Commerce. From 1992 to 1994, he served as a member of the Advisory Board of the Center for Strategic and International Studies, a non-partisan public policy institute.

Walter W. Vaughan -- Director. Mr. Vaughan has been a Director of our company since 1991. Mr. Vaughan has been self-employed as a consultant to us since 1990. From 1956 to 1989, Mr. Vaughan worked in the banking industry, serving most recently as an Executive Vice President of American Security Bank N.A. in Washington, D.C., and as Vice Chairman of the bank's advisory board from 1983 to 1985. From 1986 to 1989, Mr. Vaughan served as Chief Agent for the Receiver for the Maryland Deposit Insurance Fund, for which he received a State of Maryland Governor's citation.

#### Advisory Board

Our advisory board, which is comprised of recognized leaders in the intelligence community and defense industry, assists us in identifying opportunities to provide our solutions to the federal government. Our advisory board consists of the following individuals as of October 31, 2001:

Richard J. Kerr (Age 66) -- Mr. Kerr has been Chairman of our Advisory Board since 1994. Mr. Kerr currently is a member of the President's Commission on Intelligence Reform. Since 1996, Mr. Kerr has served as President of the Security Affairs Support Association, an organization composed of government and industry members that is focused on national security policy. Prior to that, Mr. Kerr worked at the Central Intelligence Agency for 32 years, including serving as Deputy Director for Central Intelligence. Mr. Kerr formerly served as a member of the Scientific Advisory Board of the National Security Agency and the Board of Visitors of the Joint Military Intelligence College and is currently on the advisory boards of the Los Alamos National Laboratory and the Lawrence Livermore Laboratory. Mr. Kerr was awarded the Citizens Medal, the second highest civilian award given by the President of the United States, and two National Intelligence Distinguished Service Medals and two Distinguished Intelligence Medals from the Central Intelligence Agency.

Dr. Roger L. Hagengruber (Age 59) -- Dr. Hagengruber has been a member of our Advisory Board since 1994. Dr. Hagengruber is the Senior Vice President for National Security at Sandia National Laboratories, a U.S. government research and development laboratory, where he has held a number of key positions since 1972. Dr. Hagengruber has extensive experience on issues involving arms control, satellite and sensor systems and national security. Dr. Hagengruber has served in a variety of government assignments, including four assignments as a member of various U.S. arms control negotiating teams. In 1979, Dr. Hagengruber was appointed the U.S. expert to an international forum on New Weapons of Mass Destruction.

Harley A. Hughes Lt. Gen., U.S. Air Force (Ret.) (Age 66) -- Lt. General Hughes has been a member of our Advisory Board since 1996. Lt. General Hughes is the Chairman of F & H One, Inc., where he has worked since 1997, and he is the President of USTAR, LLC, where he has worked since 1997, both privately held consulting firms. Prior to that, Lt. General Hughes served for 31 years in the U.S. Air Force, including as the U.S. Air Force Deputy Chief of Staff for plans and operations and the U.S. Air Force Operations Deputy, Joint Chiefs of Staff from 1985 to 1988. Lt. General Hughes received a Silver Star, the Distinguished Flying Cross, the Distinguished Service Medal, the Defense Superior Service Medal and the National Defense Service Medal.

David E. Jeremiah Admiral, U.S. Navy (Ret.) (Age 67) -- Admiral Jeremiah has been a member of our Advisory Board since 1994. From 1994 to the present, Admiral Jeremiah has served as President of Technology Strategies & Alliances Corporation, a strategic advisory and investment banking firm engaged primarily in the aerospace, defense, telecommunications and electronics industries. Prior to that, Admiral Jeremiah served in the U.S. Navy for more than 39 years, including as Vice Chairman, Joint Chiefs of Staff for Generals Colin L. Powell and John M. Shalikashvili from 1990 to 1994.

Admiral Jeremiah serves on the board of directors for Alliant Techsystems Inc., a manufacturer and developer of solid propulsion systems, on the board of the National Committee on U.S.-China Relations and on an advisory board for Northrop Grumman Corporation. Admiral Jeremiah also is a member of various government commissions, including a joint Defense Policy Board and Defense Science Board Task Force on Theater Missile Defense, the Commission to Assess U.S. National Security Space Management and Organization, the National Defense Panel on Department of Defense's Quadrennial Defense Review and a Defense Science Board Task Force on Human Resources.

Sir Colin McColl (Age 69) -- Sir Colin McColl has been a member of our Advisory Board since 1998. From 1994 to the present, Sir Colin McColl has been a consultant for Oxford Analytica, an international consulting firm, focusing on political and economic affairs, since 1994. Prior to that, Sir Colin McColl served in the British Secret Intelligence Service for 38 years, including as Chief of the British Secret Intelligence Service from 1988 until 1994. Sir Colin McColl is a Director of the Scottish-American Investment Trust and an advisory director of Campbell Lutyens, an international private equity firm. Sir Colin McColl is an honorable fellow for the Queen's College, Oxford University.

Thomas C. Richards General, U.S. Air Force (Ret.) (Age 71) -- General Richards has been a member of our Advisory Board since 1994. From 1997 to the present, General Richards has been a member of the Center for Advanced Aviation System Development of the MITRE Corporation, a not-for-profit national technology resource corporation. From 1993 to 1997, General Richards was President and Chief Executive Officer of the National Security Industrial Association, a trade association for the defense industry. In 1992 and 1993, General Richards served as the Administrator of the Federal Aviation Administration, and prior to that served as an appointee of President George H. Bush to the Presidential Commission on Aviation Security and Terrorism. Prior to that, General Richards served in the U.S. Air Force for 33 years, including as Deputy Commander Chief of the U.S. European Command. General Richards is a member of the Federal Aviation Administration Future Planning Committee and the Air Force Senior Statesmen Program. General Richards received the Distinguished Service Medal, the Silver Star with Oak Leaf, the Legion of Merit with Oak Leaf, the Distinguished Flying Cross, 18 Air Medals, the Bronze Star and the Purple Heart with Oak Leaf.

#### Board of Directors

Upon the closing of this offering, our board of directors will consist of five individuals. Our board of directors is elected annually, and each director holds office for a one-year term. Mr. Pedersen is, and will continue to be after the closing of this offering, the beneficial owner of a majority of the voting power of our common stock and will be able to unilaterally elect or remove directors.

#### Committees of our Board of Directors

Our board of directors has a compensation committee and, in connection with this offering, formed an audit committee. Our board of directors may from time to time establish other committees.

Audit Committee. Prior to the closing of this offering, our audit committee is comprised of two non-employee directors, Mr. Golden and Mr. Vaughan. Following the closing of this offering, our audit committee will be comprised of at least three independent directors within the meaning of Nasdaq listing rules. The primary responsibilities of the audit committee are to:

- . Oversee management's conduct of our financial reporting process and systems of internal accounting and financial control;

- . Monitor the independence and performance of our outside auditor;
- . Provide an avenue of communication among the outside auditor, management and our board of directors;
- . Make reports and recommendations to our board and our stockholders as necessary under the rules of the Securities and Exchange Commission or as otherwise within the scope of its functions; and
- . Oversee and, where appropriate report to our board on, our review of and response to any government audit, inquiry or investigation, as they determine to be appropriate.

Compensation Committee. Our board of directors has a compensation committee, which consists of three directors prior to the closing of this offering. Immediately after this offering, at least two directors on the compensation committee will be independent or outside directors, as determined with reference to the rules of the U.S. Securities and Exchange Commission and the Internal Revenue Code. The compensation committee will have the authority to recommend to the board or establish compensation for our directors and officers, to approve employee health and benefit plans and to administer our stock plans.

Compensation Committee Interlocks and Insider Participation. Prior to this offering, our compensation committee has been comprised of Mr. Vaughan as Chairman, Mr. Pedersen and Mr. Moore. Mr. Pedersen also serves as our Chairman, Chief Executive Officer and President. Mr. Moore also serves as our Executive Vice President, Chief Financial Officer, Treasurer and Director.

We have from time to time extended loans to our Chairman of the Board of Directors, Chief Executive Officer and President, George J. Pedersen. This indebtedness is represented by promissory notes executed by Mr. Pedersen, which bear interest at a rate of 8.0%. The largest aggregate amount outstanding since January 1, 1998, was \$183,122. As of the date of this prospectus, the outstanding amount of indebtedness is \$83,122.

In January 2000, our predecessor corporation, ManTech International Corporation (New Jersey), purchased 6,582 shares of its Class B common stock from Mr. John A. Moore, Jr., our Executive Vice President, Chief Financial Officer, Treasurer and Director, for an aggregate purchase price of \$566,082.

#### Director Compensation

Prior to this offering, Messrs. Golden and Porter were paid annual retainers of \$25,000 for their service as directors and Mr. Vaughan was paid an annual retainer of \$40,000 for service as a director and as chairman of our compensation committee. The remaining directors are employed by us and are not separately compensated for their service as directors. Following this offering, the compensation committee will from time to time establish compensation for the non-employee directors.

Executive Compensation

The following table shows the cash compensation and certain other compensation paid to or accrued by our Chief Executive Officer and our four most highly compensated executive officers, whom we refer to collectively as our named executive officers, for 2000.

Summary Compensation Table

Name and Principal Position(1)	Year	Annual Compensation			All Other Compensation(3)
		Salary	Bonus(2)	Other Annual Compensation	
George J. Pedersen, Chairman of the Board of Directors, Chief Executive Officer and President.....	2000	\$1,320,010	\$500,000	\$53,646 (4)	\$219,577
John A. Moore, Jr., Executive Vice President, Chief Financial Officer, Treasurer and Director.....	2000	495,019	350,000	--	28,761
Eugene C. Renzi, Executive Vice President....	2000	437,507	150,000	--	24,737
William H. Ammann, Senior Vice President(5).....	2000	275,018	25,000	--	7,415
Timothy A. Hall, Senior Vice President(6)....	2000	235,009	40,000	--	4,298

(1) Our executive officers for 2001 are Mr. Pedersen, Mr. Moore, Mr. Hineman, Major General Renzi, Vice Admiral Unruh and Mr. Feldmann. Mr. Hineman is an Executive Vice President and was hired on August 20, 2001. Vice Admiral Unruh is a Senior Vice President and was hired on June 24, 1998. Mr. Feldman is a Senior Vice President and was hired on December 4, 2000.

(2) Amounts shown in this column reflect bonuses earned in 2000 and paid in 2001.

(3) All Other Compensation consists of the following amounts: (a) matching contributions made to our 401(k) plan in the amount of \$3,046 for Mr. Pedersen, \$3,115 for Major General Renzi, \$3,612 for Mr. Ammann and \$850 for Mr. Hall; (b) contributions under our Employee Stock Ownership Plan in the amount of \$1,700 each for Mr. Moore, Major General Renzi, Mr. Ammann and Mr. Hall; (c) payments for term life insurance in the amount of \$21,229 for Mr. Pedersen, \$2,061 for Mr. Moore, \$19,922 for Major General Renzi, \$2,103 for Mr. Ammann and \$1,748 for Mr. Hall; (d) payment of a premium under a split dollar life insurance policy in the amount of \$145,302 for Mr. Pedersen; and (e) contributions to supplemental executive retirement plans in the amount of \$50,000 for Mr. Pedersen and \$25,000 for Mr. Moore.

(4) Other Annual Compensation for Mr. Pedersen includes the portion of an employee's time spent on non-corporate matters, which amounted to \$33,370 in 2000.

(5) Mr. Ammann resigned as Senior Vice President and President of ManTech U.K. Limited, the parent corporation of ManTech Advanced Recognition Limited, which is being divested as a discontinued operation, on August 25, 2001.

(6) Mr. Hall resigned as Senior Vice President and President of ManTech Environmental Corporation, which is being divested as a discontinued operation, and ManTech Environmental Technology, Inc. on July 21, 2001.

## Aggregated Option Exercises in 2000 and Year-End Option Values

The following table shows information about the value of unexercised options at the end of 2000. No shares were acquired on the exercise of stock options by these individuals in 2000.

Name	Number of Securities Underlying Value of Unexercised In-the-Money Options at		Unexercised Options at Year-End	
	Exercisable	Unexercisable	Exercisable	Unexercisable
Pedersen	--	--	\$ --	\$ --
Moore...	9,789(1)	--	1,304,188(2)	--
Renzi...	--	--	--	--
Ammann..	--	--	--	--
Hall....	--	--	--	--

(1) Exercisable for 9,789 shares of Class B common stock of our corporate predecessor, ManTech International Corporation (New Jersey).

(2) There was no public market for our Class B common stock at December 31, 2000. Amounts shown under the column "Value of Unexercised In-the-Money Options at Year-End" are based on an assumed fair market value of \$160.69 per share at December 30, 2000 less the per share exercise price payable for these shares, multiplied by the number of shares underlying the option. This assumed fair market value does not necessarily represent the actual value of our common stock at December 31, 2000.

## Retention Agreements

Prior to the closing of this offering, we expect to enter into employment retention agreements with George J. Pedersen and John A. Moore, Jr. Mr. Pedersen's retention agreement provides for his employment at-will, with an annual salary for 2002 of \$1,000,000. Mr. Pedersen will continue to receive contributions to qualified and non-qualified retirement plans, insurance programs and prerequisites as provided in 2001, but is not eligible for stock option grants or for a bonus for 2002. For subsequent years, Mr. Pedersen's salary, bonus and incentive compensation shall be determined by the Compensation Committee of our board of directors. If ManTech terminates Mr. Pedersen's employment without cause, ManTech is required to pay Mr. Pedersen a lump sum amount equal to the salary that would have been payable during the "severance period," which is year following the termination of employment. Mr. Pedersen agrees not to compete with ManTech and not to solicit its customers or employees through the severance period. Mr. Moore's retention agreement provides for an initial two-year term, with an automatic one year extension on each anniversary of the agreement, unless either party provides advance notice of its intent to terminate the agreement. Under the agreement, Mr. Moore receives an annual salary of \$ , and will continue to receive contributions to qualified and non-qualified retirement plans, insurance programs and prerequisites as provided in 2001. He is also entitled to participate in bonus and other incentive compensation as determined by the Compensation Committee of our board of directors. If ManTech terminates Mr. Moore's employment without cause, ManTech is required to pay Mr. Moore a lump sum amount equal to the salary that otherwise would have been payable through the "severance period," which generally is the remaining term of the agreement or 6 months, whichever is greater. Mr. Moore agrees not to compete with ManTech and not to solicit its customers or employees through the severance period. We also expect to enter into confidentiality and noncompete agreements with R. Evans Hineman, Eugene C. Renzi, Jerry L. Unruh and Bradley H. Feldmann prior to the closing of the offering. Under the terms of these confidentiality and noncompete agreements, each officer agrees not to compete with ManTech and not

to solicit its customers or employees during the term of their respective employments and for a period of one-year thereafter. As consideration for entering into these confidentiality and noncompete agreements, we will grant options to each officer to purchase shares of our Class A common stock.

#### Management Incentive Plan

In 2002, the board of directors adopted and our stockholders approved our Management Incentive Plan. The plan is designed to enable us to attract, retain and motivate our directors, officers and other senior management and technical personnel, and to further align their interests with those of our stockholders, by providing for or increasing their proprietary interest in ManTech. The plan allows us to grant the following types of awards:

- . Incentive stock options, which are intended to qualify under Section 422 of the Code;
- . Non-qualified stock options, which are not intended to qualify as incentive stock options;
- . Incentive bonuses, which represent the right to receive an amount paid in cash or Class A common stock based on satisfaction of performance criteria as specified by the compensation committee; and
- . Incentive stock, which is an award or issuance of shares of Class A common stock, the grant, issuance, retention, vesting and/or transferability of which is conditioned upon satisfaction of criteria determined by the compensation committee.

Awards may be settled in cash or by stock units which provide for deferred issuance of shares of Class A common stock. Any person who is a director, an employee or a prospective employee of ours or any of our subsidiaries is eligible to be selected as a recipient of an award under the plan. We intend to grant options to our executive officers and key employees exercisable for approximately shares of our Class A common stock at the initial public offering price. Class B common stock may not be issued under the plan.

The plan will be administered by the compensation committee of our board of directors, although the board of directors may exercise any authority of the committee under the plan and the compensation committee may delegate its authority under the plan. Subject to the express provisions of the plan, the committee has broad authority to administer and interpret the plan, including the discretion, in each case not inconsistent with the plan, to:

- . Determine the exercise price and vesting schedule of options, the events causing an option to expire, the number of shares of our Class A common stock subject to any option, the restrictions on transferability of an option and other terms and conditions;
- . Determine the terms of any incentive bonus, including the target and maximum amount payable to a participant as an incentive bonus, the performance criteria and level of achievement versus these criteria that determines the amount payable under an incentive bonus, the period as to which performance will be measured for determining the amount of any payment, the timing of any payment earned by virtue of performance, the dollar amount or number of shares subject to any incentive bonus, restrictions on the alienation or transfer of an incentive bonus prior to payment, forfeiture provisions and other terms and conditions; and
- . Determine the terms of any incentive stock award, including the number of shares of Class A common stock subject to an incentive stock award or a formula for determining that number,

the purchase price, if any, for the shares, the conditions that determine the number of shares granted, issued, retainable and/or vested, forfeiture provisions, the effect of termination of employment for various reasons and other terms and conditions.

The aggregate number of shares of our Class A common stock that is available for issuance under the plan is plus, in 2003 and each year thereafter, a number of additional shares equal to one and one-half percent of the number of shares of Class A common stock outstanding on January 1st of that year. The aggregate number of shares issuable under Awards granted under the plan during any calendar year to any eligible person may not exceed . The number of shares authorized under the plan may be adjusted to account for stock splits, stock dividends, recapitalization and similar events.

The board of directors may amend or alter the plan except that approval from our shareholders is required for certain amendments to the plan, including amendments that materially increase the number of shares available under the plan, extend the term of the plan or alter eligibility standards.

#### Employee Stock Purchase Plan

In 2002, our board of directors adopted and our stockholders approved an employee stock purchase plan. The plan is designed to qualify under Section 423 of the Internal Revenue Code. The purpose of the plan is to retain the services of our employees, to attract new employees and to provide incentives for our employees to exert maximum efforts for our success. Either our board of directors or a committee of the board may serve as administrator of the plan.

The plan permits our eligible employees to purchase our Class A common stock through payroll deductions. The aggregate number of shares of our common stock issuable under the plan may not exceed shares. No employee may purchase more than \$25,000 in stock under the plan in any calendar year, and no employee may purchase stock under the plan if such purchase would cause the employee to own more than 5% of the voting power or value of our common stock. Offering periods not to exceed 27 months will be established by the plan administrator. On the offering date at the beginning of each offering period, each eligible employee is granted an option to purchase a number of shares of common stock, which option is exercised automatically on the purchase date at the end of the offering period. The purchase price of the common stock upon exercise of the options will be set for each offering period by the plan administrator, but may not be less than 85% of the stock's fair market value on the offering date or purchase date, whichever is lower.

PRINCIPAL AND SELLING STOCKHOLDER

The following table sets forth information regarding the beneficial ownership of our common stock as of October 31, 2001, and after giving effect to this offering, with respect to:

- . Each person or group known to us who beneficially owns five percent or more of the outstanding shares of our common stock;
- . Each director and named executive officer;
- . Our executive officers and members of our board of directors as a group; and
- . The selling stockholder.

Except as indicated in the footnotes to the table, the persons named in the table have sole voting and investment power with respect to all shares beneficially owned. The business address of each person named in the table below is 12015 Lee Jackson Highway, Fairfax, VA 22033-3300.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of our common stock subject to options that are currently exercisable or exercisable within 60 days of the date of this prospectus are deemed outstanding for the purpose of computing the percentage ownership of any person. These shares, however, are not considered outstanding when computing the percentage ownership of any other person.

Name	Class A Common Stock(1)				Class B Common Stock(1)		Percent Of Vote Of All Classes Of Common Stock	
	Shares Beneficially Owned Prior to this Offering	Shares Offered	Shares to be Beneficially Owned After this Offering	Percent Offered	Number	Percent	Before Offering	After Offering
George J. Pedersen (selling stockholder, Chairman of the Board of Directors, Chief Executive Officer and President).....	(2)		(3)	%	(4)	100%	%	%(3)
John A. Moore, Jr.(5).....		--			--	--		
Walter W. Vaughan(6).....		--			--	--		
Michael D. Golden(7).....		--			--	--		
Bradley H. Feldmann.....	--	--	--	--	--	--	--	--
R. Evans Hineman.....	--	--	--	--	--	--	--	--
Stephen W. Porter.....	--	--	--	--	--	--	--	--
Eugene C. Renzi.....	--	--	--	--	--	--	--	--
Jerry L. Unruh.....	--	--	--	--	--	--	--	--
All executive officers and directors as a group (9 persons).....		%	--	%		100%	%	%

(1) The holders of each share of Class A common stock are entitled to one vote per share, and the holders of each share of Class B common stock are entitled to ten votes per share.

(2) Includes shares of Class A common stock owned by the ManTech Supplemental Executive Retirement Plan for benefit of Mr. Pedersen, but does not include shares of Class B common stock held by Mr. Pedersen, which convert at the option of the holder of the Class B common stock to Class A common stock on a one-for-one basis.

(3) Assumes no exercise of the underwriters' over-allotment option. If the over-allotment option is exercised in full, Mr. Pedersen will own shares (or %) of our Class A common stock after the closing of this offering.

- (4) Includes            shares of Class B common stock owned by the Pedersen Family Limited Partnership I;            shares of Class B common stock held by the ManTech International Corporation Special Assistance, Inc., a fund over which Mr. Pedersen has voting and investment control;            shares of Class B common stock held by a grantor retained annuity trust over which Mr. Pedersen shares voting and investment control as co-trustee of the trust; and            shares of Class B common stock held by his spouse.
- (5) Includes an option to purchase            shares of our Class A common stock which is immediately exercisable.
- (6) Includes            shares of Class A common stock owned by the Defined Benefit Pension Plan and Trust for benefit of Mr. Vaughan.
- (7) Includes            shares of Class A common stock owned by the Individual Retirement Account of Michael Golden.

#### RELATED PARTY TRANSACTIONS

GSE Systems, Inc.

ManTech and its designees hold stock in GSE Systems, Inc. (GSE), a company created by the merger of one of our majority-owned subsidiaries and two other entities in 1994. As of September 30, 2001, we owned approximately 17.5% of GSE's common stock. We also hold warrants that are currently exercisable for 150,000 shares of GSE's common stock.

In October 2000, we extended a loan to GSE, which is evidenced by a demand promissory note for \$1.8 million, which was amended and subsequently replaced in March 2001. We amended this note in April 2001 to increase the amount due under the note to \$3.9 million. The largest aggregate amount outstanding under this note and its predecessor note since October 2000 was \$3.9 million. Interest accrued on this note at the prime lending rate plus 1.0%. The \$3.9 million demand note was convertible into shares of Series A preferred stock of GSE, at the option of the holder any time after issuance and prior to the third anniversary of issuance. On December 5, 2001, we exercised our option and converted this \$3.9 million promissory note receivable into 39,000 shares of Series A preferred stock of GSE. The GSE Series A preferred stock has no voting rights, and we have agreed to a holding period of one year from the date of issuance, after which it is convertible into GSE common stock at any time during the subsequent three-year period at a conversion price of \$2.645 per share.

We also extended a loan to GSE, which is evidenced by an additional promissory note to GSE in June 2001. The largest aggregate amount outstanding under this note since June 2001 has been \$1.0 million, and as of October 31, 2001 this amount remains outstanding. Interest accrues on this note at the prime lending rate plus 1.0%.

Under a purchasing arrangement with GSE entered into in January 2001, we combined our purchases of products with purchases for GSE in order to obtain volume discounts, for which GSE paid us the full purchase price plus a handling fee. Purchases under this agreement totaled \$843,290 for the nine months ended September 30, 2001. This purchasing arrangement terminated in June 2001, and GSE has no outstanding obligations to us, nor do we have any outstanding obligations to GSE, in connection with this purchasing arrangement.

Our Chairman of the Board of Directors, Chief Executive Officer and President, George J. Pedersen, as well as John A. Moore, Jr., our Executive Vice President, Chief Financial Officer, Treasurer and Director, own 56,250 and 83,295 shares of GSE common stock, respectively, and serve on GSE's board of directors. Mr. Pedersen and Mr. Moore entered into agreements with GSE in 1999 to serve as executive employees providing strategic planning in acquisitions and divestitures,

management of financing arrangements and customer and other business development activities. Under these agreements, GSE pays Mr. Pedersen and Mr. Moore annual fees of \$120,000 and \$60,000, respectively, and granted Mr. Pedersen and Mr. Moore options to purchase 100,000 and 50,000 shares, respectively, of GSE common stock at an exercise price of \$3.3125. Mr. Pedersen and Mr. Moore intend to terminate their respective agreements on or prior to the closing of this offering.

#### MARE, Incorporated

ManTech has loaned money to MARE, Inc., a marine products business. Mr. Pedersen's son-in-law is the president of MARE, Inc., and Mr. Pedersen is the owner of 50.0% of the outstanding capital stock of the company. Mr. Pedersen and Mr. Moore also serve on the board of directors of MARE, Inc. The loan is evidenced by a demand note that accrues interest at a rate of 10.0%. The largest amount outstanding since January 1, 1998 was \$1.5 million. As of the date of this prospectus, this note had an outstanding balance of \$1.3 million. The principal outstanding under this note is adjusted on a daily basis, based on amounts advanced to or paid down by MARE. As collateral for this note, MARE has pledged to ManTech all of its inventory, consisting primarily of boats and parts, and any other assets that are not otherwise encumbered. MARE intends to pay the balance of principal and interest due on this note at the closing of this offering.

#### Repurchases of Stock

In January 2000, our predecessor corporation purchased 6,582 shares of its Class B common stock from Mr. John A. Moore, Jr., our Executive Vice President, Chief Financial Officer, Treasurer and Director, for an aggregate purchase price of \$566,082, or \$86.00 per share. In February 2000, our predecessor corporation purchased 1,000 shares of its Class B common stock from Mr. Michael Golden, one of our directors, for an aggregate purchase price of \$86,060, or \$86.06 per share, and in December 2000 it purchased an additional 1,000 shares of its Class B common stock from Mr. Golden for an aggregate purchase price of \$123,240, or \$123.24 per share. The price per share for the January and February 2000 repurchases was based on a valuation of the company as of December 31, 1998 and the price per share for the December 2000 repurchase was based on a valuation of the company as of December 31, 1999, divided by the total number of shares outstanding of all classes of common stock. The same independent third party valuation firm performed the respective valuations.

#### Legal Services

Mr. Stephen Porter, one of our directors, is a partner in the law firm of Arnold & Porter, Washington, D.C., which has performed legal services for us from time to time and is expected to do so in the future. The amount of fees we paid to Mr. Porter's law firm did not exceed five percent of that firm's gross revenues in each of its last three full fiscal years.

Mr. Michael Golden, one of our directors, is a partner in the law firm of Golden & Nelson PLLC, Washington, D.C., which has performed legal services for us from time to time and is expected to do so in the future. The amount of fees we paid to Mr. Golden's law firm during 2000 totaled \$57,675. The amount of fees we paid to Mr. Golden's law firm for services rendered totaled \$73,644 in 1998 and \$77,978 in 1999.

#### Ownership of Subsidiary Stock

From time to time we have allowed certain of our officers or officers of our subsidiaries to purchase minority interests of common stock in our subsidiaries. These purchases have been pursuant

to stock purchase and restriction agreements that generally restrict the transferability of the shares, including granting the subsidiary a right of first refusal with respect to any proposed sale of the common stock by the stockholder and granting the subsidiary a right to call the stock in the event of death, permanent disability or termination of the stockholder's employment by us or the subsidiary.

#### REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Class A common stock is American Stock Transfer & Trust.

#### SHARES ELIGIBLE FOR FUTURE SALE

##### Shares Outstanding and Freely Tradeable After Offering

Upon completion of this offering, we will have        shares of Class A common stock and shares of Class B common stock outstanding (assuming that the underwriters do not exercise their over-allotment option). Shares of Class B common stock are convertible at the option of the holder into an equal number of shares of Class A common stock. The        shares of Class A common stock to be sold by us in this offering and all shares sold by the selling stockholder will be freely tradeable without restriction or limitation under the Securities Act of 1933, as amended, except for any such shares held by our "affiliates", as such term is defined under Rule 144 of the Securities Act. Shares of Class A and Class B common stock held by our affiliates may be sold only if registered under the Securities Act or sold in accordance with an applicable exemption from registration, such as Rule 144. The remaining        shares of our common stock outstanding upon completion of this offering are restricted securities, as defined under Rule 144 and may not be sold publicly unless they are registered under the Securities Act or are sold pursuant to Rule 144 or another exemption from registration.

##### Rule 144

In general, under Rule 144 under the Securities Act of 1933, as currently in effect, beginning 90 days after the closing of this offering, a person, including an affiliate, who has beneficially owned restricted securities that were last purchased from us or an affiliate of ours at least one year before the date the shares are proposed to be sold would be entitled to sell within any three-month period, a number of shares that does not exceed the greater of:

- . 1% of the then outstanding shares of that class of common stock; or
- . The reported average weekly trading volume of that class of the common stock on the automated quotation system of a registered securities association or the consolidated transaction reporting system during the four calendar weeks preceding such sale.

Sales under Rule 144 also are subject to certain requirements regarding the manner of sale, notice and availability of current public information about us. In addition, a person who is not deemed to have been an affiliate of ours at any time during the 90 days preceding a sale, and who holds shares that were last purchased from us or an affiliate of ours more than two years before the date the shares are proposed to be sold, would be entitled to sell such shares under Rule 144(k) without regard to the requirements described above.

We, our existing stockholders, our executive officers and the directors who hold or are entitled to receive shares of common stock under our stock option plans, have agreed not to offer, sell, contract to sell, grant any option to purchase, announce any intention to sell, transfer the economic risk of ownership in, make any short sale, pledge or otherwise dispose of, directly or indirectly, or file a registration statement under the Securities Act relating to, any shares of our common stock or securities or other rights convertible into or exchangeable or exercisable for any shares of our common stock without the prior written consent of the underwriters for a period of 180 days after the date of this prospectus. See "Underwriting." Upon the expiration of this 180-day lock-up period, substantially all of these shares will become eligible for sale, subject to the restrictions of Rule 144. These restrictions will not affect our ability to:

- . Issue and sell shares of our common stock or make any awards pursuant to our stock option plans;
- . Issue shares of our common stock pursuant to the exercise of stock options currently outstanding or granted pursuant to our stock option plans; or
- . Issue shares of our common stock or securities convertible into, or exercisable or exchangeable for, shares of our common stock in connection with an acquisition of or merger with another corporation as long as such securities are not registered under the Securities Act during this 180-day period. See "Underwriting."

#### Rule 701

Subject to limitations on the aggregate offering price of a transaction and other conditions, Rule 701 may be relied upon with respect to the resale of securities originally purchased from us by our employees, directors, officers, consultants or advisers prior to the closing of this offering, pursuant to written compensatory benefit plans or written contracts relating to the compensation of such persons. In addition, the Securities and Exchange Commission has indicated that Rule 701 will apply to stock options granted by us before this offering, along with the shares acquired upon exercise of such options. Securities issued in reliance on Rule 701 are deemed to be restricted shares and, beginning 90 days after the date of this prospectus unless subject to the contractual restrictions previously discussed, may be sold by persons other than affiliates subject only to the manner of sale provisions of Rule 144 and by affiliates under Rule 144 without compliance with the two-year minimum holding period requirements.

#### Stock Plan Registration Statements

We intend to file one or more registration statements under the Securities Act covering approximately \_\_\_\_\_ shares of common stock reserved for issuance under our Management Incentive Plan, our Employee Stock Purchase Plan and with respect to the employee stock option held by John A. Moore, Jr. These registration statements are expected to be filed soon after the date of this prospectus and will automatically become effective upon filing. Accordingly, shares registered under the registration statements will be available for sale in the open market, unless such shares are subject to vesting restrictions with us or the contractual restrictions described above.

## DESCRIPTION OF CAPITAL STOCK, CERTIFICATE OF INCORPORATION AND BYLAWS

### General

Our authorized capital stock consists of \_\_\_\_\_ shares of Class A common stock, \$0.01 par value, shares of Class B common stock, \$0.01 par value, and \_\_\_\_\_ shares of preferred stock, \$0.01 par value. Together, the Class A common stock and the Class B common stock comprise all of the authorized common stock. As of \_\_\_\_\_, 2001, there were \_\_\_\_\_ shares of Class A common stock and \_\_\_\_\_ shares of Class B common stock outstanding and held of record by \_\_\_\_\_ and stockholders, respectively.

### Common Stock

Upon completion of this offering, there will be \_\_\_\_\_ shares of Class A common stock and shares of Class B common stock outstanding. All of the outstanding Class B common stock is beneficially owned by George J. Pedersen, our Chairman of the Board of Directors, Chief Executive Officer and President. This represents \_\_\_\_\_ percent of all of the authorized common stock. In addition an aggregate of \_\_\_\_\_ shares of our common stock will be reserved for issuance under our stock plans under which \_\_\_\_\_ options to purchase \_\_\_\_\_ shares of our Class A common stock will be outstanding as of the date of this prospectus.

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of holders of shares of any series of preferred stock that we may designate and issue in the future. The outstanding shares of our common stock are fully paid and non assessable.

Voting. Holders of Class A common stock are entitled to one vote for each share held of record, and holders of Class B common stock are entitled to ten votes for each share held of record, except with respect to any "going private transaction" (generally, a transaction in which Mr. Pedersen or others acting with him seek to buy all outstanding shares, as to which all shares of Class A and Class B common stock have one vote per share). The Class A common stock and the Class B common stock vote together as a single class on all matters submitted to a vote of stockholders, including the election of directors by proxy, except as required by law. Our common stock does not have cumulative voting rights in the election of directors.

As a result of this offering, excluding any over-allotment shares, the percentage of the voting power of the outstanding common stock owned or controlled by Mr. Pedersen will decline to approximately \_\_\_\_\_ % if the underwriters' over-allotment option is exercised in full; but he will continue to control all actions to be taken by the stockholders, including the election of all directors to the board of directors. See "Principal and Selling Stockholders" and "Risk Factors--Our Current Stockholders Will Continue To Control Our Company."

Dividends; Stock Splits. Holders of the common stock are entitled to receive, when and if declared by the board of directors from time to time, such dividends and other distributions in cash, stock or property from our assets or funds legally available for such purposes subject to any dividend preferences that may be attributable to preferred stock that may be authorized. Each share of Class A common stock and Class B common stock is equal in respect of dividends and other distributions in cash, stock or property, except that in the case of stock dividends, only shares of Class A common stock will be distributed with respect to the Class A common stock and only shares of Class B common

stock will be distributed with respect to Class B common stock. In no event will either Class A common stock or Class B common stock be split, divided or combined unless the other class is proportionately split, divided or combined. For example, if we effect a two-for-one stock split with respect to the Class A common stock, we will at the same time effect a two-for-one stock split with respect to the Class B common stock.

Conversion. The shares of Class A common stock are not convertible into any other series or class of securities. Each share of Class B common stock, however, is freely convertible into one share of Class A common stock at the option of the Class B stockholder. Except for transfers to certain family members or trusts, partnerships, corporations or similar entities for the benefit of family members, transfers for estate planning purposes or a pledge of the shares as collateral for indebtedness, any attempt to transfer Class B common stock will result in the automatic conversion of the shares into Class A common shares. Upon Mr. Pedersen's death, all outstanding shares of Class B common stock automatically convert to Class A common stock.

Mergers, Consolidation and Other Transactions. In the event that we enter into any consolidation, merger, combination or other transaction in which shares of common stock are exchanged for other capital stock, cash or property, then the shares of each class of common stock will be exchanged for the same amount of capital stock, cash or property, as the case may be, for which each share of any other class of common stock is exchanged. Holders of each class of common stock may receive different distributions of stock, securities, cash or property if:

- . Shares of common stock are exchanged for shares of capital stock, then the shares exchanged may differ to the extent that the Class A common stock and the Class B common stock differ;
- . The holders of Class A common stock receive an amount of stock, securities, cash or property per share having a value greater than or equal to the value per share for which each share of any other class of common stock is exchanged; or
- . Holders of Class A common stock and holders of Class B common stock receive an amount of stock, securities, cash or property per share in accordance with a transaction approved by the holders of a majority of Class A common stock and by the holders of a majority of Class B common stock, each voting separately as a class.

Nasdaq. We expect the Class A common stock will be quoted on The Nasdaq National Market under the symbol "MANT."

#### Preferred Stock

Subject to Delaware law, the board of directors, without further action by the stockholders, is authorized to issue an aggregate of \_\_\_\_\_ shares of preferred stock. No shares of preferred stock are outstanding and the board of directors currently has no plans to issue a series of preferred stock. The board of directors may, without stockholder approval, issue preferred stock with dividend rates, redemption prices, preferences on liquidation or dissolution, conversion rights, voting rights and any other preferences, which rights and preferences could adversely affect the voting power of the holders of common stock. The issuance of preferred stock, while providing desirable flexibility in connection with possible acquisitions or other corporate purposes, could have the effects of making it more difficult for a third party to acquire, or could discourage or delay a third party from acquiring, a majority of our outstanding stock and of decreasing the amount of earnings or assets available for distribution to the holders of common stock.

## Corporate Governance Provisions of Our Certificate of Incorporation and Bylaws

**Advance Notice.** Our bylaws require that advance notice of all director nominations or other business matters proposed to be brought before an annual meeting of stockholders be delivered to our secretary at our corporate office not later than 60 days nor more than 120 days prior to the first anniversary of the date on which we first mailed our proxy materials for the prior year's annual meeting of stockholders. This provision may make it more difficult for stockholders to nominate or elect directors or take action opposed by our board.

**Special Meetings.** Our certificate of incorporation and bylaws provide that special meetings of the stockholders may be called by our Secretary at the direction of:

- . the affirmative vote of a majority of the board of directors;
- . the chairman of the board of directors;
- . the chief executive officer; or
- . the holders of shares representing a majority of the voting power of the outstanding common stock entitled to vote at such meeting of stockholders.

**No Stockholder Action by Written Consent.** Our certificate of incorporation provides that stockholders entitled to take action on any matter may act solely at a meeting of stockholders duly called and held in accordance with law and our certificate of incorporation and bylaws and may not act by a consent or consents in writing. Accordingly, our stockholders will not be able to take action by written consent in lieu of a meeting. This provision may have the effect of deterring hostile takeovers or delaying changes in control or management.

**Indemnification of Directors and Officers.** Our certificate of incorporation and bylaws provide a right to indemnification to the fullest extent permitted by law for expenses, attorney's fees, damages, punitive damages, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by any person whether or not the indemnified liability arises or arose from any threatened, pending or completed proceeding by or in ManTech's right by reason of the fact that he or she is or was our director or officer or while our director or officer, is or was serving at our request as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, to the fullest extent permitted under the Delaware General Corporation Law. Our certificate of incorporation and bylaws also provide for the advancement of expenses to an indemnified party. Additionally, we may indemnify any employee or agent of ours to the fullest extent permitted by law. Our bylaws authorize us to take steps to ensure that all persons entitled to the indemnification are properly indemnified, including, if the board of directors so determines, purchasing and maintaining insurance.

## Certain Provisions of Delaware Law

We are a Delaware corporation and are therefore subject to the provisions of Section 203 of the Delaware General Corporation Law, an anti-takeover law. In general, the statute prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction by which that person became an interested stockholder, unless the business combination is approved in a prescribed manner. For purposes of Section 203, a "business combination" includes a merger, asset sale or other transaction

resulting in a financial benefit to the interested stockholder, and an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior did own, 15.0% or more of our voting stock.

#### Limitations on Liability and Indemnification of Officers and Directors

Our certificate of incorporation provides that none of the directors shall be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except liability for:

- . Any breach of the director's duty of loyalty to us or our stockholders;
- . Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- . The payment of unlawful dividends and certain other actions prohibited by Delaware General Corporation Law; and
- . Any transaction from which the director derived any improper personal benefits.

The effect of this provision of our certificate of incorporation is to eliminate our rights and the rights of our stockholders to recover monetary damages against a director for breach of the fiduciary duty of care as a director, including breaches resulting from negligent or grossly negligent behavior, except in the situations described above. This provision does not limit or eliminate our rights or the rights of any stockholder to seek non-monetary relief, such as an injunction or rescission in the event of a breach of a director's duty of care.

## TAX CONSIDERATIONS

This is a general summary of material U.S. federal income and estate tax considerations with respect to your acquisition, ownership and disposition of our common stock if you are a beneficial owner of shares other than:

- . A citizen or resident of the United States;
- . A corporation, partnership or other entity created or organized in, or under the laws of, the United States or any political subdivision of the United States;
- . An estate, the income of which is subject to U.S. federal income taxation regardless of its source;
- . A trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or
- . A trust that existed on August 20, 1996, was treated as a U.S. person on August 19, 1996, and elected to be treated as a U.S. person.

This summary does not address all of the U.S. federal income and estate tax considerations that may be relevant to you in light of your particular circumstances or if you are a beneficial owner subject to special treatment under United States income tax laws such as a:

- . Controlled foreign corporation;
- . Passive foreign investment company;
- . Foreign personal holding company;
- . Company that accumulates earnings to avoid U.S. federal income tax;
- . Foreign tax-exempt organization;
- . Financial institution;
- . Broker or dealer in securities; or
- . Former U.S. citizen or resident.

This summary does not discuss any aspect of state, local or non-United States taxation. This summary is based on current provisions of the Internal Revenue Code, Treasury regulations, judicial opinions, published positions of the U.S. Internal Revenue Service and all other applicable authorities, all of which are subject to change, possibly with retroactive effect. This summary is not intended as tax advice.

We urge prospective non-United States stockholders to consult their tax advisors regarding the United States federal, state, local and non-United States income and other tax considerations of acquiring, holding and disposing of shares of our common stock.

## Dividends

In general, any distributions we make to you with respect to your shares of our common stock that constitute dividends for U.S. federal income tax purposes will be subject to U.S. withholding tax at a rate of 30.0% of the gross amount, unless you are eligible for a reduced rate of withholding tax under an applicable income tax treaty and you provide proper certification of your eligibility for such reduced rate (usually on an IRS Form W-8BEN). A distribution will constitute a dividend for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits as determined under the Internal Revenue Code. Any distribution not constituting a dividend will be treated first as reducing your basis in your shares of our common stock and, to the extent it exceeds your basis, as gain from the disposition of your shares of our common stock.

Dividends we pay to you that are effectively connected with your conduct of a trade or business within the United States and, if certain income tax treaties apply, are attributable to a U.S. permanent establishment maintained by you, generally will not be subject to U.S. withholding tax if you comply with applicable certification and disclosure requirements. Instead, such dividends generally will be subject to U.S. federal income tax, net of certain deductions, at the same rates applicable to U.S. persons. If you are a corporation, effectively connected income may also be subject to a "branch profits tax" at a rate of 30.0%, or a lower rate specified by an applicable income tax treaty. Dividends that are effectively connected with your conduct of a trade or business but that under an applicable income tax treaty are not attributable to a U.S. permanent establishment maintained by you may be eligible for a reduced rate of U.S. withholding tax under such treaty, provided you comply with certification and disclosure requirements necessary to obtain treaty benefits.

## Sale or Other Disposition of Our Common Stock

You generally will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of your shares of our common stock unless:

- . The gain is effectively connected with your conduct of a trade or business within the United States and, under certain income tax treaties, is attributable to a U.S. permanent establishment you maintain;
- . You are an individual, you hold your shares of our common stock as capital assets, you are present in the United States for 183 days or more in the taxable year of disposition and you meet other conditions, and you are not eligible for relief under an applicable income tax treaty; or
- . We are or have been a "United States real property holding corporation" for U.S. federal income tax purposes (which we believe we are not and have never been, and do not anticipate we will become) and you hold or have held, directly or indirectly, at any time within the shorter of the five-year period preceding disposition or your holding period for your shares of our common stock, more than 5.0% of our Class A common stock.

Gain that is effectively connected with your conduct of a trade or business within the United States generally will be subject to U.S. federal income tax, net of certain deductions, at the same rates applicable to U.S. persons. If you are a corporation, the branch profits tax, as discussed above, also may apply to such effectively connected gain. If the gain from the sale or disposition of your shares is effectively connected with your conduct of a trade or business in the United States but under an applicable income tax treaty is not attributable to a permanent establishment you maintain in the

United States, your gain may be exempt from U.S. tax under the treaty. If you are described in the second bullet point above, you generally will be subject to U.S. tax at a rate of 30.0% on the gain realized, although the gain may be offset by some U.S. source capital losses realized during the same taxable year.

#### Information Reporting and Backup Withholding

We must report annually to the IRS the amount of dividends or other distributions we pay to you on your shares of our common stock and the amount of tax we withhold on these distributions regardless of whether withholding is required. The IRS may make copies of the information returns reporting those dividends and amounts withheld available to the tax authorities in the country in which you reside pursuant to the provisions of an applicable income tax treaty or exchange of information treaty.

The United States imposes a backup withholding tax on dividends and certain other types of payments to U.S. persons at a rate of 30.5% (with scheduled reductions through 2006 and a scheduled increase to 31.0% in 2011) of the gross amount. You will not be subject to backup withholding tax on dividends you receive on your shares of our common stock if you provide proper certification (usually on an IRS Form W-8BEN) of your status as a non-U.S. person or you are a corporation or one of several types of entities and organizations that qualify for exemption.

Information reporting and backup withholding generally are not required with respect to the amount of any proceeds from the sale of your shares of our common stock outside the United States through a foreign office of a foreign broker that does not have certain specified connections to the United States. However, if you sell your shares of our common stock through a U.S. broker or the United States office of a foreign broker, the broker will be required to report to the IRS the amount of proceeds paid to you and also backup withhold at a rate of 30.5% (with scheduled reductions through 2006 and a scheduled increase to 31.0% in 2011) of that amount unless you provide appropriate certification (usually on an IRS Form W-8BEN) to the broker of your status as a non-U.S. person or you are a corporation or one of several types of entities and organizations that qualify for exemption. Information reporting and backup withholding, if the appropriate certification is not provided, also apply if you sell your shares of our common stock through a foreign broker deriving more than a specified percentage of its income from U.S. sources or having certain other connections to the United States.

Any amounts withheld with respect to your shares of our common stock under the backup withholding rules will be refunded to you or credited against your U.S. federal income tax liability, if any, by the IRS if the required information is furnished in a timely manner.

#### Estate Tax

Shares of our common stock owned or treated as owned by an individual who is not a citizen or resident, as defined for U.S. federal tax purposes, of the United States at the time of his or her death will be subject to U.S. federal estate tax unless an applicable estate tax treaty provides otherwise.

UNDERWRITING

Subject to the terms and conditions stated in the underwriting agreement between us, the selling stockholder and the underwriters, each of the underwriters named below has severally agreed to purchase, and we and the selling stockholder have agreed to sell to each named underwriter, the number of shares set forth opposite the name of each underwriter.

Underwriters	Number of Shares
Jefferies & Company, Inc.....	
Legg Mason Wood Walker, Incorporated	
BB&T Capital Markets.....	
Total.....	

The underwriting agreement provides that the obligations of the several underwriters to purchase the shares offered by us and the selling stockholder are subject to some conditions. The underwriters are obligated to purchase all of the shares offered by us and the selling stockholder, other than those covered by the over-allotment option described below, if any of the shares are purchased. The underwriting agreement also provides that, in the event of a default by an underwriter, in some circumstances the purchase commitments of non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

Prior to this offering, there has been no public market for the Class A common stock. The initial offering price will be negotiated among us and the representatives for the underwriters. Among the factors to be considered in determining the initial public offering price of the Class A common stock shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and consideration of the above factors in relation to market valuations of companies in related businesses. There can be no assurance, however, that the prices at which the Class A common stock shares will sell in the public market after this offering will not be lower than the price at which they are sold by the underwriters or that an active trading market in the shares will develop and continue after this offering.

The underwriters propose to offer the shares to the public initially at the public offering price set forth on the cover of this prospectus, and to some dealers at that price less a concession not in excess of \$ per share. The underwriters may allow, and those dealers may reallow, a discount not in excess of \$ per share to other dealers. After this offering, the public offering price, the concession to selected dealers and the reallowance to other dealers may be changed by the underwriters.

We and the selling stockholder have granted to the underwriters an option, exercisable not later than 30 days after the date of this prospectus, to purchase, in whole or in part, up to additional shares at the public offering price less the underwriting discount set forth on the cover of this prospectus.

The underwriters may exercise that option only to cover over-allotments, if any, made in connection with the sale of the shares offered by us and the selling stockholder. To the extent that option is exercised, each underwriter will be obligated, subject to some conditions, to purchase a number of additional shares approximately proportionate to that underwriter's initial purchase commitment as indicated in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholder. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Paid By Us		Paid By The Selling Stockholder	
	Without Exercise of Over-allotment	With Full Exercise of Over-allotment	Without Exercise of Over-allotment	With Full Exercise of Over-allotment
Per share	\$	\$	\$	\$
Total...	\$	\$	\$	\$

We estimate that the total expenses of this offering, excluding the underwriting discounts and commissions, will be approximately \$ . These expenses will be paid by us and the selling stockholder in proportion to the number of shares sold by each of us and the selling stockholder.

This offering of the shares is made for delivery when, as and if accepted by the underwriters and subject to prior sale and to withdrawal, cancellation or modification of this offering without notice. The underwriters reserve the right to reject an order for the purchase of shares in whole or in part.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, and to contribute to payments the underwriters may be required to make in respect of these liabilities.

We have applied to have the Class A common stock approved for qualification on The Nasdaq National Market under the symbol "MANT."

We, our existing stockholders, our executive officers and the directors who hold or are entitled to receive shares of common stock under our stock option plans, have agreed not to offer, sell, contract to sell, grant any option to purchase, announce any intention to sell, transfer the economic risk of ownership in, make any short sale, pledge or otherwise dispose of, directly or indirectly, or file a registration statement under the Securities Act relating to, any shares of our common stock or securities or other rights convertible into or exchangeable or exercisable for any shares of our common stock or securities or other rights convertible into or exchangeable or exercisable for any shares of our common stock without the prior written consent of the underwriters for a period of 180 days after the date of this prospectus. Upon the expiration of this 180-day lock-up period, substantially all of these shares will become eligible for sale, subject to the restrictions of Rule 144. These restrictions will not affect our ability to:

- . Issue and sell shares of our common stock or make any awards pursuant to our stock option plans;
- . Issue shares of our common stock pursuant to the exercise of stock options currently outstanding or granted pursuant to our stock option plans; or

. Issue shares of our common stock or securities convertible into, or exercisable or exchangeable for, shares of our common stock in connection with an acquisition of or merger with another corporation as long as such securities are not registered under the Securities Act during this 180-day period.

We have been advised by the representatives that, in accordance with Regulation M under the Securities Act, some persons participating in this offering may engage in transactions, including syndicate covering transactions, stabilizing bids or the imposition of penalty bids, that may have the effect of stabilizing or maintaining the market price of the shares at a level above that which might otherwise prevail in the open market.

A "syndicate covering transaction" is a bid for or the purchase of shares on behalf of the underwriters to reduce a syndicate short position incurred by the underwriters in connection with this offering. The underwriters may create a syndicate short position by making short sales of our shares and may purchase our shares in the open market to cover syndicate short positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering. Short sales can be either "covered" or "naked." "Covered" short sales are sales made in an amount not greater than the underwriters' over-allotment option to purchase additional shares from us and the selling stockholder in this offering. "Naked" short sales are sales in excess of the over-allotment option. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in this offering. If the underwriters create a syndicate short position, they may choose to reduce or "cover" this position by either exercising all or part of the over-allotment option to purchase additional shares from us and the selling stockholder or by engaging in "syndicate covering transactions." The underwriters may close out any covered short position by either exercising their over-allotment option or purchasing shares in the open market. The underwriters must close out any naked short position by purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option.

A "stabilizing bid" is a bid for or the purchase of shares on behalf of the underwriters for the purpose of fixing or maintaining the price of our Class A common stock. A "penalty bid" is an arrangement that permits the representatives to reclaim the selling concession from an underwriter or a syndicate member when shares sold by such underwriter or syndicate members are purchased by the representatives in a syndicate covering transaction and, therefore, have not been effectively placed by the underwriter or syndicate member.

We have been advised by the representatives that these transactions may be effected on The Nasdaq National Market or otherwise and, if commenced, may be discontinued at any time. Similar to other purchase activities, these activities may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market.

Both Jefferies & Company, Inc. and Quarterdeck Investment Partners, LLC, which is affiliated with Jefferies & Company, Inc. (which we refer to collectively as our financial advisors), have provided and in the future may provide investment banking and other financial advisory services to us for which we have paid and expect to pay customary fees and expenses. In connection with our engagement of these financial advisors, we have granted to them a right of first refusal to act as managers or co-managers of a subsequent offering of securities by us.

Quarterdeck Investment Partners, LLC has provided financial advisory services to us with respect to this offering. In consideration for such services, Quarterdeck Investment Partners, LLC will be paid a fee. This fee is included in the table set forth above detailing the underwriters' compensation on a total and per share basis. Quarterdeck Investment Partners, LLC does not have any material relationship with us or any of our officers, directors or other controlling persons, except its contractual relationship with us relating to the investment banking and financial advisory services provided to us which are described above.

Branch Banking and Trust Company of Virginia, an affiliate of BB&T Capital Markets, is a member of a syndicate of banking institutions that has advanced two loans, with an outstanding balance of \$ million as of , to us. In connection with our application of the net proceeds of this offering, as described under "Use of Proceeds" above, less than 10% of such proceeds to us will be used to repay indebtedness to affiliates of the underwriters.

#### VALIDITY OF COMMON STOCK

The validity of the shares of Class A common stock offered by us in this offering and the shares of Class A common stock offered by the selling stockholder will be passed upon for us and the selling stockholder by Gibson, Dunn & Crutcher LLP, Washington, D.C. Certain legal matters relating to this offering will be passed upon for the underwriters by Morgan Lewis & Bockius LLP, New York, New York.

#### EXPERTS

The consolidated financial statements as of December 31, 1999 and 2000 and September 30, 2001 and for the years ended December 31, 1999 and 2000, and the nine months ended September 30, 2001, included in this prospectus and the related financial statement schedule included elsewhere in this registration statement have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports appearing herein and elsewhere in the registration statement, and have been so included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements for the year ended December 31, 1998 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting. We have also included our financial statement schedule for the same period in the registration statement along with PricewaterhouseCoopers LLP report on the schedule.

#### Change in Independent Auditors

In July 1999, we determined to change our independent auditors from PricewaterhouseCoopers LLP, to Deloitte & Touche LLP. In connection with PricewaterhouseCoopers LLP's audits of our financial statements for the years ended December 31, 1997 and 1998 and through July 1999, there were no disagreements with PricewaterhouseCoopers LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, nor any reportable events. The reports of PricewaterhouseCoopers LLP on the financial statements for the years ended December 31, 1997 and 1998 contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle. The decision to change auditors was approved by our board of directors. We have provided PricewaterhouseCoopers LLP with a copy of the disclosure contained in this section of this prospectus.

We have requested that PricewaterhouseCoopers LLP furnish us with a letter addressed to the Commission stating whether or not it agrees with the above statements. A copy of such letter, dated December 31, 2001, is filed as Exhibit 16.1 to our registration statement on Form S-1.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission a registration statement on Form S-1, including exhibits and schedules, under the Securities Act with respect to the Class A common stock to be sold in this offering. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules that are part of the registration statement. Any statements made in this prospectus as to the contents of any contract, agreement or other document are not necessarily complete. With respect to each such contract, agreement or other document filed as an exhibit to the registration statement, we refer you to the exhibit for a more complete description of the matter involved, and each statement in this prospectus shall be deemed qualified in its entirety by this reference. You may read and copy all or any portion of the registration statement or any reports, statements or other information in the files at the following public reference facilities of the Securities and Exchange Commission:

Washington, D.C.  
Room 1024  
450 Fifth Street, N.W.  
Washington, D.C. 20549

You can request copies of these documents upon payment of a duplicating fee by writing to the Securities and Exchange Commission. You may call the Securities and Exchange Commission at 1-800-SEC-0330 for further information on the operation of its public reference rooms. Our filings, including the registration statement, will also be available to you on the Internet web site maintained by the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

We intend to furnish our stockholders with annual reports containing financial statements audited by our independent auditors, and make available to our stockholders quarterly reports for the first three quarters of each year containing unaudited interim financial statements.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of  
ManTech International Corporation  
Fairfax, Virginia:

We have audited the accompanying consolidated balance sheets of ManTech International Corporation and subsidiaries (the Company) as of December 31, 1999 and 2000 and September 30, 2001, and the related consolidated statements of income, stockholders' equity, and cash flows for the years ended December 31, 1999 and 2000 and the nine months ended September 30, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of ManTech International Corporation and subsidiaries at December 31, 1999 and 2000 and September 30, 2001, and the results of their operations and their cash flows for the years ended December 31, 1999 and 2000 and the nine months ended September 30, 2001 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 8, effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended.

DELOITTE & TOUCHE LLP

McLean, Virginia

November 16, 2001, except for Note 8

as to which the date is December 17, 2001

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of  
MANTECH INTERNATIONAL CORPORATION:

In our opinion, the accompanying consolidated statement of income, of changes in stockholders' equity and of cash flows present fairly, in all material respects, the results of operations and cash flows of ManTech International Corporation (the Company) for the year ended December 31, 1998, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

McLean, Virginia  
April 26, 1999, except for Note 16,  
as to which the date is June 7, 1999 and  
Note 15, as to which the date  
is November 15, 2001

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED BALANCE SHEETS  
(Dollars in Thousands)

	December 31,		September 30,
	1999	2000	2001
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents.....	\$ 19,571	\$ 29,578	\$ 18,231
Receivables--net.....	88,482	83,481	90,849
Inventory.....	756	--	--
Prepaid expenses and other.....	5,757	11,893	6,808
Assets held for sale.....	34,770	26,521	22,387
	149,336	151,473	138,275
Property and equipment--net.....	8,803	7,033	6,746
Goodwill and other intangibles.....	14,598	12,347	11,226
Investments.....	4,614	3,810	4,366
Employee supplemental savings plan assets	6,045	6,898	7,003
Other assets.....	2,674	5,282	9,445
	\$186,070	\$186,843	\$177,061
	=====	=====	=====

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED BALANCE SHEETS  
(Dollars in Thousands)

	December 31,		September 30,
	1999	2000	2001
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES:</b>			
Current portion of debt.....	\$ 4,501	\$ 4,200	\$ 2,769
Accounts payable and accrued expenses.....	21,781	19,923	21,870
Accrued salaries and related expenses.....	13,502	15,349	18,211
Deferred income taxes.....	15,882	16,722	15,697
Billings in excess of revenue earned.....	3,243	7,939	4,393
Liabilities held for sale.....	23,643	15,458	13,319
	82,552	79,591	76,259
Total current liabilities.....			
Debt--net of current portion.....	72,005	73,000	66,668
Deferred rent.....	513	441	597
Accrued retirement.....	7,548	8,382	8,480
Deferred income taxes.....	2,347	2,139	2,140
Minority interest.....	95	34	53
	165,060	163,587	154,197
TOTAL LIABILITIES.....			
<b>COMMITMENTS AND CONTINGENCIES</b>			
REDEEMABLE CLASS B COMMON STOCK.....	1,462	1,462	1,462
<b>STOCKHOLDERS' EQUITY:</b>			
Common stock, Class A--no par value; 25,000,000 shares authorized; 4,111,502 shares issued; 1,022,882, 1,033,938 and 1,040,566 shares outstanding at December 31, 1999 and 2000, and September 30, 2001, respectively.....	1,179	1,179	1,179
Common stock, Class C--no par value; 100,000 shares authorized; 71,664 shares issued and outstanding.....	21	21	21
Additional paid in capital.....	--	1,326	2,468
Retained earnings.....	31,770	33,509	33,246
Accumulated other comprehensive loss.....	(159)	(240)	(1,540)
Deferred compensation.....	640	640	640
Treasury stock--at cost; 3,088,620, 3,077,564 and 3,070,936 shares of Class A; and 39,156, 47,738 and 47,738 shares of Class B at December 31, 1999 and 2000, and September 30, 2001, respectively...	(13,903)	(14,641)	(14,612)
	19,548	21,794	21,402
Total stockholders' equity.....			
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$186,070	\$186,843	\$177,061

See notes to consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME  
(Dollars in Thousands Except Per Share Amounts)

	Year Ended December 31,			Nine Months Ended September 30,	
	1998	1999	2000	2000	2001
				(Unaudited)	
REVENUES.....	\$ 314,309	\$ 353,924	\$ 378,827	\$ 280,970	\$ 316,266
COST OF SERVICES.....	265,189	296,306	315,414	234,834	258,412
GROSS PROFIT.....	49,120	57,618	63,413	46,136	57,854
COSTS AND EXPENSES:					
General and administrative.....	33,389	39,175	41,545	30,993	33,166
Depreciation and amortization.....	2,284	3,275	3,279	2,448	2,451
Total costs and expenses.....	35,673	42,450	44,824	33,441	35,617
INCOME FROM OPERATIONS.....	13,447	15,168	18,589	12,695	22,237
Interest expense.....	4,020	4,122	4,438	3,316	2,383
Loss from investment default.....	5,230	--	--	--	--
Equity in (earnings) losses of affiliates.....	(911)	(810)	1,162	(53)	(869)
Other income.....	(29)	(443)	(123)	(20)	(517)
INCOME BEFORE PROVISION FOR INCOME TAXES AND MINORITY INTEREST.....	5,137	12,299	13,112	9,452	21,240
Provision for income taxes.....	(2,183)	(5,466)	(5,974)	(4,327)	(9,062)
Minority interest.....	(33)	(37)	(13)	(12)	(18)
INCOME FROM CONTINUING OPERATIONS.....	2,921	6,796	7,125	5,113	12,160
Loss from discontinued operations--net.....	(1,268)	(2,727)	(4,667)	(3,124)	(6,533)
Loss on disposal of discontinued operations--net	--	--	(719)	(719)	(5,890)
NET INCOME (LOSS).....	\$ 1,653	\$ 4,069	\$ 1,739	\$ 1,270	\$ (263)
INCOME FROM CONTINUING OPERATIONS AVAILABLE TO COMMON STOCKHOLDERS.....	\$ 2,838	\$ 6,796	\$ 7,125	\$ 5,113	\$ 12,160
BASIC EARNINGS (LOSS) PER SHARE:					
Income from continuing operations.....	\$ 2.46	\$ 5.98	\$ 6.29	\$ 4.53	\$ 10.68
Loss from discontinued operations.....	(1.10)	(2.40)	(4.76)	(3.40)	(10.91)
	\$ 1.36	\$ 3.58	\$ 1.53	\$ 1.13	\$ (0.23)
Weighted average common shares outstanding.....	1,152,790	1,135,659	1,132,140	1,129,831	1,138,449
DILUTED EARNINGS (LOSS) PER SHARE:					
Income from continuing operations.....	\$ 2.43	\$ 5.93	\$ 6.24	\$ 4.49	\$ 10.59
Loss from discontinued operations.....	(1.09)	(2.38)	(4.72)	(3.37)	(10.82)
	\$ 1.34	\$ 3.55	\$ 1.52	\$ 1.12	\$ (0.23)
Weighted average common shares outstanding.....	1,168,289	1,145,448	1,141,929	1,139,620	1,148,238

See notes to consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
(Dollars in Thousands)

	Common Stock	Additional Paid In Capital	Comprehensive Income (Loss)	Retained Earnings	Accumulated Comprehensive Income (Loss)	Other Comprehensive Income (Loss)	Deferred Compensation
BALANCE, JANUARY 1, 1998.....	\$1,200	\$ --		\$26,131	\$ (163)		\$ --
Net income.....			\$ 1,653	1,653			
Other comprehensive income (loss):.....							
Net unrealized holding gain--net of income tax provision of \$70.....			110				
Translation adjustments.....			(70)				
Other comprehensive income.....			40		40		
Comprehensive income.....			\$ 1,693				
Dividends on redeemable common stock.....				(83)			
Redemption of Class B common stock.....							640
Common stock held in rabbi trust.....							640
BALANCE, DECEMBER 31, 1998.....	1,200	--	\$ 4,069	27,701	(123)		640
Net income.....			\$ 4,069	4,069			
Other comprehensive loss:.....							
Translation adjustments.....			(36)				
Other comprehensive loss.....			(36)		(36)		
Comprehensive income.....			\$ 4,033				
BALANCE, DECEMBER 31, 1999.....	1,200	--	\$ 1,739	31,770	(159)		640
Net income.....			\$ 1,739	1,739			
Other comprehensive loss:.....							
Translation adjustments.....			(81)				
Other comprehensive loss.....			(81)		(81)		
Comprehensive income.....			\$ 1,658				
Contribution of Class A common stock to Employee Stock Ownership Plan.....		1,326					
Redemption of Class B common stock.....							
BALANCE, DECEMBER 31, 2000.....	1,200	1,326	\$ (263)	33,509	(240)		640
Net loss.....			\$ (263)	(263)			
Other comprehensive loss:.....							
Cash flow hedge.....			(1,251)				
Translation adjustments.....			(49)				
Other comprehensive loss.....			(1,300)		(1,300)		
Comprehensive loss.....			\$(1,563)				
Contribution of Class A common stock to Employee Stock Ownership Plan.....		1,142					
BALANCE, SEPTEMBER 30, 2001.....	\$1,200	\$2,468		\$33,246	\$(1,540)		\$640

	Treasury Stock	Total Stockholders' Equity
BALANCE, JANUARY 1, 1998.....	\$(10,337)	\$16,831
Net income.....		1,653
Other comprehensive income (loss):.....		
Net unrealized holding gain--net of income tax provision of \$70.....		
Translation adjustments.....		
Other comprehensive income.....		40
Comprehensive income.....		
Dividends on redeemable common stock.....		(83)
Redemption of Class B common stock.....	(2,926)	(2,926)
Common stock held in rabbi trust.....	(640)	--
BALANCE, DECEMBER 31, 1998.....	(13,903)	15,515
Net income.....		4,069
Other comprehensive loss:.....		
Translation adjustments.....		

Other comprehensive loss.....		(36)
Comprehensive income.....		-----
BALANCE, DECEMBER 31, 1999.....	(13,903)	19,548
Net income.....		1,739
Other comprehensive loss:.....		
Translation adjustments.....		
Other comprehensive loss.....		(81)
Comprehensive income.....		
Contribution of Class A common stock to Employee Stock Ownership Plan.....	37	1,363
Redemption of Class B common stock.....	(775)	(775)
BALANCE, DECEMBER 31, 2000.....	(14,641)	21,794
Net loss.....		(263)
Other comprehensive loss:.....		
Cash flow hedge.....		
Translation adjustments.....		
Other comprehensive loss.....		(1,300)
Comprehensive loss.....		
Contribution of Class A common stock to Employee Stock Ownership Plan.....	29	1,171
BALANCE, SEPTEMBER 30, 2001.....	\$(14,612)	\$21,402
	=====	=====

See notes to consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Dollars in Thousands)

	Year Ended December 31,			Nine Months Ended September 30,	
	1998	1999	2000	2000	2001
				(Unaudited)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Net income (loss).....	\$ 1,653	\$ 4,069	\$ 1,739	\$ 1,270	\$ (263)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Equity in (earnings) losses of affiliates.....	(911)	(810)	1,162	(53)	(869)
Loss from discontinued operations.....	1,268	2,727	4,667	3,124	6,533
Loss on disposal of discontinued operations.....	--	--	719	719	5,890
Deferred income taxes.....	(196)	(338)	981	451	(134)
Minority interest in income of consolidated subsidiaries.....	33	37	15	11	19
Loss from investment default.....	5,230	--	--	--	--
Loss (gain) on disposal of property and equipment.....	6	(183)	142	289	88
Depreciation and amortization.....	4,379	5,635	5,548	4,173	3,868
Change in assets and liabilities--net of effects from acquired and disposed businesses:					
(Increase) decrease in receivables.....	(3,133)	(9,965)	5,010	(5,885)	(7,389)
(Increase) decrease in prepaid expenses and other.....	(160)	2,637	(8,180)	(6,246)	4,157
(Increase) decrease in inventory.....	(263)	171	755	755	--
(Decrease) increase in accounts payable and accrued expenses.....	(740)	5,144	(1,377)	(4,734)	(54)
(Decrease) increase in accrued salaries and related expenses.....	(503)	10	3,211	5,601	3,953
(Decrease) increase in billings in excess of revenue earned.....	(1,418)	(1,380)	4,699	516	(3,537)
(Decrease) increase in deferred rent.....	(44)	51	(73)	(17)	157
Increase in accrued retirement.....	2,708	1,582	834	1,228	97
	-----	-----	-----	-----	-----
Net cash provided by operating activities of continuing operations.....	7,909	9,387	19,852	1,202	12,516
	-----	-----	-----	-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Purchase of property and equipment.....	(3,538)	(2,181)	(1,344)	(964)	(1,616)
Proceeds from sales of property and equipment.....	113	1,168	225	222	--
Proceeds from notes receivable.....	207	--	--	--	--
Loans receivable from GSE.....	--	--	(1,550)	--	(3,350)
Investment in GSE Common Stock.....	--	--	(500)	(500)	--
Investment in capitalized software products.....	(1,787)	(900)	(316)	(233)	(933)
Investment in ADG, net of cash acquired of \$4,429.....	--	(19)	(496)	(372)	--
Investment in REVIVE.....	--	(677)	--	--	--
(Investment in) dividends from MASI U.K.....	--	--	(216)	(216)	285
	-----	-----	-----	-----	-----
Net cash used in investing activities of continuing operations.....	(5,005)	(2,609)	(4,197)	(2,063)	(5,614)
	-----	-----	-----	-----	-----

MANTECH INTERNATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Dollars in Thousands)

	Year Ended December 31,			Nine Months Ended September 30,	
	1998	1999	2000	2000	2001
				(Unaudited)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Net increase (decrease) in borrowings under lines of credit.....	5,717	7,900	4,413	(269)	(4,344)
Repayment of term loan.....	(800)	(3,200)	(2,400)	(1,600)	(2,400)
Repayment of notes payable.....	(375)	(1,204)	(276)	(276)	(1,000)
Repayment of mortgage.....	(75)	(1,163)	--	--	--
Payment of not-to-compete financings.....	(443)	(337)	(1,000)	(1,000)	--
Repurchase of Class B common stock.....	(2,926)	--	(775)	(652)	--
Redemption of preferred stock.....	(8,029)	--	--	--	--
Proceeds from subordinated debt.....	8,000	--	--	--	--
Proceeds from exercise of stock options.....	269	--	--	--	--
Dividends paid.....	(83)	--	--	--	--
Net cash provided by (used in) financing activities of continuing operations.....	1,255	1,996	(38)	(3,797)	(7,744)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS.....</b>	<b>5</b>	<b>(39)</b>	<b>167</b>	<b>(98)</b>	<b>3</b>
<b>NET CASH USED IN DISCONTINUED OPERATIONS.....</b>	<b>(6,910)</b>	<b>(3,736)</b>	<b>(5,777)</b>	<b>(3,449)</b>	<b>(10,508)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS.....</b>	<b>(2,746)</b>	<b>4,999</b>	<b>10,007</b>	<b>(8,205)</b>	<b>(11,347)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD.....</b>	<b>17,318</b>	<b>14,572</b>	<b>19,571</b>	<b>19,571</b>	<b>29,578</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD.....</b>	<b>\$14,572</b>	<b>\$19,571</b>	<b>\$29,578</b>	<b>\$11,366</b>	<b>\$ 18,231</b>

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

1. Description of the Business

ManTech International Corporation delivers a broad array of information technology and technical services solutions to U.S. federal government customers, focusing primarily on critical national defense programs for the intelligence community and Department of Defense. We design, develop, procure, implement, operate, test and maintain mission-critical, enterprise information technology and communication systems and infrastructures for our federal government customers in the United States and 28 countries worldwide.

2. Summary of Significant Accounting Policies

**Principles of Consolidation--**The accompanying consolidated financial statements include the accounts of ManTech International Corporation and its majority-owned subsidiaries (the Company). Minority interest represents minority stockholders' proportionate share of the equity in one of the Company's consolidated subsidiaries. The Company's share of affiliates' earnings (losses) is included in the consolidated statements of income using the equity method (see note 12). All intercompany accounts and transactions have been eliminated.

**Use of Accounting Estimates--**The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. These estimates involve judgments with respect to, among other things, various future economic factors that are difficult to predict and are beyond the control of the Company. Therefore, actual amounts could differ from these estimates.

**Revenue Recognition--**The majority of the Company's revenues are derived from cost-plus-fixed-fee, cost-plus-award-fee, firm-fixed-price, or time-and-materials contracts. Under cost-plus-fixed or award-fee contracts, revenues are recognized as costs are incurred and include an estimate of applicable fees earned. Under firm-fixed-price contracts, revenues are estimated on the percentage of completion method, on the basis of costs incurred in relation to estimated total costs, or upon delivery of specific products or services, as appropriate. For time-and-material contracts, revenues are computed by multiplying the number of direct labor-hours expended in the performance of the contract by the contract billing rates and adding other billable direct costs. Performance incentives are incorporated in certain contracts, which provide increased and decreased revenues based on actual performance compared to established targets. Incentives based upon cost performance are recorded when earned and other incentives and awards are recorded when the amounts are earned and can be reasonably determined, or are awarded. In certain circumstances, revenues are recognized when contract amendments have not been finalized. Anticipated losses are recognized in the accounting period in which they are first determined.

**Cost of Services--**Cost of services consists primarily of compensation expenses for program personnel and direct expenses incurred to complete programs, including cost of materials and subcontract efforts.

**Cash and Cash Equivalents--**For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, and short-term investments with maturity dates of three months or less at the date of purchase.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

2. Summary of Significant Accounting Policies (Continued)

Property and Equipment--Property and equipment are recorded at original cost. Upon sale or retirement, the costs and related accumulated depreciation or amortization are eliminated from the respective accounts and any resulting gain or loss is included in income. Maintenance and repairs are charged to expense as incurred.

Depreciation and Amortization--Furniture and office equipment are depreciated using the straight-line method with estimated useful lives ranging from five to fifteen years. Leasehold improvements are amortized using the straight-line method over a life of five years, or the term of the lease, whichever is shorter.

Inventory--Inventory is carried at the lower of cost or market. Cost is computed on a specific identification basis.

Goodwill and Other Intangibles--Goodwill, the excess of cost over the fair value of net tangible and identifiable intangible assets of acquired companies, is amortized on a straight-line basis over periods ranging from two to twenty years. Contract rights and other intangibles are amortized on a straight-line basis over periods ranging from three to five years.

Software Development Costs--The Company accounts for software development costs in accordance with Statement of Financial Accounting Standards (SFAS) No. 86, Accounting for the Costs of Computer Software to be Sold, Leased, or Otherwise Marketed. For projects fully funded by the Company, significant development costs are capitalized from the point of demonstrated technological feasibility until the point in time that the product is available for general release to customers. Once the product is available for general release, capitalized costs are amortized on a straight-line basis over a five-year period or other such shorter period as may be required. The Company recorded \$29,000, \$431,000, and \$665,000 of amortization expense for the years ended December 31, 1998, 1999 and 2000, respectively, and \$499,000 for the nine months ended September 30, 2001. Capitalized software costs included in other intangibles at December 31, 1999 and 2000, and September 30, 2001 were \$2,380,000, \$2,031,000 and \$2,465,000, respectively.

Employee Supplemental Savings Plan (ESSP) Assets--The Company maintains several nonqualified defined contribution supplemental retirement plans for certain key employees that are accounted for in accordance with Emerging Issues Task Force (EITF) Issue 97-14, Accounting for Deferred Compensation Arrangements Where Amounts Earned Are Held in a Rabbi Trust and Invested, as the underlying assets are held in rabbi trusts with investments directed by the respective employee. A rabbi trust is a grantor trust generally set up to fund compensation for a select group of management and the assets of this trust are available to satisfy the claims of general creditors in the event of bankruptcy of the Company. As required by EITF 97-14, the assets held by the rabbi trusts are recorded at fair value in the consolidated financial statements as Employee Supplemental Savings Plan Assets with a corresponding amount recorded as a deferred compensation liability in Accrued Retirement.

Impairment of Long-Lived Assets--Whenever events or changes in circumstances indicate that the carrying amount of long-lived assets, including goodwill, software development costs and other intangibles, may not be fully recoverable, the Company evaluates the probability that future

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

2. Summary of Significant Accounting Policies (Continued)

undiscounted net cash flows, without interest charges, will be less than the carrying amount of the assets. If any impairment were indicated as a result of this review, the Company would recognize a loss based on the amount by which the carrying amount exceeds the estimated discounted future cash flows. The Company believes that no impairments exist as of September 30, 2001.

Income Taxes--Deferred income taxes are recognized based on the estimated future tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Valuation allowances are established when necessary to reduce deferred tax assets to amounts expected to be realized. Income tax expense represents the current tax provision for the period and the change during the period in deferred tax assets and liabilities. No provision is made for U.S. taxes on foreign subsidiaries where earnings are expected to be reinvested indefinitely.

Foreign Currency Translation--All assets and liabilities of foreign subsidiaries are translated into U.S. dollars at fiscal year-end exchange rates. Income and expense items are translated at average monthly exchange rates prevailing during the fiscal year. The resulting translation adjustments are recorded as a component of Accumulated other comprehensive income (loss).

Comprehensive Income (Loss)--Comprehensive income (loss) consists of net income (loss), unrealized gains or losses on certain investments, cash flow hedge and foreign currency translation adjustments and is presented in the Consolidated Statements of Changes in Stockholders' Equity.

Stock-Based Compensation--As permitted under SFAS No. 123, Accounting for Stock-Based Compensation, the Company accounts for stock-based awards using the intrinsic value method prescribed in Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees. Accordingly, no compensation expense has been recognized in the financial statements related to employee stock option awards.

Fair Value of Financial Instruments--The carrying value of the Company's cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values.

New Accounting Pronouncements--In June 2001, the Financial Accounting Standards Board (FASB) issued SFAS No. 141, Business Combinations, which requires that all business combinations be accounted for by a single method - the purchase method. The provisions of SFAS No. 141 apply to all business combinations initiated after June 30, 2001. SFAS No. 141 also applies to all business combinations accounted for using the purchase method for which the date of acquisition is July 1, 2001, or later. The Company does not expect the adoption of the provisions of SFAS No. 141 to have a material impact on its consolidated financial position or results of operations.

In June 2001, the FASB issued SFAS No. 142, Goodwill and Other Intangible Assets. SFAS No. 142 requires that, upon its adoption, amortization of goodwill will cease and instead, the carrying value of goodwill will be evaluated for impairment on an annual basis. Identifiable intangible assets will continue to be amortized over their useful lives and reviewed for impairment in accordance with SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

2. Summary of Significant Accounting Policies (Continued)

Disposed Of. SFAS No. 142 will be effective for fiscal years beginning after December 15, 2001. The Company has not yet completed its analysis of this new pronouncement and the impact it will have on the consolidated financial statements.

In July 2001, the FASB issued SFAS No. 143, Accounting for Asset Retirement Obligations. SFAS No. 143 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The associated asset retirement cost would be capitalized as part of the carrying amount of the long-lived asset. SFAS No. 143 will be effective for fiscal years beginning after June 15, 2002. The Company has not yet completed its analysis of this new pronouncement and the impact it will have on the consolidated financial statements.

In October 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, which replaces SFAS No. 121. SFAS No. 144 requires that long-lived assets be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. SFAS No. 144 also broadens the reporting of discontinued operations to include all components of an entity with operations that can be distinguished from the rest of the entity and that will be eliminated from the ongoing operations of the entity in a disposal transaction. The provisions of SFAS No. 144 are effective for financial statements issued for fiscal years beginning after December 15, 2001. The Company has not yet completed its analysis of this new pronouncement and the impact it will have on the consolidated financial statements.

In November 2001, the EITF issued Topic No. D-103, Income Statement Characterization of Reimbursements Received for "Out-of-Pocket" Expenses Incurred. EITF No. D-103 requires that companies report reimbursements received for out-of-pocket expenses incurred as revenue, rather than as a reduction of expenses. The provisions of EITF No. D-103 are effective for financial statements issued for fiscal years beginning after December 15, 2001. As we have historically accounted for reimbursements for out-of-pocket expenses in the manner provided for under EITF No. D-103, we do not expect the adoption of the provisions of EITF No. D-103 to have an impact on our consolidated financial position or results of operations.

Reclassifications--Certain reclassifications have been made to previously reported balances to conform with the current-period presentation.

3. Earnings per Share

Basic earnings per share has been computed by dividing net income available to common stockholders by the weighted average number of shares of Class A, Class B and Class C Common Stock outstanding during each period. Shares issued during the period and shares reacquired during the period are weighted for the portion of the period that they were outstanding. Diluted earnings per share have been computed in a manner consistent with that of basic earnings per share while giving effect to all potentially dilutive common shares that were outstanding during each period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

3. Earnings per Share (Continued)

Basic and diluted earnings available to common stockholders are the same and are computed as follows (in thousands):

	Year Ended December 31,			Nin S	
	1998	1999	2000	2000	2001
	-----	-----	-----	-----	-----
				(Unaudited)	
Income from continuing operations.....	2,921	6,796	7,125	5,113	12,160
Less: Dividends paid to Redeemable Class B common stockholders.....	(83)	--	--	--	--
	-----	-----	-----	-----	-----
Income from continuing operations available to common stockholders.....	2,838	6,796	7,125	5,113	12,160
	=====	=====	=====	=====	=====

The weighted average number of common shares outstanding is computed as follows (in thousands):

	Year Ended December 31,			N	
	1998	1999	2000	2000	2001
	-----	-----	-----	-----	-----
				(Unaudited)	
Basic weighted average common shares outstanding.....	1,153	1,135	1,132	1,130	1,138
Effect of potential exercise of stock options	15	10	10	10	10
	-----	-----	-----	-----	-----
Diluted weighted average common shares outstanding.....	1,168	1,145	1,142	1,140	1,148
	=====	=====	=====	=====	=====

4. Business Segment and Geographic Area Information

The Company operates as one segment, delivering a broad array of information technology and technical services solutions under contracts with the U.S. Government. No single customer accounted for 10% or more of the Company's accounts receivable or revenues as of or for the years ended December 31, 1998, 1999 and 2000, and nine months ended September 30, 2001. In addition, there were no sales to any customers within a single country except for the United States where the sales accounted for 10% or more of total revenue. Substantially all assets of continuing operations were held in the United States for the years ended December 31, 1998, 1999 and 2000, and nine months ended September 30, 2001. Revenues by geographic customer and the related percentages of total revenues

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

4. Business Segment and Geographic Area Information (Continued)

for the years ended December 31, 1998, 1999 and 2000, and the nine months ended September 30, 2001, were as follows (in thousands):

	Year Ended December 31,			Nine Months Ended
	1998	1999	2000	September 30, 2001
United States	\$312,507	\$352,423	\$373,989	\$311,214
International	1,802	1,501	4,838	5,052
	\$314,309	\$353,924	\$378,827	\$316,266
United States	99.4 %	99.6 %	98.7 %	98.4 %
International	0.6	0.4	1.3	1.6
	100.0 %	100.0 %	100.0 %	100.0 %

5. Revenues and Receivables

The Company delivers a broad array of information technology and technical services solutions under contracts with the U.S. Government. Revenues from the U.S. Government under prime contracts and subcontracts, as compared to total contract revenues, were approximately 97%, 96% and 96% for the years ended December 31, 1998, 1999 and 2000, respectively, and approximately 96% for the nine months ended September 30, 2001. Approximately 44%, 45%, 40% and 36% of the Company's revenues were generated under cost-reimbursable contracts for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

The components of contract receivables are as follows (in thousands):

	December 31,		September 30,
	1999	2000	2001
Billed receivables.....	\$61,025	\$59,561	\$71,335
Unbilled receivables:			
Amounts currently billable.....	20,612	16,529	14,192
Revenues recorded in excess of estimated contract value or funding.....	4,914	4,307	1,385
Retainage.....	2,198	1,761	1,665
Indirect costs incurred in excess of provisional billing rates.....	1,571	2,755	4,212
Allowance for doubtful accounts.....	(1,838)	(1,432)	(1,940)
	\$88,482	\$83,481	\$90,849

Indirect cost rates in excess of provisional billing rates on U.S. Government contracts are generally billable at actual rates less a reduction of .5% of the actual general and administrative rate base before a Defense Contract Audit Agency (DCAA) audit is completed. The balance remaining, as well as any retainage, is billable upon completion of a DCAA audit (see note 13). Revenues recorded

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

5. Revenues and Receivables (Continued)

in excess of contract value or funding are billable upon receipt of contractual amendments. Amounts currently billable consist principally of amounts to be billed within the next month.

6. Property and Equipment

Major classes of property and equipment are summarized as follows (in thousands):

	December 31,		September 30
	1999	2000	2001
Furniture and equipment.....	\$ 24,202	\$ 22,504	\$ 23,170
Leasehold improvements.....	4,672	4,511	4,407
	28,874	27,015	27,577
Less: Accumulated depreciation and amortization.....	(20,071)	(19,982)	(20,831)
	\$ 8,803	\$ 7,033	\$ 6,746

Depreciation and amortization expense for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001 was \$2,606,000, \$2,912,000, \$2,837,000 and \$1,816,000, respectively.

7. Goodwill and Other Intangibles

The components of goodwill and other intangibles are as follows (in thousands):

	December 31,		September 30
	1999	2000	2001
Goodwill.....	\$ 17,948	\$ 18,092	\$ 18,092
Other intangibles.....	8,691	9,007	9,939
	26,639	27,099	28,031
Less: Accumulated amortization.....	(12,041)	(14,752)	(16,805)
	\$ 14,598	\$ 12,347	\$ 11,226

Goodwill amortization expense for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001 was \$836,000, \$1,033,000, \$1,124,000 and \$863,000, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

8. Debt

	December 31,		September 30,
	1999	2000	2001
Borrowings under the Amended and Restated Business Loan and Security Agreement:			
Revolving credit facility.....	\$53,100	\$57,496	\$53,133
Term loan.....	12,000	9,600	7,200
	65,100	67,096	60,333
Subordinated credit agreement.....	8,000	8,000	8,000
Other notes.....	3,406	2,104	1,104
Total debt.....	76,506	77,200	69,437
Less: Current portion of debt.....	4,501	4,200	2,769
Debt--net of current portion.....	\$72,005	\$73,000	\$66,668

On December 17, 2001, the Company executed a new Business Loan and Security Agreement (the Agreement) with Citizens Bank of Pennsylvania, PNC Bank N.A. Branch Banking and Trust Company of Virginia, and Chevy Chase Bank, F.S.B. to refinance and replace the company's agreement. The Agreement provides for maximum borrowings of \$71.4 million and consists of a \$65.0 million revolving credit facility and a \$6.4 million term loan. Under the term loan portion of the Agreement, the principal balance is payable in consecutive quarterly installments of \$492,308 on the last business day of each quarter commencing with the last business day of December 2001. The maturity date of the Agreement is December 31, 2004. Borrowings under the Agreement are collateralized by the Company's eligible contract receivables, inventory, and certain property and equipment and bear interest at the agreed-upon London Interbank Offering Rate (LIBOR) plus market-rate spreads that vary according to the calculation of a certain Company leverage ratio. Under the Agreement, the Company is required to maintain specified financial covenants relating to fixed charge coverage, interest coverage, debt coverage, and minimum consolidated net worth. The Agreement also places limitations on additional borrowings, mergers, and related party transactions, issuance of capital stock and payment of dividends, and limitations with respect to capital expenditures.

On October 27, 2000, the Company executed the Second Amendment to the Amended and Restated Business Loan and Security Agreement (the Prior Agreement) with Mellon Bank N.A. (Mellon), First Union Commercial Corporation (First Union) and PNC Bank N.A., which provides for maximum borrowings of \$76.0 million. The Prior Agreement consisted of a \$60.0 million revolving credit facility and a \$16.0 million term loan. Under the revolving portion of the Prior Agreement, the Company could borrow the lesser of defined percentages of receivables or \$60.0 million. The maximum available borrowing under the revolving credit facility at September 30, 2001 was \$60.0 million. Under the term loan portion of the Prior Agreement, the principal balance was payable in consecutive quarterly installments of \$800,000 on the last business day of each quarter commencing with the last business day of December 1998. A final payment of \$6.4 million was due upon expiration of the Prior Agreement on December 31, 2001. In conjunction with the execution of the Prior Agreement, the Company recorded \$175,000 in loan origination costs, included in other assets, which are being amortized ratably over the term of the Prior Agreement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

8. Debt (Continued)

Borrowings under the Prior Agreement were collateralized by the Company's eligible contract receivables, inventory, and certain property and equipment and bear interest at the agreed-upon LIBOR plus 2.25% for the first \$25.0 million outstanding, at LIBOR plus 2.75% for the \$7.2 million associated with the term loan, at LIBOR plus 2.03125% for European currency loans of \$1.0 million, and at the bank's prime rate plus 1.00% for outstanding amounts greater than \$33.2 million. At September 30, 2001, the agreed-upon LIBOR rate was 2.79% for \$15.0 million, 3.52% for \$10.0 million, 3.49% for \$6.4 million, 4.95% for \$1.0 million and the bank's prime rate was 6.00% for the remaining \$27.9 million. The aggregate annual weighted average interest rates were 8.15%, 7.52% and 8.75% for 1998, 1999 and 2000, respectively. The aggregate weighted average interest rate for the nine months ended September 30, 2001 was 8.49%. The weighted average borrowings under the revolving portion of the Prior Agreement during the years ended December 31, 1998, 1999 and 2000, and the nine months ended September 30, 2001, were \$43,663,000, \$32,357,000, \$43,876,000 and \$36,848,000, respectively.

As of September 30, 2001, the Company was contingently liable under letters of credit totaling \$6,703,000, which reduce the availability to borrow under the revolving portion of the Prior Agreement.

The Company had \$16.0 million and \$20.5 million in borrowings under the Prior Agreement at December 31, 1999 and 2000, respectively, and \$13.8 million in borrowings at September 30, 2001, which were repaid immediately after the end of the respective periods.

On January 15, 1998, the Company redeemed all 75,000 shares of its then outstanding Preferred Stock for a total of \$8,029,000, or \$107.05 per share (see note 10). In order to provide the funding necessary to redeem the Preferred Stock, the Company executed a seven-year Subordinated Credit Agreement with First Source Financial LLP for \$8,000,000 on January 9, 1998. The remaining \$29,000 of funding was provided by the Company's revolving credit facility. The principal balance is payable in eight consecutive quarterly installments of \$888,889 on the first business day of each quarter commencing with the first business day of January 2003. A ninth and final payment of \$888,888 is due on the last business day of December 2004. Interest under the Subordinated Credit Agreement accrues at a fixed rate of 12% per annum and is payable quarterly in arrears.

Debt outstanding at September 30, 2001, is scheduled to mature by the following calendar year ends: \$1,292,000 in 2001, \$1,969,000 in 2002, \$6,525,000 in 2003, and \$59,546,000 in 2004, and \$104,000 in 2005.

The total interest paid was \$4,510,000, \$6,094,000, \$6,073,000 and \$3,614,000, for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

The Company uses interest rate swap agreements to manage exposure to fluctuations in interest rates. At September 30, 2001, the Company had an unleveraged swap agreement with First Union with a notional principal amount of \$25,000,000. This agreement was placed on November 22, 2000 with a fixed LIBOR rate of 6.53% and is settled in cash on a monthly basis. The term of the agreement is four years, but is cancelable at the option of First Union after the third year. In December 2001, the swap agreement was reset within our new banking group at a rate of 6.83% with a four-year term.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

8. Debt (Continued)

Effective January 1, 2001, the Company adopted SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, which, as amended by SFAS No. 138, establishes accounting and reporting standards for derivative instruments, including some derivative instruments embedded in other contracts, and for hedging activities. Upon adoption of SFAS No. 133, the Company recorded a \$704,000 (\$422,000 net of tax) transition adjustment in other comprehensive loss as a cumulative effect of a change in accounting principle. The Company will reclassify this amount into interest expense over the remaining life of the interest rate swap. The amount of the transition adjustment that will be reclassified to earnings over the 12 months following the initial adoption of SFAS No. 133 will be \$180,000.

The Company hedges the cash flows of some of its long-term debt using an interest rate swap. The Company enters into these derivative contracts to manage its exposure to interest rate movements by achieving a desired proportion of fixed rate versus variable rate debt. In an interest rate swap, the Company agrees to exchange the difference between a variable interest rate and either a fixed or another variable interest rate, multiplied by a notional principal amount.

As of September 30, 2001, the Company has recognized the cash flow hedge at its fair value of \$2,084,000 in accounts payable and accrued expenses on the consolidated balance sheet. The interest rate swap qualifies for cash flow hedge accounting, therefore, an unrealized loss of \$1,380,000 (\$829,000 net of tax), representing the effective portion of the change in its fair value, is reported in other comprehensive loss and will be reclassified into interest expense. The ineffective portion of the change in fair value of the swap qualifying for cash flow hedge accounting is recognized in the consolidated statements of income in the period of the change. For the nine months ended September 30, 2001, the swap did not have any ineffectiveness for the cash flow hedge.

Management believes that the fair value of debt is not significantly different from what is recorded by the Company, based on comparable market rates on similar issues.

9. Income Taxes

The domestic and foreign components of income before provision for income taxes and minority interest were as follows (in thousands):

	Year Ended December 31,			Nine Months Ended
	1998	1999	2000	September 30,
				2001
Domestic	\$4,454	\$11,556	\$13,401	\$20,376
Foreign	683	743	(289)	864
	\$5,137	\$12,299	\$13,112	\$21,240

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

9. Income Taxes (Continued)

The provision for income taxes was comprised of the following components (in thousands):

	Year Ended December 31,			Nine Months Ended September 30,
	1998	1999	2000	2001
Current provision (benefit):....				
Federal.....	\$1,540	\$ 5,352	\$4,291	\$ 9,215
State.....	828	1,064	1,893	1,959
Foreign.....	--	(10)	(203)	143
	2,368	6,406	5,981	11,317
Deferred provision (benefit):...				
Federal.....	(371)	(1,227)	606	(1,947)
State.....	(25)	48	(732)	(427)
Foreign.....	211	239	119	119
	(185)	(940)	(7)	(2,255)
Total provision for income taxes	\$2,183	\$ 5,466	\$5,974	\$ 9,062

The provision for income taxes varies from the amount of income tax determined by applying the applicable U.S. statutory tax rate to pre-tax income as a result of the following:

	Year Ended December 31,			Nine Months Ended September 30,
	1998	1999	2000	2001
Statutory U.S. Federal tax rate.....	35.0%	35.0%	35.0%	35.0%
Increase (decrease) in rate resulting from:				
State taxes--net of Federal benefit.....	4.9	4.6	3.9	5.2
Foreign taxes.....	(1.7)	0.2	(0.4)	(0.2)
Other--additional provision.....	--	--	2.8	--
Nondeductible items:				
Goodwill amortization.....	6.1	2.6	2.5	1.2
Other.....	(1.8)	2.0	1.8	1.5
Effective tax rate.....	42.5%	44.4%	45.6%	42.7%

The Company paid income taxes, net of refunds, of \$1,996,000, \$1,648,000, \$4,100,000 and \$2,711,000 for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

9. Income Taxes (Continued)

Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements. A summary of the tax effect of the significant components of deferred income taxes follows (in thousands):

	December 31,		Sept
	1999	2000	2001
Gross deferred tax liabilities:			
Receivables and payables.....	\$19,720	\$20,628	\$19,536
Investments.....	1,846	1,323	1,546
Other assets.....	1,294	1,016	1,308
Property and equipment.....	109	--	--
Total deferred tax liabilities.....	22,969	22,967	22,390
Gross deferred tax assets:			
Tax credits and net operating loss carryforwards.....	(2,708)	(2,751)	(2,468)
Accrued liabilities.....	(1,703)	(1,431)	(1,404)
Cash flow hedge.....	--	--	(833)
Allowance for potential contract losses and other contract reserves	(1,231)	(631)	(675)
Property and equipment.....	--	(195)	(75)
Total deferred tax assets.....	(5,642)	(5,008)	(5,455)
Less: Valuation allowance.....	902	902	902
Total deferred tax assets--net.....	(4,740)	(4,106)	(4,553)
Net deferred tax liabilities.....	\$18,229	\$18,861	\$17,837

At September 30, 2001, the Company has state net operating losses of approximately \$13,300,000 that expire beginning 2001 through 2020. At September 30, 2001, the Company had a capital loss carryforward of \$2,127,000 that expires in 2003.

10. Capital Stock, Employee Stock Plan

Common Stock--Class A Common Stock is voting, no par value. The Company has 25,000,000 shares authorized with 4,111,502 shares issued and 1,022,882, 1,033,938 and 1,040,566 shares outstanding at December 31, 1999 and 2000, and September 30, 2001, respectively. There were 3,088,620, 3,077,564 and 3,070,936 shares of Class A Common Stock held as Treasury Stock at December 31, 1999 and 2000, and September 30, 2001, respectively. At December 31, 1999 and 2000, and September 30, 2001, there were an additional 37,366 shares of Class A Common Stock, with a cost value of \$640,000, reflected as Treasury Stock in accordance with Emerging Issues Task Force Abstract 97-14, Accounting for Deferred Compensation Arrangements where Amounts Earned are Held in a Rabbi Trust and Invested. These shares are held in a Rabbi Trust to satisfy a defined contribution pension obligation, to be paid in stock for the benefit of a senior Company employee.

Class C Common Stock is no par value, nonvoting common stock. At December 31, 1999 and 2000, and September 30, 2001, the Company had 100,000 Class C Common Stock shares authorized and 71,664 shares issued and outstanding.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

10. Capital Stock, Employee Stock Plan (Continued)

Redeemable Class B Common Stock--Class B Common Stock is no par value, nonvoting stock and is mandatorily redeemable by the stockholder at any time and by the Company in the event of the involuntary or voluntary termination of the stockholder's position within the Company at a per share price to be determined by an independent valuation company. On July 31, 1998, the Company redeemed 39,156 shares of Class B Common Stock from a former employee for \$2,926,500. On January 6, 2000, the Company redeemed 6,582 shares of Class B Common Stock from an employee for \$566,082. On February 29, 2000, the Company redeemed 1,000 shares of Class B Common Stock from an outside Director for \$86,060. On December 18, 2000, the Company redeemed an additional 1,000 shares of Class B Common Stock from an outside Director for \$123,240. All of these shares were placed in Treasury at their redemption value. The Company had 250,000 shares of Class B Common Stock authorized, 80,269 shares issued, and 41,113, 32,531 and 32,531 shares outstanding at December 31, 1999 and 2000, and September 30, 2001, respectively.

On December 18, 1998, the Board of Directors approved a change to the Company By-Laws, effective January 1, 1999, to conform Class B Common Stock dividend rights on a parri-passu basis with Class A and Class C Common Stock. Prior to this amendment, the Board of Directors paid an annual, per share dividend on the Class B Common Stock using the prime rate announced periodically by the Company's primary lender. These dividends were paid quarterly. The 1998 Class B Common Stock cash dividends totaled \$83,200, or \$1.43 per share. Class B Common Stock dividends paid in 1998 totaled \$69,200, whereas dividends payable at December 31, 1998, paid on January 15, 1999, totaled \$14,000.

With respect to liquidation rights, the Class C Common Stock is on a pro rata parity with the Class A and Class B Common Stock.

Preferred Stock--Each December 31, beginning in 1994, the Company had the right to require the holders of Preferred Stock to sell all or any part of the 75,000 authorized and issued shares of Preferred Stock for the Redemption Price, which equated to the greater of (i) the par value plus accrued but unpaid dividends or (ii) the fair market value of the Preferred Stock. In December 1997, the Company's Board of Directors chose to exercise this right and announced its intention to repurchase all of the Preferred Stock shares based on a valuation performed as December 31, 1997.

On January 15, 1998, the Company redeemed and retired all 75,000 shares of the Preferred Stock for a total of \$8,029,000, or \$107.05 per share. In accordance with the terms of the Preferred Stock, the per share redemption price was based on a valuation performed by an independent third party as of December 31, 1997. In order to provide the funding necessary to redeem the Preferred Stock, the Company executed a seven-year Subordinated Credit Agreement with First Source Financial LLP for \$8,000,000 on January 9, 1998 (see note 8).

Stock Options--The Company has a nonqualified fixed option plan that reserves shares of Class B Common Stock for issuance to key employees. The Company has adopted the disclosure-only provisions of SFAS No. 123, Accounting for Stock-Based Compensation. No compensation cost is recognized for the stock option plan.

The plan provides that shares granted come from the Company's authorized but unissued Class B Common Stock. The price of the options granted pursuant to this plan was not less than 100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

10. Capital Stock, Employee Stock Plan (Continued)

of the fair market value of the shares on the date of grant. On April 15, 1995, the Company granted options to purchase 19,578 shares at an exercise price of \$27.46 per share. These options vested quarterly over a three-year period from the date of grant. In July 1998, options to purchase 9,789 shares were exercised. At December 31, 1998, 1999 and 2000, and at September 30, 2001, options to purchase 9,789 shares were outstanding and exercisable, and expire on April 15, 2005. No grants have been made since 1995.

In November 2001, the Board of Directors adopted, and the Stockholders approved, the 2001 Stock Incentive Plan. No grants under this plan have been made.

11. Retirement Plans

The Company maintains nonqualified supplemental defined benefit pension plans for certain retired employees of an acquired company. The weighted average assumptions used in accounting for the Company's pension plans in 1999, 2000 and 2001 were as follows:

	1999	2000	2001
	----	----	----
Discount rate.....	8.0%	8.0%	7.5%
Expected return on plan assets	6.0	6.0	6.0
Rate of compensation increase.	N/A	N/A	N/A

The discount rate is the estimated rate at which the obligation for pension benefits could effectively be settled. The expected return on plan assets reflects the average rate of earnings that the Company estimates will be generated on the assets of the plans. The Plans were partially funded beginning in 1999. The rate of compensation increase reflects the Company's best estimate of the future compensation levels of the individual employees covered by the plans and is not applicable, as all covered employees had retired prior to 1998.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

11. Retirement Plans (Continued)

The following table sets forth the status of the plans (in thousands):

	Year Ended December 31,		Nine Months Ended September 30,
	1999	2000	2001
Change in benefit obligation:			
Benefit obligation at beginning of period.....	\$ 1,748	\$ 1,693	\$ 1,707
Interest cost.....	132	131	98
Actuarial (gain) loss.....	(16)	58	105
Benefits paid.....	(171)	(175)	(131)
Benefit obligation at end of period.....	1,693	1,707	1,779
Change in plan assets:			
Fair value of plan assets at beginning of period	--	180	203
Employer contribution.....	351	198	150
Benefits paid.....	(171)	(175)	(132)
Fair value of plan assets at end of period....	180	203	221
Funded status at end of period.....	(1,513)	(1,504)	(1,558)
Unrecognized actuarial loss.....	28	83	186
Unrecognized prior-service cost.....	110	79	55
Unrecognized net transition obligation.....	41	20	5
Net amount recognized at end of period.....	\$(1,334)	\$(1,322)	\$(1,312)

The components of net periodic pension cost for the Company's defined benefit plans are provided in the following table (in thousands):

	Year Ended December 31,			Nine Months Ended September 30,
	1998	1999	2000	2001
Interest cost on projected benefit obligation.....	\$134	\$132	\$131	\$ 98
Net amortization of prior-service cost and transition obligation.....	53	52	54	42
Net periodic pension cost.....	\$187	\$184	\$185	\$140

The Company maintains two qualified defined contribution plans, which cover substantially all employees, that comply with Section 401 of the Internal Revenue Code. Under these plans, the Company's stipulated Basic Matching Contribution matches a portion of the participants' contribution based upon a defined schedule. Contributions are invested by an independent investment company in one or more of several investment alternatives. The choice of investment alternatives is at the election of each participating employee. The Company's contributions to the plans were approximately \$2,091,000, \$2,317,000, \$2,420,000 and \$1,917,000 for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

11. Retirement Plans (Continued)

The Company maintains nonqualified defined contribution supplemental retirement plans for certain key employees. Under these plans the Company accrues a stated annual amount and may also include interest at the greater of 10% or the Company's annual rate of return on investments. The Company incurred expenses associated with these plans of \$75,000 for each of the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001.

The Company also maintains a nonqualified deferred compensation plan for certain key employees. Under this plan, eligible employees may defer up to 18% of qualified annual compensation. Employee contributions to this plan were approximately \$1,729,000, \$1,911,000, \$1,875,000 and \$1,598,000 for the years ended December 31, 1998, 1999 and 2000, and nine months ended September 30, 2001, respectively.

On December 18, 1998, the Board of Directors approved the establishment of a qualified Employee Stock Ownership Plan (ESOP), effective January 1, 1999, for the benefit of substantially all of the Company's U.S. domestic-based employees. The ESOP is non-leveraged and will be funded entirely through Company contributions based on a percentage of eligible employee compensation, as defined in the plan. Participants must be employees of the Company or eligible Company subsidiaries and must meet minimum service requirements to be eligible for annual contributions. The ESOP specifies a five-year vesting schedule over which participants become vested in the Class A Common Stock allocated to their participant account. The amount of the Company's annual contribution to the ESOP is at the discretion of the Company's Board of Directors.

For the years ended December 31, 1999 and 2000, the Company contributed and allocated to participants' accounts \$1,363,000 and \$1,419,000, respectively, worth of Class A common stock and cash. The Board of Directors has authorized an additional ESOP contribution for the year ended December 31, 2001. It is anticipated that shares attributable to the year ended December 31, 2001 commitment will be issued to the ESOP during the second quarter 2002, after an independent appraisal of the stock value as of December 31, 2001, has occurred. At September 30, 2001, an obligation to fund \$910,000 was accrued.

As required under Statement of Position No. 93-6, Employers' Accounting for Employee Stock Ownership Plans, compensation expense is recorded for shares committed to be released to employees based on the fair market value of those shares in the period in which they are committed to be released. The difference between cost and fair market value of the released shares, which was \$1,326,000 and \$1,142,000, for the year ended December 31, 2000 and the nine months ended September 30, 2001, respectively, is recorded in additional paid in capital.

12. Investments

GSE Systems, Inc.--The Company and its designees hold stock in GSE Systems, Inc. (GSE), which was created by the merger of one of the Company's majority-owned subsidiaries and two other entities in April 1994. In January 2000, the Company purchased 116,959 additional shares of common stock in GSE, increasing the Company's ownership to 17.61%. The Company's ownership percentage of GSE was 17.53% at September 30, 2001.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

12. Investments (Continued)

The Company also holds notes receivable from GSE totaling \$4.9 million as of September 30, 2001. Of this amount, \$3.9 million is convertible into GSE preferred stock. The Company intends to convert the \$3.9 million note into preferred stock and the balance of the notes is due to be repaid in December 2001.

During the nine months ended September 30, 2001, the Company determined that it had obtained significant influence with respect to GSE. As a result, for the nine months ended September 30, 2001, the Company began accounting for its investment in GSE using the equity method and recorded \$469,000 in equity earnings for the nine months ended September 30, 2001. Additionally the Company has restated prior year amounts and has recorded \$219,000, \$16,000, (\$1,555,000) in equity earnings (losses) for the years ended December 31, 1998, 1999 and 2000, respectively. The after-tax impact to net income as a result of this restatement was \$130,000, \$10,000, and (\$934,000) for the years ended December 31, 1998, 1999 and 2000, respectively. The related impact to basic and diluted earnings per share was \$0.11, \$0.01, and (\$0.82) for the years ended December 31, 1998, 1999 and 2000, respectively.

Vosper-ManTech Limited--On September 7, 1995, MASI U.K. Limited, a majority-owned subsidiary of the Company, and Vosper Thornycroft Limited entered into a Joint Venture agreement to form Vosper-ManTech Limited (the Joint Venture). The Joint Venture is owned 40% by MASI U.K. Limited and 60% by Vosper Thornycroft Limited. In 2000, the Joint Venture began work on a ten-year follow-on contract providing outsourcing of the Government Communications Headquarters (GCHQ) for the United Kingdom's logistics and engineering services.

The Company's interest in the Joint Venture is accounted for using the equity method. The Company recorded \$692,000, \$794,000, \$393,000 and \$400,000 in equity earnings for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

The components of investments are as follows (in thousands):

	December 31,		September 30,
	1999	2000	2001
GSE Systems, Inc.....	\$2,753	\$1,698	\$2,167
Vosper-ManTech Limited.	1,861	2,112	2,199
Total investments..	\$4,614	\$3,810	\$4,366

13. Commitments and Contingencies

Payments to the Company on cost-reimbursable contracts with the U.S. Government are provisional payments subject to adjustment upon audit by the DCAA. Audits through 1999 have been completed and resulted in no material adjustments. The audits for 2000 through 2001 are not expected to have a material effect on the results of future operations.

The Company is involved in certain legal proceedings, claims and disputes arising from the normal course of business and has litigation pending under several suits; however, management

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

13. Commitments and Contingencies (Continued)

believes that the ultimate resolution of these matters will not have a material effect on the Company's financial position or results of operations.

In February 2000, a judgment was entered against the Company in favor of Boston Properties, a real estate management firm, in the amount of \$1,175,000 for unpaid rent under a lease held by Boston Properties with Global-InSync, Inc. (Global). Global is the successor to a business sold by the Company in 1996 (see note 16). The Company provided a financial guarantee to Boston Properties on the lease to facilitate the timely closing of this business sale. Boston Properties and Global extended the original lease without notice to the Company. The legal action sought to recover unpaid rent beyond the term of the original lease. After losing the appeal, the Company paid this judgment and other related expenses in August 2000.

The Company leases office space and equipment under long-term operating leases. A number of the leases contain renewal options and escalation clauses. At September 30, 2001, aggregate future minimum rental commitments under these leases are as follows (in thousands):

	Office Space	Equipment	Total
	-----	-----	-----
Three months ending December 31, 2001	\$ 1,929	\$ 1,191	\$ 3,120
Year ending:			
December 31, 2002.....	6,288	3,069	9,357
December 31, 2003.....	5,333	2,508	7,841
December 31, 2004.....	4,752	1,934	6,686
December 31, 2005.....	4,214	1,523	5,737
Thereafter.....	8,193	1,269	9,462
	-----	-----	-----
Total.....	\$30,709	\$11,494	\$42,203
	=====	=====	=====

Office space and equipment rent expense totaled approximately \$6,303,000, \$7,441,000, \$9,578,000 and \$7,715,000 for the years ended December 31, 1998, 1999 and 2000, and for the nine months ended September 30, 2001, respectively.

14. Acquisitions

Each of the following acquisitions has been accounted for as a purchase, and accordingly, the operating results of each of the acquired entities have been included in the Company's consolidated financial statements since the respective dates of acquisition. The aggregate amount of goodwill and other intangibles resulting from the excess of the respective purchase prices over the fair market value of net assets acquired in 1999 was approximately \$3,558,000.

REVIVE Technologies, Inc.--On April 16, 1999, the Company acquired certain assets and liabilities of REVIVE Technologies, Inc. (REVIVE) for a cash purchase price of \$500,000 and a note payable of \$1,105,000 (interest accrues at a rate of 6.50%), due and payable in four equal quarterly installments beginning in July 1999. REVIVE specializes in the automated conversion of legacy mainframe databases.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

14. Acquisitions (Continued)

Advanced Development Group, Inc.--On January 5, 1999, the Company acquired all of the outstanding stock of Advanced Development Group, Inc. (ADG) for a purchase price of \$2,000,000 in the form of a note payable over two years (interest accrues at the prime rate). This acquisition also provided for additional cash payments, not to exceed \$5,000,000, to be made over the three years following the closing, based on the attainment of certain earnings levels. In May 2000, the Company paid \$495,000 against this obligation.

ADG specializes in the development of interactive multimedia and distance learning training products. It is the leading Interactive Multimedia Instruction (IMI) developer for the U.S. Army. In addition, ADG has developed a proprietary IMI Course Builder Program(C) to enable the development of high-quality, low-cost training products that incorporate sophisticated animation, graphics and video.

15. Discontinued Operations

On September 26, 2001, the Company executed a formal plan to exit certain commercial and foreign lines of business that no longer contribute to the core competencies. The businesses include the Australian-based software solutions consulting business, the United Kingdom-based bank remittance processing business, the China-based consulting business, the U.S.-based environmental consulting and remediation business and the U.S.-based application-hosting business. Although some of these ventures show promise and growth, these businesses are oriented towards commercial customers and do not contribute to the core competencies on which the Company is currently focused. All of these businesses are expected to be sold, and all of the dispositions are expected to be completed on or before June 30, 2002. Based on independent valuations, market comparable information and interest expressed in these businesses, an estimate has been provided for the likely net gains and losses to income expected from these businesses through the estimated date of disposal. As a result, in accordance with APB Opinion No. 30, Reporting the Results of Operations--Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions, results of operations have been classified as discontinued and prior periods have been restated. The Company has segregated the net assets and liabilities held for sale, recorded all current and expected future losses and deferred all gains expected to be realized upon disposal of the respective entities. The amounts the Company will ultimately realize could differ in the near term from the amounts estimated in arriving at the loss on disposal of the discontinued operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Year Ended December 31, 1998, 1999 and 2000 and Nine Months Ended September 30, 2001

15. Discontinued Operations (Continued)

Revenues and losses from discontinued operations are as follows (in thousands):

	Year Ended December 31,			Nine Months Ended
	1998	1999	2000	September 30, 2001
Income statement data:				
Revenues.....	\$ 85,976	\$ 97,503	\$ 63,389	\$ 37,587
Costs and expenses.....	(87,034)	(101,428)	(72,554)	(48,390)
Operating loss.....	(1,058)	(3,925)	(9,165)	(10,803)
Minority interest.....	(716)	(652)	1,333	851
Income tax benefit.....	506	1,850	3,165	3,419
Loss from discontinued operations net of tax and minority interest.....	\$ (1,268)	\$ (2,727)	\$ (4,667)	\$ (6,533)

The estimated net loss on disposal of discontinued operations recorded for the nine months ended September 30, 2001 was \$5,890,000, net of an income tax benefit of \$3,818,000. This loss included a provision for anticipated closing costs and net operating losses through the estimated date of disposal of \$3,852,000, net of an income tax benefit of \$2,404,000.

The Company's Australian-based software solutions consulting business disposed of its Local Government business on June 30, 2000 and recorded a loss on the disposal of \$719,000, net of tax. The revenues and operating losses of this business unit were not significant for the periods presented.

16. Loss From Investment Default

On September 16, 1996, the Company sold certain assets of the Systems Integration business to Global in exchange for notes receivable of \$1,956,000, due and payable in full over the next five years, and stock in their parent company, Global Intellicom, Inc. as follows: 49,778 shares of common stock and convertible exchangeable preferred stock with a carrying value of \$3,080,000, based upon an independent third-party valuation as of the date of sale.

At December 31, 1997, Global was in default on its note obligations but had proposed a payment plan satisfactory to the Company to cure this default. In 1998, Global was unable to discharge the payment plan and defaulted on the full note obligations in early 1999. As a result of the general financial condition of Global Intellicom, Inc. and a sharp decline in the trading value of their stock, it is the belief of the Company management that the value of all investments in Global Intellicom, Inc. are permanently impaired. A pre-tax charge of \$5,230,000 (\$3,138,000 after tax) was recorded against 1998 earnings, representing the total recorded value of all notes and stock in Global and Global Intellicom, Inc., respectively.

\* \* \* \* \*

[INSIDE BACK COVER ART]

The background of the page is solid red with a black outlined circle in the center of the page. Inside the circle is a collage of photo images including (in clockwise order from the top): an American flag, a computer screen, a submarine, a computer control room, a chemist in a protective mask, a soldier working with automated test equipment on the back of a military vehicle, a man working at a computer workstation, a fighter jet, and a man working with automated test equipment. In the center of the collage is a closed circuit TV security camera. Above the circle a caption reads, "ManTech International Corporation." A caption below the circle reads "A continuing tradition of service and solutions on critical national defense programs for the U.S. Intelligence Community and Department of Defense."

[Insert logo here]

The back page is white with the ManTech logo in the center of the page written in solid black lettering blending into white-on-red lettering, divided with white lines.

PART II  
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The estimated expenses in connection with this offering (all of which will be borne by the registrant), are as follows:

Expenses - - - - -	Amount - - - - -
Securities and Exchange Commission registration fee	\$23,000
NASD filing fee.....	
Nasdaq listing fees.....	*
Printing expenses.....	*
Accounting fees and expenses.....	*
Legal fees and expenses.....	*
Blue Sky fees and expenses.....	*
Transfer agent's fees and expenses.....	*
Miscellaneous.....	*
Total.....	\$       *

- - - - -  
\* To be included by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law (DGCL) generally provides that all directors and officers (as well as other employees and individuals) may be indemnified against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with certain specified actions, suits or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation -- a "derivative action"), if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard of care is applicable in the case of derivative actions, except that indemnification extends only to expenses (including attorneys' fees) actually and reasonably incurred in connection with defense or settlement of an action and the DGCL requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. Section 145 of the DGCL also provides that the rights conferred thereby are not exclusive of any other right which any person may be entitled to under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, and permits a corporation to advance expenses to or on behalf of a person to be indemnified upon receipt of an undertaking to repay the amounts advanced if it is determined that the person is not entitled to be indemnified.

The registrant's certificate of incorporation and bylaws provide that each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding by reason of the fact that he is or was a director or officer of the registrant (or is or was serving at the request of the registrant as director, officer, employee or agent of another entity), shall be indemnified and held harmless by the registrant to the fullest extent authorized by the DGCL, as in effect (or to the extent that indemnification is broadened, as it may be amended), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith. Except

with respect to actions initiated by an officer or director against the registrant to recover the amount of an unpaid claim, the registrant is required to indemnify an officer or director in connection with an action, suit or proceeding initiated by such person only if such action, suit or proceeding was authorized by the board of directors of the registrant. The certificate of incorporation and bylaws further provide that an officer or director may (60 days after a written claim has been received by the registrant) bring suit against the registrant to recover an unpaid claim and, if such suit is successful, the expense of bringing such suit. While it is a defense to such suit that the claimant has not met the applicable standards of conduct which make indemnification permissible under the DGCL, neither the failure of the board of directors to have made a determination that indemnification is proper, nor an actual determination that the claimant has not met the applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

The certificate of incorporation and bylaws also provide that the rights conferred thereby are contract rights, that they are not exclusive of any other rights which an officer or director may have or hereafter acquire under any statute, any other provision of the certificate of incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, and that they include the right to be paid by the registrant the expenses incurred in defending any specified action, suit or proceeding in advance of its final disposition provided that, if the DGCL so requires, such payment shall only be made upon delivery to the registrant by the officer or director of an undertaking to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under the bylaws or otherwise.

#### Item 15. Recent Sales of Unregistered Securities

On September 17, 2001, we made a net contribution of 6,628 shares of our Class A common stock to the Employee Stock Ownership Plan Trust.

The transaction described above was undertaken in reliance upon the exemptions from the registration requirements of the Securities Act of 1933 afforded by Rule 701 promulgated thereunder, as a transaction pursuant to the compensatory benefit plans and contracts relating to compensation. The registrant believes that exemptions other than the foregoing exemption may exist for this transaction.

#### Item 16. Exhibits and Financial Statement Schedule

##### (a) Exhibits

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
*1.1	Form of Underwriting Agreement
2.1	Form of Plan of Merger by and between ManTech International Corporation, a New Jersey corporation, and ManTech International Corporation, a Delaware corporation
3.1	Form of Amended and Restated Certificate of Incorporation of the Registrant
3.2	Form of Amended and Restated Bylaws of the Registrant
*4.1	Form of Common Stock Certificate.
4.2	Business Loan and Security Agreement with Citizens Bank of Pennsylvania, PNC Bank N.A., Branch Banking and Trust Company of Virginia, and Chevy Chase Bank, F.S.B.
*5.1	Opinion of Gibson, Dunn & Crutcher LLP
*10.1	Retention Agreement, effective as of the closing of the offering, between John A. Moore and ManTech International Corporation.
*10.2	Form of Confidentiality, Nonsolicitation and Noncompete Agreement, effective as of the closing of this offering, between specified executive officers and ManTech International Corporation.
*10.3	The Management Incentive Plan
**10.4	Lease of Facility at 12015 Lee Jackson Highway, Fairfax, Virginia.
10.5	Promissory Notes dated April 13, 2001, June 12, 1996 and June 23, 1994 by and between George J. Pedersen and ManTech International Corporation.
*10.6	Retention Agreement, effective as of the closing of this offering, between George J. Pedersen and ManTech International Corporation
*10.7	Form of Employee Stock Purchase Plan
10.8	USA CECOM Acquisition CTR-Washington, Contract No. DAAB07-98-A-6001, effective July 24, 1998
16.1	Letter from PricewaterhouseCoopers LLP to the Securities and Exchange Commission
*21.1	Subsidiaries of the Registrant
*23.1	Consent of Gibson, Dunn & Crutcher LLP (included in Exhibit 5.1)
23.2	Consent of Deloitte & Touche LLP
23.3	Consent of PricewaterhouseCoopers LLP
*24.1	Power of Attorney

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\* To be filed by amendment.

\*\* Previously filed.

(b) Financial Statement Schedule

Valuation and Qualifying Accounts

INDEPENDENT AUDITORS' REPORT ON SCHEDULE

To the Board of Directors and Stockholders of  
ManTech International Corporation  
Fairfax, Virginia:

We have audited the consolidated financial statements of ManTech International Corporation as of December 31, 1999 and 2000 and September 30, 2001 and for the years ended December 31, 1999 and 2000 and the nine months ended September 30, 2001, and have issued our report thereon dated November 16, 2001, except for Note 8 as to which the date is December 17, 2001. Such consolidated financial statements and report are included elsewhere in this Registration Statement. Our audits also included the financial statement schedule of ManTech International Corporation listed in Item 16(b). This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

DELOITTE & TOUCHE LLP

McLean, Virginia  
November 16, 2001

Report of Independent Accountants on  
Financial Statement Schedule

To the Board of Directors and Stockholders of  
MANTECH INTERNATIONAL CORPORATION:

Our audit of the consolidated financial statements referred to in our report dated April 26, 1999, except for Note 16, as to which the date is June 7, 1999 and Note 15, as to which the date is November 15, 2001, appearing in the Registration Statement under the Securities Act of 1933 of ManTech International Corporation also included an audit of the financial statement schedule listed in Item 16(b) of this Registration Statement. In our opinion, the financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PricewaterhouseCoopers LLP

McLean, Virginia  
April 26, 1999

SCHEDULE II

Valuation and Qualifying Accounts

Activity in the Company's allowance accounts for the years ended December 31, 1998, 1999 and 2000 and the nine months ended September 30, 2001 was as follows (in thousands):

Doubtful Accounts

Period	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions	Other*	Balance at End of Period
1998.....	\$2,314	217	(1,152)	439	\$1,818
1999.....	1,818	901	(1,033)	152	1,838
2000.....	1,838	313	(1,183)	464	1,432
Sept. 2001	1,432	523	(357)	342	1,940

Deferred Tax Asset Valuation

Period	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions	Other*	Balance at End of Period
1998.....	\$902	--	--	--	\$902
1999.....	902	--	--	--	902
2000.....	902	--	--	--	902
Sept. 2001	902	--	--	--	902

\* Other represents doubtful account reserves recorded as part of Net Revenues.

Item 17. Undertakings

(a) The undersigned registrant hereby undertakes to provide to the underwriters, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES AND POWER OF ATTORNEY

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Washington, D.C., on December 31, 2001.

MANTECH INTERNATIONAL CORPORATION

By: /s/ GEORGE J. PEDERSEN

-----  
George J. Pedersen  
Chairman of the Board of  
Directors, Chief Executive Officer  
and President

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on December 31, 2001.

Signature

Title

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/s/ GEORGE J. PEDERSEN Chairman of the Board of Directors, Chief Executive Officer  
- ----- and President

/s/ JOHN A. MOORE, JR.\* Executive Vice President, Chief Financial Officer, Treasurer  
- ----- and Director

/s/ MICHAEL D. GOLDEN\*  
- ----- Director

/s/ STEPHEN W. PORTER\*  
- ----- Director

/s/ WALTER W. VAUGHAN\*  
- ----- Director

\* Executed by George J. Pedersen on behalf of such individual pursuant to a power of attorney granted November 23, 2001.

AGREEMENT AND PLAN OF MERGER  
OF MANTECH INTERNATIONAL CORPORATION,  
A DELAWARE CORPORATION,  
AND  
MANTECH INTERNATIONAL CORPORATION,  
A NEW JERSEY CORPORATION

THIS AGREEMENT AND PLAN OF MERGER dated as of January \_\_, 2002 (the "Agreement") is by and between ManTech International Corporation, a Delaware corporation ("ManTech Delaware"), and ManTech International Corporation, a New Jersey corporation ("ManTech New Jersey"). ManTech Delaware and ManTech New Jersey are sometimes referred to herein as the "Constituent Corporations."

## RECITALS

WHEREAS, ManTech Delaware is a corporation duly organized and existing under the laws of the State of Delaware and has an authorized capital stock of 1,000 shares of Common Stock, par value \$0.01 per share (the "Old Delaware Common Stock") and as of the date hereof, 100 shares of Old Delaware Common Stock are issued and outstanding, all of which are held by ManTech New Jersey;

WHEREAS, immediately prior to the Effective Time of the Merger (as defined below), ManTech Delaware will amend and restate its Certificate of Incorporation so that ManTech Delaware's total authorized capital stock will consist of 220,000,000 shares, of which (a) 150,000,000 shares are Class A common stock, \$0.01 par value per share (the "Delaware Class A Common"), (b) 50,000,000 shares are Class B common stock, \$0.01 par value per share (the "Delaware Class B Common" and together with the Class A Common, the "ManTech Delaware Common Stock") and (c) 20,000,000 shares are preferred stock, which is undesignated as to series, rights, preferences, privileges or restrictions;

WHEREAS, ManTech New Jersey is a corporation duly organized and existing under the laws of the State of New Jersey and its total authorized capital stock consists of 25,350,000 shares, no par value per share, of which (a) 25,000,000 shares are designated as Class A common stock ("New Jersey Class A Common"), (b) 250,000 shares are designated as Class B common stock ("New Jersey Class B Common"), and (c) 100,000 shares are designated as Class C common stock ("New Jersey Class C Common" and collectively with the New Jersey Class A Common and New Jersey Class B Common, the "ManTech New Jersey Common Stock").

WHEREAS, as of the date hereof, 1,022,882 shares of New Jersey Class A Common, 41,113 shares of New Jersey Class B Common, and 71,664 shares of New Jersey Class C Common are issued and outstanding, and there exists the right to purchase an additional 9,789 shares of New Jersey Class B Common pursuant to an option granted under the ManTech International Corporation 1995 Long-Term Incentive Plan (the "Option");

WHEREAS, the Board of Directors of ManTech New Jersey has determined that, for the purpose of effecting the reincorporation of ManTech New Jersey in the State of Delaware, it is advisable and in the best interests of ManTech New Jersey and its stockholders that ManTech New Jersey merge with and into ManTech Delaware upon the terms and conditions herein provided;

WHEREAS, the respective Boards of Directors of ManTech Delaware and ManTech New Jersey have approved this Agreement and have directed that this Agreement be submitted to a vote of their

respective stockholders and, assuming approval thereof, executed by the officers on the signature page hereto.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, ManTech Delaware and ManTech New Jersey hereby agree, subject to the terms and conditions hereinafter set forth, as follows:

#### AGREEMENT

#### 1. MERGER

1.1. MERGER. In accordance with the provisions of this Agreement, the Delaware General Corporation Law, including Section 253, and the New Jersey Business Corporation Act, including Section 14A:10-7, ManTech New Jersey shall be merged with and into ManTech Delaware (the "Merger"), the separate existence of ManTech New Jersey shall cease and ManTech Delaware shall survive the Merger and shall continue to be governed by the laws of the State of Delaware, and ManTech Delaware shall be, and is herein sometimes referred to as, the "Surviving Corporation," and the name of the Surviving Corporation shall be "ManTech International Corporation."

1.2. FILING AND EFFECTIVENESS. The Merger shall become effective when all of the following actions shall have been completed:

(a) This Agreement and the Merger have been adopted and approved by the stockholders of each Constituent Corporation in accordance with the requirements of the Delaware General Corporation Law and the New Jersey Business Corporation Act;

(b) All of the conditions precedent to the consummation of the Merger specified in this Agreement shall have been satisfied or duly waived by the party entitled to satisfaction thereof;

(c) An executed Certificate of Merger or an executed, acknowledged and certified counterpart of this Agreement meeting the requirements of the Delaware General Corporation Law shall have been filed with the Secretary of State of the State of Delaware; and

(d) An executed Certificate of Merger or an executed counterpart of this Agreement meeting the requirements of the New Jersey Business Corporation Act shall have been filed with the Secretary of State of the State of New Jersey.

The date and time when the Merger shall become effective, as aforesaid, is herein called the "Effective Date of the Merger."

1.3. EFFECT OF THE MERGER. Upon the Effective Date of the Merger, the separate existence of ManTech New Jersey shall cease and ManTech Delaware, as the Surviving Corporation, shall: (i) continue to possess all of its assets, rights, powers and property as constituted immediately prior to the Effective Date of the Merger; (ii) be subject to all actions previously taken by its and ManTech New Jersey's Boards of Directors; (iii) succeed, without other transfer, to all of the assets, rights, powers and property of ManTech New Jersey in the manner as more fully set forth in Section 259 of the Delaware General Corporation Law, (iv) continue to be subject to all of its debts, liabilities and obligations as constituted immediately prior to the Effective Date of the Merger, including, without

limitation, the ManTech International Corporation 1995 Long-Term Incentive Plan and (v) succeed, without other transfer, to all of the debts, liabilities and obligations of ManTech New Jersey in the same manner as if ManTech Delaware had itself incurred them, all as more fully provided under the applicable provisions of the Delaware General Corporation Law and the New Jersey Business Corporation Act.

## 2. CHARTER DOCUMENTS, DIRECTORS AND OFFICERS

2.1. CERTIFICATE OF INCORPORATION. The Amended and Restated Certificate of Incorporation of ManTech Delaware, which shall be attached as Exhibit A to the Certificate of Merger filed with the Delaware Secretary of State on the Effective Date of the Merger, shall be the Certificate of Incorporation of the Surviving Corporation until duly amended in accordance with the provisions thereof and applicable law.

2.2. BYLAWS. The Bylaws of ManTech Delaware as in effect immediately prior to the Effective Date of the Merger shall continue in full force and effect as the Bylaws of the Surviving Corporation until duly amended in accordance with the provisions thereof and applicable law.

2.3. DIRECTORS AND OFFICERS. The directors and officers of ManTech New Jersey immediately prior to the Effective Date of the Merger shall be the directors and officers of the Surviving Corporation until their respective successors shall have been duly elected and qualified or until as otherwise provided by law, or the Certificate of Incorporation of the Surviving Corporation or the Bylaws of the Surviving Corporation, and shall have all powers and authorities granted to such office previously.

## 3. MANNER OF CONVERSION OF STOCK

3.1. MANTECH NEW JERSEY COMMON STOCK. Upon the Effective Date of the Merger, each share of New Jersey Class B Common, issued and outstanding immediately prior thereto shall, by virtue of the Merger and without any action by the Constituent Corporations, the holder of such shares, or any other person, be changed and converted into and exchanged for one share of fully paid and nonassessable share of Delaware Class A Common, and each share of New Jersey Class A Common and New Jersey Class C Common, issued and outstanding immediately prior thereto shall, by virtue of the Merger and without any action by the Constituent Corporations, the holder of such shares, or any other person, be changed and converted into and exchanged for one share of fully paid and nonassessable share of Delaware Class B Common.

3.2. MANTECH NEW JERSEY OPTION. Upon the effective date of the Merger, the Option shall be assumed by the Surviving Corporation and shall continue to have and be subject to, the same terms and conditions set forth in the ManTech New Jersey 1995 Long-Term Incentive Plan immediately prior to the effective time, except that (i) such Option shall be exercisable for that number of shares of Delaware Class A Common Stock equal to the number of shares of New Jersey Class B Common that were issuable upon exercise of the Option immediately prior to the Effective Date, and (ii) the per share exercise price for the shares of Delaware Class A Common issuable upon exercise of such assumed Option shall be equal to the per share exercise price for the shares of New Jersey Class B Common that were issuable upon exercise of such Option immediately prior to the Effective Date.

3.3. OUTSTANDING OLD DELAWARE COMMON STOCK. Upon the Effective Date of the Merger, each share of Old Delaware Common Stock, issued and outstanding immediately

prior thereto shall, by virtue of the Merger and without any action by ManTech Delaware, the holder of such shares or any other person, be canceled and retired.

#### 3.4. EXCHANGE OF CERTIFICATES.

The registered owner on the books and records of the Surviving Corporation of any shares of stock represented by such outstanding certificate shall, until such certificate shall have been surrendered for transfer or conversion or otherwise accounted for to the Surviving Corporation have and be entitled to exercise any voting and other rights with respect to and to receive dividends and other distributions upon the shares of ManTech Delaware Common Stock represented by such outstanding certificate as provided above.

Each certificate representing ManTech Delaware Common Stock issued in the Merger shall bear the same legends, if any, with respect to the restrictions on transferability as the certificates of ManTech New Jersey Common Stock so converted and given in exchange therefor, unless otherwise determined by the Board of Directors of the Surviving Corporation in compliance with applicable laws.

If any certificate for shares of ManTech Delaware Common Stock is to be issued in a name other than that in which the certificate surrendered in exchange therefor is registered, it shall be a condition of issuance thereof that the certificate so surrendered shall be properly endorsed and otherwise in proper form for transfer, that such transfer otherwise be proper and that the person requesting such transfer pay to ManTech Delaware or any transfer or other taxes payable by reason of issuance of such new certificate in a name other than that of the registered holder of the certificate surrendered or establish to the satisfaction of ManTech Delaware that such tax has been paid or is not payable.

#### 4. GENERAL

4.1. FURTHER ASSURANCES. From time to time, as and when required by ManTech Delaware or by its successors or assigns, there shall be executed and delivered on behalf of ManTech New Jersey such deeds and other instruments, and there shall be taken or caused to be taken by ManTech Delaware and ManTech New Jersey such further and other actions, as shall be appropriate or necessary in order to vest or perfect in or conform of record or otherwise by ManTech Delaware the title to and possession of all the property, interests, assets, rights, privileges, immunities, powers, franchises and authority of ManTech New Jersey and otherwise to carry out the purposes of this Agreement, and the officers and directors of ManTech Delaware are fully authorized in the name and on behalf of ManTech New Jersey or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments.

4.2. ABANDONMENT. At any time before the filing of this Agreement with the Secretary of State of the State of Delaware, this Agreement may be terminated and the Merger may be abandoned for any reason whatsoever by the Board of Directors of either ManTech New Jersey or ManTech Delaware, or both, notwithstanding the approval of this Agreement by the shareholders of ManTech New Jersey or by the sole stockholder of ManTech Delaware, or by both.

4.3. AMENDMENT. The Boards of Directors of the Constituent Corporations may amend this Agreement at any time prior to the filing of this Agreement (or certificate in lieu thereof) with the Secretaries of State of the States of New Jersey and Delaware, provided that an amendment made subsequent to the adoption of this Agreement by the stockholders of either Constituent Corporation shall

not: (1) alter or change the amount or kind of shares, securities, cash, property and/or rights to be received in exchange for or on conversion of all or any of the shares of any class or series thereof of such Constituent Corporation, (2) alter or change any term of the Certificate of Incorporation of the Surviving Corporation to be effected by the Merger, or (3) alter or change any of the terms and conditions of this Agreement if such alteration or change would adversely affect the holders of any class of shares or series thereof of such Constituent Corporation.

4.4. REGISTERED OFFICE. The registered office of the Surviving Corporation in the State of Delaware is located at 1209 Orange Street, in the City of Wilmington 19801, County of New Castle, and the name of its registered agent at this address is The Corporation Trust Company.

4.5. AGREEMENT. Executed copies of this Agreement will be on file at the principal place of business of the Surviving Corporation, 12015 Lee Jackson Highway, Fairfax, VA 22033-3300, and copies thereof will be furnished to any stockholder of either Constituent Corporation, upon request and without cost.

4.6. GOVERNING LAW. This Agreement shall in all respects be construed, interpreted and enforced in accordance with and governed by the laws of the State of Delaware and, so far as applicable, the merger provisions of the New Jersey Business Corporation Act.

4.8. COUNTERPARTS. In order to facilitate the filing and recording of this Agreement, the same may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement, having first been approved by resolutions of the Boards of Directors of ManTech Delaware and ManTech New Jersey, is hereby executed on behalf of each of such two corporations and attested by their respective officers thereunto duly authorized.

MANTECH INTERNATIONAL CORPORATION,

a Delaware corporation

By:

-----  
George J. Pedersen, Chairman President and  
Chief Executive Officer

ATTEST:

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Jo-An J. Free, Secretary

MANTECH INTERNATIONAL CORPORATION,  
a New Jersey corporation

By:

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George J. Pedersen, Chairman, President and  
Chief Executive Officer

ATTEST:

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Jo-An J. Free, Secretary

AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION  
OF  
MANTECH INTERNATIONAL CORPORATION

ManTech International Corporation, a corporation organized and existing under and by virtue of the laws of the State of Delaware (the "Corporation"), does hereby certify as follows:

1. The name of the Corporation is ManTech International Corporation. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on November 14, 2001.
2. Pursuant to sections 242 and 245 of the Delaware General Corporation Law, this Amended and Restated Certificate of Incorporation restates and integrates and further amends the provisions of the Corporation's Certificate of Incorporation.
3. The terms and provisions of this Amended and Restated Certificate of Incorporation have been duly approved by written consent of the required number of shares of outstanding stock of the Corporation pursuant to subsection 228(a) of the Delaware General Corporation Law and written notice pursuant to subsection 228(d) of the Delaware General Corporation Law has been given to those stockholders whose written consent has not been obtained.
4. The text of the Amended and Restated Certificate of Incorporation reads in its entirety as follows:

FIRST. Name. The name of the Corporation is ManTech International Corporation.

SECOND. Address. The registered office of the Corporation in the State of Delaware is located at 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of the registered agent of the Corporation at such address is The Corporation Trust Company.

THIRD. Purposes. The purpose for which the Corporation is organized is to engage in any and all lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

FOURTH. Capital Stock.

4.1. Authorized Capital Stock. The total number of shares of stock that the Corporation has authority to issue is Two hundred twenty million (220,000,000), consisting of:

(a) One hundred fifty million (150,000,000) shares of Class A Common Stock, par value \$0.01 per share (the "Class A Common Stock");

(b) Fifty million (50,000,000) shares of Class B Common Stock, par value of \$0.01 per share (the "Class B Common Stock"); and

(c) Twenty million (20,000,000) shares of Preferred Stock, par value of \$0.01 per share (the "Preferred Stock").

draft 12/21/01

The Class A Common Stock together with the Class B Common Stock is referred to collectively as the "Common Stock."

4.2. Terms of Common Stock. All shares of Common Stock will be identical in all respects and will entitle the holders thereof to the same rights and privileges, except as otherwise provided herein.

(a) Voting Rights. Except as otherwise provided in these Amended and Restated Articles of Incorporation or by applicable law, the holders of Class A Common Stock and Class B Common Stock shall vote together as a single class with respect to all matters submitted to a vote of holders of shares of Common Stock, subject to any voting rights which may be granted to holders of any Preferred Stock. The holders of shares of Common Stock shall have the following voting rights:

(1) Each share of Class A Common Stock shall entitle the holder thereof to one (1) vote in person or by proxy on all matters submitted to a vote of the stockholders of the Corporation.

(2) Each share of Class B Common Stock shall entitle the holder thereof to ten (10) votes in person or by proxy on all matters submitted to a vote of the stockholders of the Corporation, except with respect to any Going Private Transaction (as such term is defined below), which shall be governed by paragraph (k) of this Section 4.2.

(b) Dividends. The holders of the Common Stock shall be entitled to participate ratably, on a share-for-share basis as if all shares of Common Stock were of a single class, in such dividends, whether in cash, stock or otherwise, as may be declared by the Board of Directors from time to time out of funds of the Corporation legally available therefor; provided, however, that any dividends payable in shares of Common Stock (or payable in rights to subscribe for or purchase shares of Common Stock or securities or indebtedness convertible into or exchangeable for shares of Common Stock) shall be declared and paid at the same rate on each class of Common Stock and only in shares of Class A Common Stock (or rights to subscribe for or to purchase shares of Class A Common Stock or securities or indebtedness convertible into or exchangeable for shares of Class A Common Stock) to holders of Class A Common Stock and in shares of Class B Common Stock (or rights to subscribe for or to purchase shares of Class B Common Stock or securities or indebtedness convertible into or exchangeable for shares of Class B Common Stock) to holders of Class B Common Stock.

(c) Issuance of Class B Common Stock. After the IPO Date, the Corporation shall not issue or sell any shares of Class B Common Stock or any securities (including, without limitation, any rights, options, warrants or other securities) convertible into or exchangeable or exercisable for shares of Class B Common Stock to any person other than (1) issuance of a certificate or certificates in the name of a person who is an owner of record of Class B Common Stock on the IPO Date (an "Initial Holder") or a Permitted Transferee (as defined in paragraph (j) of this Section 4.2) representing shares of Class B Common Stock that are outstanding on the IPO Date (regardless of whether such shares are held by the Initial Holder or Permitted Transferee on the IPO Date), or (2) issuances or sales upon a stock split, stock dividend, rights offering or other transaction or event in connection with which Class B Common Stock is expressly required or permitted to be issued or sold under this Certificate of Incorporation. For the purposes of this Article Four, the term "IPO Date" shall mean the third business day before the closing date of any initial public offering of the Class A Common Stock in a firm commitment underwritten offering that is registered with the U.S. Securities and Exchange Commission. Any issuance or sale of

shares of Class B Common Stock (or securities convertible into, or exchangeable or exercisable for, shares of Class B Common Stock) in violation of this Section 4.2(c) shall be null and void ab initio.

(d) Voluntary Conversion of Class B Common Stock.

(1) The holder of each share of Class B Common Stock shall have the right at any time, or from time to time, at such holder's option, to convert such share into one fully paid and nonassessable share of Class A Common Stock on and subject to the terms and conditions hereinafter set forth.

(2) In order to exercise the conversion privilege, the holder of any shares of Class B Common Stock to be converted shall present and surrender the certificate or certificates representing such shares during usual business hours at any office or agency of the Corporation maintained for the transfer of Class B Common Stock and shall deliver a written notice of the election of the holder to convert the shares represented by such certificate or any portion thereof specified in such notice. Such notice shall also state the name or names (with address) in which the certificate or certificates for shares of Class A Common Stock issuable on such conversion shall be registered. If required by the Corporation, any certificate for shares surrendered for conversion shall be accompanied by instruments of transfer, in form satisfactory to the Corporation, duly executed by the holder of such shares or his duly authorized representative. Each conversion of shares of Class B Common Stock shall be deemed to have been effected on the date (the "Conversion Date") on which the certificate or certificates representing such shares shall have been surrendered and such notice and any required instruments of transfer shall have been received as aforesaid, and the person or persons in whose name or names any certificate or certificates for shares of Class A Common Stock shall be issuable on such conversion shall be, for the purpose of receiving dividends and for all other corporate purposes whatsoever, deemed to have become the holder or holders of record of the shares of Class A Common Stock represented thereby on the Conversion Date.

(3) As promptly as practicable after the presentation and surrender for conversion, as herein provided, of any certificate for shares of Class B Common Stock, the Corporation shall issue and deliver at such office or agency, to or upon the written order of the holder thereof, certificates for the number of shares of Class A Common Stock issuable upon such conversion. Subject to the provisions of paragraph (e) of this Section 4.2, in case any certificate for shares of Class B Common Stock shall be surrendered for conversion of only a part of the shares represented thereby, the Corporation shall deliver at such office or agency, to or upon the written order of the holder thereof, a certificate or certificates for the number of shares of Class B Common Stock represented by such surrendered certificate that are not being converted.

(e) Automatic Conversion of Class B Common Stock upon Certain Events.

(1) No record or beneficial owner of shares of Class B Common Stock may transfer, and the Corporation shall not register the transfer of, such shares of Class B Common Stock, whether by sale, assignment, gift, bequest, appointment, or otherwise, except to a "Permitted Transferee" as provided herein.

(2) Notwithstanding anything to the contrary set forth herein, any Class B Holder may pledge such holder's shares of Class B Common Stock to a

financial institution pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to such financial institution, provided that such shares shall not be transferred to or registered in the name of the financial institution and shall remain subject to the provisions of this paragraph (e). In the event of foreclosure or other similar action by the financial institution, such pledged shares of Class B Common Stock may only be transferred to a Permitted Transferee of the pledgor or converted into shares of Class A Common Stock, as the pledgor may elect; provided, however, that if within ten business days after such foreclosure or similar action any such converted shares are returned to the pledgor or a permitted transferee, such shares shall convert automatically into shares of Class B Common Stock.

(3) Any purported transfer of shares of Class B Common Stock not permitted hereunder shall result in the conversion of the transferee's shares of Class B Common Stock into shares of Class A Common Stock, effective on the date on which certificates representing such shares are presented for transfer on the stock transfer record books of the Corporation; provided, however, that if the Corporation should determine that such shares were not so presented for transfer within 20 days after the date of such sale, transfer, assignment, or other disposition, the transfer date shall be the actual date of such sale, transfer, assignment, or other disposition as determined in good faith by the Board of Directors or its appointed agent. The Corporation may, as a condition to the transfer or the registration of transfer of shares of Class B Common Stock to a purported Permitted Transferee, require the furnishing of such affidavits or other proof as it deems necessary to establish that such transferee is a Permitted Transferee. If no indication to the contrary is supplied at the time shares of Class B Common Stock are presented for transfer, the transfer shall be presumed by the Corporation to be a transfer to a person other than the Permitted Transferee.

(4) Shares of Class B Common Stock shall not be registered in "street" or "nominee" names; provided, however, certificates representing shares of Class B Common Stock may be registered in the name of a nominee which is a "Permitted Transferee." The Corporation shall note on the certificates representing the shares of Class B Common Stock that there are restrictions on transfer and registration of transfer imposed by paragraphs (d) and (e) of this Section 4.2.

(5) Notwithstanding anything to the contrary set forth herein, (i) upon the death or permanent mental incapacity of Mr. Pedersen, all shares of Class B Common Stock shall be converted automatically into shares of Class A Common Stock on a share-for-share basis, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent a like number of shares of Class A Common Stock; and (ii) upon a Permitted Transferee ceasing to qualify as a Permitted Transferee (and subject to the operation of subparagraph (j)(9) of this Section 4.2) all shares of Class B Common Stock held by it shall be converted automatically into shares of Class A Common Stock on a share-for-share basis, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent a like number of shares of Class A Common Stock.

(f) Further Provisions Regarding Conversions.

(1) Any dividends declared and not paid on shares of Common Stock prior to their conversion as provided above shall be paid, on the payment date, to the holder or holders entitled thereto on the record date for such dividend payment, notwithstanding such conversion; provided, however, that such holder or holders shall not be entitled to receive the corresponding dividends declared but not paid on the shares of Common Stock issuable upon such conversion.

(2) In the event of a reclassification or other similar transaction as a result of which the shares of Class A Common Stock are converted into another security, then a holder of Class B Common Stock shall be entitled to receive upon conversion the amount of such security that such holder would have received if such conversion had occurred immediately prior to the record date of such reclassification or other similar transaction.

(3) Shares of the Class B Common Stock converted into Class A Common Stock shall be retired and shall resume the status of authorized but unissued shares of Class B Common Stock.

(4) The issuance of certificates for shares of Class A Common Stock issuable upon the conversion of shares of Class B Common Stock by the registered holder thereof shall be made without charge to the converting holder for any tax imposed on the Corporation in respect of the issue thereof. The Corporation shall not, however, be required to pay any tax that may be payable with respect to any transfer involved in the issue and delivery of any certificate in a name other than that of the registered holder of the shares being converted, and the Corporation shall not be required to issue or deliver any such certificate unless and until the person requesting the issue thereof shall have paid to the Corporation the amount of such tax or has established to the satisfaction of the Corporation that such tax has been paid.

(g) Reservation of Shares. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversions provided for herein, such number of shares of Class A Common Stock as shall from time to time be sufficient to effect the conversions provided for herein and shall take all such corporate action as may be necessary to assure that such shares of Class A Common Stock shall be validly issued, fully paid and non-assessable upon conversion of all of the outstanding shares of Class B Common Stock; moreover, if at any time the number of authorized but unissued shares of Class A Common Stock shall not be sufficient to effect the conversions provided for herein, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as shall be sufficient for such purpose.

(h) Adjustments for Stock Splits and Stock Dividends. The Corporation shall treat the shares of Common Stock identically in respect of any subdivisions or combinations (for example, if the Corporation effects a two-for-one stock split with respect to the Class A Common Stock, it shall at the same time effect a two-for-one stock split with respect to the Class B Common Stock).

(i) Mergers, Consolidation, Etc. In the event that the Corporation shall enter into any consolidation, merger, combination or other transaction in which shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then, and in such event, the shares of each class of Common Stock shall be exchanged for or changed into (1) the same amount of stock, securities, cash and/or any other property, as the case may be, into which or for which each share of any other class of Common Stock is exchanged or changed; provided, however, that if shares of Common Stock are exchanged for or changed into shares of capital stock, such shares so exchanged for or changed into may differ to the extent and only to the extent that the Class A Common Stock and the Class B Common Stock differ as provided herein; or (2) if holders of each class of Common Stock are to receive different distributions of stock, securities, cash and/or any other property, either (i) holders of Class A Common Stock shall receive an amount of stock, securities, cash and/or

property per share having a value, as determined by an independent investment banking firm of national reputation selected by the Board of Directors, greater than or equal to the value per share into which or for which each share of Class B Common Stock is exchanged or changed, or (ii) holders of Class A Common Stock and holders of Class B Common Stock shall receive such stock, securities, cash and/or property per share as shall be provided for pursuant to a transaction approved by the holders of a majority of Class A Common Stock and by the holders of a majority of Class B Common Stock, each voting separately as a class.

(j) Permitted Transferee. For purposes of this Certificate of Incorporation, the term "Permitted Transferee" shall mean:

(1) In the case of a holder of record of the Class B Common Stock (the "Class B Holder") who is a natural person and the beneficial owner of the shares of Class B Common Stock to be transferred, Permitted Transferees shall include only the following:

(A) the spouse of such Class B Holder, any lineal descendant of a grandparent of such Class B Holder, or any spouse of such lineal descendant (herein collectively referred to as "such Class B Holder's Family Members");

(B) the trustee or trustees of a trust (including a voting trust) for the sole benefit of such Class B Holder and/or one or more of such Class B Holder's Family Members, except that such trust may also grant a general or special power of appointment to one or more of such Class B Holder's Family Members and may permit trust assets to be used to pay taxes, legacies, and other obligations of the Trust or the estates of one or more of such Class B Holder's Family Members payable by reason of the death of any of such Family Members; provided, however, if at any time such trust ceases to meet the requirements of this subparagraph (ii), all shares of Class B Common Stock then held by such trustee or trustees shall immediately and automatically, without further act or deed on the part of the Corporation or any person, be converted into Class A Common Stock on a share-for-share basis, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent a like number of shares of Class A Common Stock;

(C) a corporation or similar entity wholly owned by such Class B Holder and/or such Class B Holder's Family Members or a partnership or similar entity in which all of the partners are, and all of the partnership interests are owned by, such Class B Holder and/or such Class B Holder's Family Members provided that if by reason of any change in the ownership of such stock or partners or partnership interests, such corporation or partnership would no longer qualify as a Permitted Transferee of such Class B Holder, all shares of Class B Common Stock then held by such corporation or partnership shall immediately and automatically, without further act or deed on the part of the corporation or any other person, be converted into shares of Class A Common Stock on a share-for-share basis, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent a like number of shares of Class A Common Stock;

(D) an organization established by the Class B Holder and/or such Class B Holder's Family Members, contributions to which are deductible for federal income, estate, or gift tax purposes (a "Charitable Organization") and a majority of whose governing board at all

times consists of the Class B Holder and/or one or more of the Permitted Transferees of such Class B Holder, or any successor to such Charitable Organization meeting such definition; provided that if by reason of any change in the composition of the governing board of such Charitable Organization, such Charitable Organization shall no longer qualify as a Permitted Transferee of such Class B Holder, all shares of Class B Common Stock then held by such Charitable Organization shall immediately and automatically, without further act or deed on the part of the Corporation or any other person, be converted into shares of Class A Common Stock on a share-for-share basis, and stock certificates formerly representing such shares of Class B Common Stock shall thereupon and thereafter be deemed to represent the like number of shares of Class A Common Stock; and

(E) the executor, administrator, or personal representative of the estate of a deceased Class B Holder or guardian or conservator of a Class B Holder adjudged disabled or incompetent by a court of competent jurisdiction, acting in his capacity as such.

(2) In the case of a Class B Holder who is the executor or administrator of the estate of a deceased Class B Holder or guardian or conservator of the estate of a disabled or incompetent Class B Holder, Permitted Transferees shall include only a Permitted Transferee of such deceased, disabled, or incompetent Class B Holder.

(3) In the case of a Class B Holder holding the shares of Class B Common Stock as trustee pursuant to a trust, Permitted Transferees shall include only the following:

(A) the person who contributed such shares to such trust and any Permitted Transferee of such person, determined in accordance with paragraph (j)(1) of this Section 4.2 above; and

(B) any successor trustee of such trust who is described in the immediately preceding subparagraph (j)(3)(A).

(4) In the case of a Class B Holder that is a partnership or similar entity, Permitted Transferees shall include only:

(A) any partner of such partnership who was also a partner of such partnership on the IPO Date;

(B) any person transferring shares of Class B Common Stock to such partnership after the IPO Date (to the extent of the number of shares of Class B Common Stock transferred by the transferor to such partnership); and

(C) any Permitted Transferee of such person referred to in subparagraph (j)(4)(A) or (j)(4)(B) above (not in excess of the number of shares that such person is entitled to receive pursuant to this subparagraph (j)(4)).

(5) In the case of a Class B Holder that is a corporation or similar entity, Permitted Transferees shall include only:

(A) any stockholder of such corporation on the IPO Date who receives shares of Class B Common Stock pro rata to his stock ownership in such corporation through a dividend or a distribution on or upon redemption of the shares of such corporation;

(B) any person transferring shares of Class B Common Stock to such corporation after the IPO Date (to the extent of the number of shares of Class B Common Stock transferred by the transferor to such corporation); and

(C) any Permitted Transferee of such stockholder or person referred to in subparagraph (j)(5)(A) or (j)(5)(B) above (not in excess of the number of shares that such stockholder or person is entitled to receive pursuant to this subparagraph (j)(5)).

(6) An employee benefit plan sponsored by the Corporation or any of its affiliates.

(7) Any Initial Holder.

(8) For purposes of this Section 4.2(j):

(A) The relationship of any person that is derived by or through legal adoption shall be considered a natural one;

(B) Each joint owner of shares of Class B Common Stock shall be considered a Class B Holder of such shares;

(C) A minor for whom shares of Class B stock are held pursuant to a Uniform Gifts to Minors Act or similar law shall be considered a Class B Holder of such shares; and

(D) Unless otherwise specified, the term "person" means both natural person and legal entities.

(9) Notwithstanding the foregoing, in the event that any transferee of Class B Common Stock is not at the time of transfer or thereafter ceases to qualify as a Permitted Transferee, and within ten business days after the Corporation notifies such person that it has concluded that such person is not or has ceased to qualify as a Permitted Transferee and the bases for such conclusion, such person transfers the shares of Class B Common Stock to a Permitted Transferee, demonstrates that it is a Permitted Transferee or takes appropriate action so that it qualifies as a Permitted Transferee, then notwithstanding anything else in this Section 4.2, the shares of Class B Common Stock held by such person that converted automatically into shares of Class A Common Stock as a result of such person not being or ceasing to qualify as a Permitted Transferee shall convert back to Class B Common Stock.

(k) Going Private Transaction. With respect to any Going Private Transaction, the holders of shares of Class A Common Stock and Class B Common Stock shall vote together as a single class, with each share of Class A Common Stock and each share of Class B Common Stock entitling the holder thereof to one (1) vote. For purposes of this Section 4.2, the term "Going Private Transaction" shall mean any transaction between the Corporation and (i) an Initial Holder, (ii) any Affiliate of an Initial Holder, or (iii) any group including an Initial Holder or Affiliates of an Initial Holder where the

participation of such person or persons in such group would cause the transaction to be deemed a "Rule 13e-3 Transaction," as such term is defined in Rule 13e-3(a)(3), 17 C.F.R. ss. 240.13e-3(a)(3), as amended from time to time, promulgated under the Securities Exchange Act of 1934, as amended, provided however, that the term "affiliate" as used in Rule 13e-3(a)(3)(i) shall be deemed to include an Affiliate, as defined herein. For purposes hereof, an "Affiliate" of a person shall mean (i) any individual or entity who or that, directly or indirectly, controls, is controlled by, or is under common control with such person, and (ii) the spouse, a child or grandchild (by blood, adoption or marriage) of such person, or any trust for the benefit of one or more of the foregoing.

#### 4.3. Provisions Relating to Preferred Stock.

(a) Any Preferred Stock not previously designated as to series may be issued from time to time in one or more series pursuant to a resolution or resolutions providing for such issue duly adopted by the Board of Directors (authority to do so being hereby expressly vested in the Board), and such resolution or resolutions shall also set forth the voting powers, full or limited or none, of each such series of Preferred Stock and shall fix the designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions of each such series of Preferred Stock. The Board of Directors is authorized to alter the designation, rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and, within the limits and restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series of Preferred Stock, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any such series subsequent to the issue of shares of that series.

(b) Each share of Preferred Stock issued by the Corporation, if reacquired by the Corporation (whether by redemption, repurchase, conversion to Common Stock or other means), shall upon such reacquisition resume the status of authorized and unissued shares of Preferred Stock, undesignated as to series and available for designation and issuance by the Corporation in accordance with the immediately preceding paragraph.

4.4. General. Subject to the foregoing provisions of this Certificate of Incorporation, the Corporation may issue shares of its capital stock from time to time for such consideration (not less than the par value thereof) as may be fixed by the Board of Directors, which is expressly authorized to fix the same in its absolute and uncontrolled discretion subject to the foregoing conditions, or as otherwise provided by law. Shares so issued for which the consideration shall have been paid or delivered to the Corporation shall be deemed fully paid capital stock and shall not be liable to any further call or assessment thereon, and the holders of such shares shall not be liable for any further payments in respect of such shares.

#### FIFTH. Board of Directors.

5.1. Number of Directors. The number, and terms of the Board of Directors of the Corporation and the procedures to elect directors, to remove directors, and to fill vacancies in the Board of Directors shall be as stated in the Bylaws of the Corporation (the "Bylaws").

5.2. Powers of the Board of Directors. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In furtherance, and not in limitation, of the powers conferred by the laws of the State of Delaware, the Board of Directors is expressly authorized to:

(a) adopt, amend, alter, change or repeal Bylaws of the Corporation; provided, however, that no Bylaw hereafter adopted shall invalidate any prior act of the Corporation that would have been valid if such new Bylaws had not been adopted;

(b) subject to the Bylaws as from time to time in effect, determine the rules and procedures for the conduct of the business of the Board of Directors and the management and direction by the Board of Directors of the business and affairs of the Corporation, including the power to designate and empower committees of the Board of Directors, to elect, or authorize the appointment of, and empower officers and other agents of the Corporation, and to determine the time and place of, the notice requirements for, and the manner of conducting, Board meetings, as well as other notice requirements for, and the manner of taking, Board action; and

(c) exercise all such powers and do all such acts as may be exercised or done by the Corporation, subject to the provisions of the Delaware General Corporation Law and this Certificate of Incorporation and Bylaws of the Corporation.

5.3. Preferred Stock. Notwithstanding the foregoing, whenever the holders of any one or more classes or series of Preferred Stock issued by the Corporation shall have the right, voting separately by class or series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate of Incorporation applicable thereto.

#### SIXTH. Liability of Directors.

6.1. Limitation of Liability. No director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that this provision shall not eliminate or limit the liability of a director (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under section 174 of the Delaware General Corporation Law or (d) for any transaction from which the director derived any improper personal benefits. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

6.2. Amendments. Any repeal or modification of Section 6.1 hereof by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

#### SEVENTH. Indemnification.

7.1. Indemnity Undertaking. The Corporation shall indemnify any person who is or was made, or is threatened to be made, a party to any Proceeding, including, without limitation, an action by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that such person

is or was a director or officer of the Corporation, or, at the request of the Corporation, is or was serving as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise (an "Other Entity"), to the fullest extent permitted under the Delaware General Corporation Law, as the same exists or may hereafter be amended, against judgments, fines, penalties, excise taxes, amounts paid in settlement and costs, charges and expenses (including attorneys' fees, disbursements and other charges), except as provided in Section 7.3. Without limiting the generality of the foregoing, to the extent permitted by then applicable law, the grant of mandatory indemnification pursuant to this Article VII shall extend to Proceedings involving the negligence of such Person.

7.2. Advancement of Expenses. Except as provided in Section 7.3, the Corporation shall reimburse or advance to any director or officer entitled to indemnification hereunder the funds necessary for payment of expenses, including attorneys' fees and disbursements, incurred in connection with any Proceeding, in advance of the final disposition of such Proceeding; provided, however, that, if required by the Delaware General Corporation Law, such expenses incurred by or on behalf of any director or officer may be paid in advance of the final disposition of a Proceeding only upon receipt by the Corporation of an undertaking, by or on behalf of such director or officer, to repay any such amount so advanced if it shall ultimately be determined by final judicial decision from which there is no further right of appeal that such director or officer is not entitled to be indemnified for such expenses.

7.3. Actions against the Corporation. Notwithstanding anything to the contrary in this Article VII, the Corporation shall not be obligated to indemnify a director or officer or to advance expenses with respect to any claim asserted by such person initially or by cross-claim, counter-claim, or third-party claim, in any Proceeding against the Corporation, except for Proceedings to enforce rights to indemnification (including rights to advancement of expenses), unless, prior to such claim being asserted, the assertion of such claim is approved by the directors of the Corporation by a majority vote of a quorum of the Board of Directors or a committee thereof established for such purpose.

7.4. Rights Not Exclusive. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VII shall not be deemed exclusive of any other rights to which a person seeking indemnification or reimbursement or advancement of expenses may have or hereafter be entitled under any statute, this Certificate of Incorporation, the Bylaws, any agreement, any vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

7.5. Continuation of Benefits. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VII shall continue as to a person who has ceased to be a director or officer (or other person indemnified hereunder) and shall inure to the benefit of the heirs, executors, administrators, and personal representatives of such person.

7.6. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of an Other Entity, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VII, this Certificate of

Incorporation or under section 145 of the Delaware General Corporation Law or any other provision of law.

7.7. Binding Effect. The provisions of this Article VII shall be a contract between the Corporation, on the one hand, and each director and officer who serves in such capacity at any time while this Article VII is in effect, on the other hand, pursuant to which the Corporation and each such director or officer intend to be, and shall be, legally bound. No repeal or modification of this Article VII shall affect any rights or obligations with respect to any state of facts then or theretofore existing or thereafter arising or any Proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

7.8. Procedural Rights. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VII shall be enforceable by any person entitled to such indemnification or reimbursement or advancement of expenses in any court of competent jurisdiction. If a claim for indemnification or advancement of expenses hereunder is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall also be entitled to be paid the expenses of prosecuting such claim. The burden of proving that such indemnification or reimbursement or advancement of expenses is not appropriate shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) to have made a determination prior to the commencement of such action that such indemnification or reimbursement or, except as otherwise provided in Section 7.3, advancement of expenses is proper in the circumstances nor an actual determination by the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) that such person is not entitled to such indemnification or reimbursement or advancement of expenses shall constitute a defense to the action or create a presumption that such person is not so entitled, except as otherwise provided in Section 7.3. Such a person shall also be indemnified for any expenses incurred in connection with successfully establishing his or her right to such indemnification or reimbursement or advancement of expenses, in whole or in part, in any such Proceeding.

7.9. Indemnification of Others. The Corporation may additionally indemnify any employee or agent of the Corporation to the fullest extent permitted by law.

7.10. Definition of "Proceeding." As used herein, the term "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitral, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

#### EIGHTH. Meetings of Stockholders.

8.1. No Action by Written Consent. The stockholders of the Corporation entitled to take action on any matter may act solely at a meeting of stockholders duly called and held in accordance with law and this Certificate of Incorporation and the Bylaws and may not act by a consent or consents in writing.

8.2. Meetings of Stockholders. The annual meeting of stockholders for the election of directors and the transaction of such other business as may be brought before such meeting in accordance with this Certificate of Incorporation and the Bylaws shall be held at such hour and on such business day in each year as may be determined by resolution adopted by the affirmative vote of a majority of the Board. Except as otherwise required by law, special meetings of stockholders may be called by the Secretary at the direction of: (a) the affirmative vote of a majority of the Board, (b) the Chairman of the Board of Directors, (c) the Chief Executive Officer, or (d) the holders of shares representing a majority of the voting power of the outstanding Common Stock entitled to vote at such meeting of stockholders. Annual and special meetings of stockholders shall not be called or held otherwise than as herein provided.

8.3. Written Ballot. Elections of directors need not be written ballot unless the bylaws of the Corporation shall so provide.

IN WITNESS WHEREOF, the corporation has caused this Certificate of Incorporation to be signed by its Chairman, Chief Executive Officer and President and attested to by its Assistant Secretary on this \_\_\_\_ day of January, 2002.

-----  
George J. Pedersen

Attested:

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Matthew P. Galaski  
Assistant Secretary

AMENDED AND RESTATED

BYLAWS

OF

MANTECH INTERNATIONAL CORPORATION  
(a Delaware corporation)

Adopted and Effective January \_\_, 2002

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ARTICLE I

OFFICES

1.1. Registered Office. The registered office of the Corporation shall be fixed in the Certificate of Incorporation of the Corporation.

1.2. Other Offices. The principal office of the Corporation shall be located in the City and Jurisdiction within or without the State of Delaware as the Board of Directors may, from time to time, determine. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine.

ARTICLE II

STOCKHOLDERS

2.1. Certificates Representing Stock.

(a) Form and Execution of Certificates. Certificates representing shares of stock or any bond, debenture or other corporate securities of the Corporation shall be in such form as is consistent with the Certificate of Incorporation and applicable law, and shall be signed by, or in the name of, the Corporation by the Chairman of the Board of Directors, the Chief Executive Officer, or by the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation. Any or all of the signatures on any such certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

(b) Legends and Restrictions. Whenever the Corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, and whenever the Corporation shall issue any shares of its stock as partly paid stock, the certificates

representing shares of any such class or series or of any such partly paid stock shall set forth thereon the statements prescribed by the Delaware General Corporation Law. Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

(c) Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

2.2. Uncertificated Shares. Subject to any conditions imposed by the Delaware General Corporation Law, the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the Corporation shall be uncertificated shares. Within a reasonable time after the issuance or transfer of any uncertificated shares, the Corporation shall send to the registered owner thereof any written notice prescribed by the Delaware General Corporation Law.

2.3. Stock Transfers; Registered Stockholders. Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfers of shares of stock of the Corporation shall be made only on the stock ledger of the Corporation by the registered holder thereof or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation or with a transfer agent or a registrar, if any, and, in the case of shares represented by certificates, on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes due thereon. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

2.4. Record Date for Stockholders.

(a) Notice and Voting. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A

determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) Dividends and Other Rights. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

2.5. Meaning of Certain Terms. As used herein in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat, as the case may be, the term "share" or "shares" or "share of stock" or "shares of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock when the Corporation is authorized to issue only one class of shares of stock, and said reference is also intended to include any outstanding share or shares of stock and any holder or holders of record of outstanding shares of stock of any class upon which or upon whom the Certificate of Incorporation confers such rights where there are two or more classes or series of shares of stock or upon which or upon whom the Delaware General Corporation Law confers such rights notwithstanding that the Certificate of Incorporation may provide for more than one class or series of shares of stock, one or more of which are limited or denied such rights thereunder; provided, however, that no such right shall vest in the event of an increase or a decrease in the authorized number of shares of stock of any class or series which is otherwise denied voting rights under the provisions of the Certificate of Incorporation, except as any provision of law may otherwise require.

#### 2.6. Stockholder Meetings.

(a) Place of Meetings. Meetings of stockholders may be held at such place, either within or without the State of Delaware, and at such date and time as the Board of Directors shall determine.

(b) Annual Meetings. The Board of Directors shall call an annual meeting (or a special meeting in lieu thereof) to elect directors and transact such other business as may properly be brought before the meeting. Written notice of the Annual Meeting, stating the place, date and time of the meeting, shall be given to each stockholder entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting.

(c) Special Meetings. Unless otherwise prescribed by law or by the Certificate of Incorporation, Special Meetings of Stockholders, for any purpose or purposes, shall be called by the Secretary at the direction of: (i) the affirmative vote of a majority of the Board, (ii) the Chairman of the Board of Directors, (iii) the Chief Executive Officer, or (iv) the holders of shares representing a majority of the voting power of the outstanding Common Stock

entitled to vote at such meeting of stockholders. Any such request shall state the purpose or purposes of the proposed meeting. Written notice of a Special Meeting, stating the place, date and time of the meeting and purpose or purposes for which the meeting is called, shall be given to each stockholder entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting.

(d) Stockholder List. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting during the ten days prior to the meeting at the principal place of business of the Corporation during ordinary business hours. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof; and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the Corporation, or to vote at any meeting of stockholders.

(e) Nominations and Stockholder Business.

(1) To be properly brought before an annual meeting, nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders at an annual meeting of stockholders must be either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (ii) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (iii) otherwise brought before the annual meeting by any stockholder of the Corporation who is a stockholder of record on the date of the giving of the notice provided for in Section 2.6(b) of this Article II, who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section 2.6(e).

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to this Section 2.6(e), the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation, and such business must be a proper subject for stockholder action under the Delaware General Corporation Law. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than sixty (60) days nor more than one hundred and twenty (120) days prior to the first anniversary of the date on which the Corporation first mailed its proxy materials for the prior year's annual meeting of stockholders; provided, however, that in the event that the date of the annual meeting is advanced by more than thirty (30) days or delayed (other than as a result of adjournment) by more than thirty (30) days from the anniversary of the previous year's annual meeting, notice by the stockholder to be timely must be delivered not later than the close of business on the later of the sixtieth (60th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. Such stockholder's notice shall set forth (i) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors,

or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (ii) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner(s), if any, on whose behalf the proposal is made; and (iii) as to the stockholder giving the notice and the beneficial owner(s) if any on whose behalf the nomination or proposal is made (A) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner(s), and (B) the class and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner(s), (C) a description of all arrangements or understandings between such stockholder and such beneficial owner(s) and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder and of such beneficial owner(s) in such business, and (D) a representation that such stockholder or its agent or designee intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

(3) Only such business may be conducted at a special meeting of stockholders as has been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who is a stockholder of record at the time of giving the notice required by this Section 2.6(e), who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 2.6(e). Nominations by stockholders of persons for election to the Board of Directors may be made at such a special meeting of Stockholders if the stockholder's notice required by this Section 2.6(e) is delivered to the Secretary of the Corporation at the principal executive offices of the Corporation no more than one hundred and twenty (120) days prior to such special meeting and not later than the close of business on the later of the sixtieth (60th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting.

(4) Only those persons who are nominated in accordance with the procedures set forth in this Section 2.6(e) will be eligible for election as directors at any meeting of stockholders. Only business brought before the meeting in accordance with the procedures set forth in this Section 2.6(e) may be conducted at a meeting of stockholders. The chairman of the meeting has the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Section 2.6(e) and, if any proposed nomination or business is not in compliance with this Section 2.6(e), to declare that such defective proposal shall be disregarded.

(5) For purposes of this Section 2.6(e), "public announcement" shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or comparable national news service or in a document publicly

filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(6) Notwithstanding the foregoing provisions of this Section 2.6(e), a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.6(e). Nothing in this Section 2.6(e) may be deemed to remove any obligation of stockholders to comply with the requirements of Rule 14a-8 under the Exchange Act with respect to proposals requested to be included in the Corporation's proxy statement pursuant to said Rule 14a-8.

(f) Quorum. Except as otherwise provided by law or by the Certificate of Incorporation, at all meetings of the stockholders, the holders of a majority in voting power of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. When a meeting is adjourned to another time and place, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder entitled to vote at the meeting.

(g) Voting. Voting need not be by written ballot, unless otherwise provided by the Board of Directors. If authorized by the Board of Directors, voting by written ballot may be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxyholder.

(h) No Action by Written Consent. The stockholders of the Corporation entitled to take action on any matter may act solely at a meeting of stockholders duly called and held in accordance with law, the Certificate of Incorporation and these Bylaws and may not act by a consent or consents in writing.

(i) Conduct of Meetings. All meetings of stockholders shall be presided over by the Chairman of the Board of Directors, or in his absence, by the Chief Executive Officer, or in his absence, by the President, if any, or in his absence, by a chairman designated by the Board of Directors, or in the absence of such designation, by a chairman chosen at the meeting. The Secretary of the Corporation shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall determine the order of business and the procedure at any meeting of the stockholders, including but not limited to, rules respecting the manner of voting and the opening and closing of the polls, the time allotted to stockholders to speak,

determinations of whether business has been properly brought before the meeting and the power to adjourn the meeting.

### ARTICLE III

#### DIRECTORS

3.1. Powers. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors. The Board of Directors shall exercise all of the powers and duties conferred by law except as provided by the Certificate of Incorporation or these Bylaws.

3.2. Number of Directors. The number of directors shall initially be [five], and thereafter shall be fixed from time to time by the affirmative vote of a majority of all directors of the corporation then holding office at any special or regular meeting of the Board of Directors.

3.3. Election of Directors and Term. The Board of Directors shall be elected by a plurality of the votes cast at each annual meeting (or a special meeting in lieu thereof) of stockholders, and each director so elected shall hold office until his successor is duly elected and qualified, or until his earlier resignation or removal. Directors need not be stockholders.

3.4. Resignation. Any director may resign at any time upon notice given in writing or by electronic transmission. The resignation shall take effect at the time specified therein, and if no time is specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

3.5. Vacancies. Unless otherwise provided in the Certificate of Incorporation, newly created Directorships resulting from an increase in the number of Directors and vacancies occurring in the Board for any other reason, including the removal of Directors without cause, may be filled only by the affirmative votes of a majority of the remaining directors. Any director so chosen shall hold office for the unexpired term of his predecessor and until his successor shall be elected and qualify or until his earlier death, resignation or removal.

3.6. Removal. Any director or the entire Board of Directors may be removed either with or without cause at any time by the affirmative vote of the holders of a majority in voting power of the capital stock issued and outstanding and entitled to vote for the election of directors at any annual or special meeting of the stockholders called for that purpose.

#### 3.7. Meetings.

(a) Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware. Regular meetings of the Board of Directors may be held at such time and at such place as may from time to time be determined by the Board of Directors. Special meetings of the Board of Directors shall be called by the Secretary (i) at the direction of (x) the Chairman of the Board of Directors or (y) the Chief Executive Officer, if the Chief Executive Officer is a member of the Board of Directors, or (ii) at the written request of a majority of the entire Board of Directors. Notice of a meeting of the Board of Directors, stating the place, date and hour of the meeting, shall be given to each director

either by mail not less than forty-eight hours before the date of such meeting, by telephone or by telegram or facsimile transmission not less than twenty-four hours before the date of such meeting. A waiver of such notice by any director or directors, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent of such notice. Attendance of any director at a meeting shall constitute a waiver of notice of such meeting except when he attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in any written waiver of notice.

(b) Quorum and Action. Except as may be otherwise specifically provided by law, the Certificate of Incorporation or these Bylaws, at all meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or any committee thereof, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed in the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form or shall be in electronic form if the minutes are maintained in electronic form.

3.8. Meetings by Means of Conference Telephone. Unless otherwise provided by the Certificate of Incorporation or these Bylaws, members of the Board of Directors of the Corporation, or of any committee thereof, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.8 shall constitute presence in person at such meeting.

3.9. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees. Any committee, to the extent allowed by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation. Each committee shall consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any absent or disqualified member. All committees of the Board of Directors shall keep minutes of their meetings and shall report their proceedings to the Board of Directors when requested or required by the Board of Directors.

3.10. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum and/or an amount of shares of the Corporation's stock (or options or other rights to purchase or obtain shares of the Corporation's stock) for attendance at each meeting of the Board of Directors and/or as compensation for service as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

#### ARTICLE IV

##### OFFICERS

4.1. General. The officers of the Corporation shall be chosen by the Board of Directors and shall be a Chairman of the Board (who must be a director), a Chief Executive Officer, a Secretary and a Treasurer. The Board of Directors, in its discretion, may also choose a President and one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Certificate of Incorporation or these Bylaws. The officers of the Corporation need not be stockholders of the Corporation nor, except in the case of the Chairman of the Board of Directors, need such officers be directors of the Corporation.

4.2. Election. The Board of Directors at its first meeting held after each annual meeting of stockholders shall elect the officers of the Corporation who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors; and all officers of the Corporation shall hold office until their successors are chosen and qualified, or until their earlier resignation or removal. Any officer elected by the Board of Directors may be removed for any reason or for no reason at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors. The salaries of all officers of the Corporation shall be fixed by the Board of Directors and/or the Compensation Committee thereof.

4.3. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chief Executive Officer or such other officer of the Corporation so authorized by the Board of Directors or the Chief Executive Officer, and any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

4.4. Chairman of the Board of Directors. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors at which he is present. The Chairman of

the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these Bylaws or by the Board of Directors.

4.5. Chief Executive Officer. The Chief Executive Officer shall, subject to the control of the Board of Directors and the Chairman of the Board of Directors, have general supervision of the business of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall execute all bonds, mortgages, contracts and other instruments of the Corporation requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except that the other officers of the Corporation may sign and execute documents when so authorized by these Bylaws, the Board of Directors or the Chief Executive Officer. In the absence or disability of the Chairman of the Board of Directors, the Chief Executive Officer shall preside at all meetings of the stockholders and, if a member of the Board of Directors, of the Board of Directors. The Chief Executive Officer shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him by these Bylaws or by the Board of Directors.

4.6. President. The President, who may be the same person as the Chief Executive Officer, shall have such powers and duties as generally pertain to the office of President and as the Board of Directors may from time to time prescribe, subject generally to the direction of the Board of Directors and the Executive Committee, if any. If the Chief Executive Officer and the President are not the same individual, at the request of the Chief Executive Officer or in his absence, or in the event of his inability or refusal to act, the President shall perform the duties of the Chief Executive Officer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer. If there be no President, the Board of Directors shall designate the officer of the Corporation who, in the absence of the Chief Executive Officer, or in the event of the inability or refusal of the Chief Executive Officer to act, shall perform the duties of the Chief Executive Officer, and when so acting, such officer shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer.

4.7. Vice Presidents. Each Vice President shall have such powers and perform such duties as the Board may from time to time prescribe.

4.8. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of stockholders and record all the proceedings thereat in a book or books to be kept for that purpose; the Secretary shall also perform like duties, when required, for the committees of the Board of Directors. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or Chief Executive Officer, under whose supervision he shall be. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the Board of Directors or the Chief Executive Officer may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his signature. The Secretary shall see that all books,

reports, statements, certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

4.9. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chief Executive Officer and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

4.10. Assistant Secretaries. Except as may be otherwise provided in these Bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, or the Secretary, and in the absence of the Secretary or in the event of his disability or refusal to act, shall perform the duties of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

4.11. Assistant Treasurers. Assistant Treasurers, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the Chief Executive Officer, or the Treasurer, and in the absence of the Treasurer or in the event of his disability or refusal to act, shall perform the duties of the Treasurer, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Treasurer.

4.12. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

4.13. Outside or Private Employment. No officer or employee shall have any outside or private employment or affiliation with any firm or organization incompatible with his concurrent employment by the Corporation, nor shall he accept or perform any outside or private employment which the Chief Executive Officer of the Corporation determines will interfere with the efficient performance of his official duties.

## ARTICLE V

### NOTICES

5.1. Notices. Whenever written notice is required by law, the Certificate of Incorporation or these Bylaws, to be given to any stockholder, such notice may be given by mail, addressed to such stockholder, at his address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by facsimile, telegram, telex or cable. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic

transmission in the manner provided in Section 232 of the Delaware General Corporation Law. An affidavit of the mailing or other means of giving notice of any meeting to any stockholder, executed by the secretary, assistant secretary or any transfer agent of the Corporation giving the notice, shall be prima facie evidence of the giving of such notice.

5.2. Waivers of Notice. A written waiver of any notice, signed by a stockholder, or waiver by electronic transmission by such stockholder, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting to the timeliness of notice.

#### ARTICLE VI

##### GENERAL PROVISIONS

6.1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, and may be paid in cash, in property, or in shares of the capital stock. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

6.2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

6.3. Fiscal Year. The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors.

6.4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the word "Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

#### ARTICLE VII

##### AMENDMENTS

7.1. Subject to the provisions of the Certificate of Incorporation, as such may be amended from time to time, and the provisions of the Delaware General Corporation Law, these Bylaws may be altered, amended, changed, added to or repealed in whole or in part, or new Bylaws may be adopted, by the stockholders or the Board of Directors, provided, however, that notice of such alteration, amendment, repeal or adoption of new Bylaws is provided before the date on which such shall become effective. For purposes of this Article VII, filing such alteration, amendment, repeal or new Bylaws with the Securities and Exchange Commission and/or the principal securities exchange on which the common stock of the Corporation is traded

shall be deemed to provide notice thereof. All such amendments must be approved by either the holders of a majority of the outstanding capital stock of the Corporation entitled to vote thereon or by a majority of the entire Board of Directors. Any Bylaws adopted or amended by the Board may be amended or repealed by the Stockholders entitled to vote thereon.

#### ARTICLE VIII

##### INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

8.1. Indemnity Undertaking. The Corporation shall indemnify any person who is or was made, or is threatened to be made, a party to any Proceeding, including, without limitation, an action by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that such person, or a person of whom such person is the legal representative, is or was a director or officer of the Corporation, or, at the request of the Corporation, is or was serving as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise (an "Other Entity"), to the fullest extent permitted under the Delaware General Corporation Law, as the same exists or may hereafter be amended, against judgments, fines, penalties, excise taxes, amounts paid in settlement and costs, charges and expenses (including attorneys' fees, disbursements and other charges), except as provided in Section 8.3. Without limiting the generality of the foregoing, to the extent permitted by then applicable law, the grant of mandatory indemnification pursuant to this Article VIII shall extend to Proceedings involving the negligence of such Person.

8.2. Advancement of Expenses. Except as provided in Section 8.3, the Corporation shall reimburse or advance to any director or officer entitled to indemnification hereunder the funds necessary for payment of expenses, including attorneys' fees and disbursements, incurred in connection with any Proceeding, in advance of the final disposition of such Proceeding; provided, however, that, if required by the Delaware General Corporation Law, such expenses incurred by or on behalf of any director or officer may be paid in advance of the final disposition of a Proceeding only upon receipt by the Corporation of an undertaking, by or on behalf of such director or officer, to repay any such amount so advanced if it shall ultimately be determined by final judicial decision from which there is no further right of appeal that such director or officer is not entitled to be indemnified for such expenses.

8.3. Actions against the Corporation. Notwithstanding anything to the contrary in this Article VIII, the Corporation shall not be obligated to indemnify a director or officer or to advance expenses with respect to any claim asserted by such person initially or by cross-claim, counter-claim, or third-party claim, in any Proceeding against the Corporation, except for Proceedings to enforce rights to indemnification (including rights to advancement of expenses), unless, prior to such claim being asserted, the assertion of such claim is approved by the directors of the Corporation by a majority vote of a quorum of the Board of Directors or a committee thereof established for such purpose.

8.4. Rights Not Exclusive. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be

deemed exclusive of any other rights to which a person seeking indemnification or reimbursement or advancement of expenses may have or hereafter be entitled under any statute, the Certificate of Incorporation, the Bylaws, any agreement, any vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

8.5. Continuation of Benefits. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VIII shall continue as to a person who has ceased to be a director or officer (or other person indemnified hereunder) and shall inure to the benefit of the heirs, executors, administrators, and personal representatives of such person.

8.6. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of an Other Entity, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VIII, the Certificate of Incorporation or under section 145 of the Delaware General Corporation Law or any other provision of law.

8.7. Binding Effect. The provisions of this Article VIII shall be a contract between the Corporation, on the one hand, and each director and officer who serves in such capacity at any time while this Article VIII is in effect, on the other hand, pursuant to which the Corporation and each such director or officer intend to be, and shall be, legally bound. No repeal or modification of this Article VIII shall affect any rights or obligations with respect to any state of facts then or theretofore existing or thereafter arising or any Proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

8.8. Procedural Rights. The rights to indemnification and reimbursement or advancement of expenses provided by, or granted pursuant to, this Article VIII shall be enforceable by any person entitled to such indemnification or reimbursement or advancement of expenses in any court of competent jurisdiction. If a claim for indemnification or advancement of expenses hereunder is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall also be entitled to be paid the expenses of prosecuting such claim. The burden of proving that such indemnification or reimbursement or advancement of expenses is not appropriate shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) to have made a determination prior to the commencement of such action that such indemnification or reimbursement or, except as otherwise provided in Section 8.3, advancement of expenses is proper in the circumstances nor an actual determination by the Corporation (including its Board of Directors, its independent legal counsel and its stockholders) that such person is not entitled to such indemnification or reimbursement or advancement of expenses shall constitute a defense to the action or create a presumption that such person is not so entitled, except as otherwise provided in Section 8.3. Such a person shall also be indemnified for any expenses incurred in

connection with successfully establishing his or her right to such indemnification or reimbursement or advancement of expenses, in whole or in part, in any such Proceeding.

8.9. Indemnification of Others. The Corporation may additionally indemnify any employee or agent of the Corporation to the fullest extent permitted by law.

8.10. Definition of "Proceeding." As used herein, the term "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

8.11. Severability. If this Bylaw or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person as provided above as to the expenses (including attorney's fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including a grand jury proceeding and an action by the Corporation, to the full extent permitted by any applicable portion of this Bylaw that shall not have been invalidated or by any other applicable law.

## ARTICLE IX

### EMERGENCY BYLAWS

Unless the Certificate of Incorporation provides otherwise, the following provisions of this Article IX shall be operative during any emergency resulting from an attack on the United States or on a locality in which the Corporation conducts its business or customarily holds meetings of its Board of Directors or its stockholders, or during any nuclear or atomic disaster, or during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors or a standing committee thereof cannot readily be convened for action. During such emergency:

9.1. Notice to Board Members. Any one member of the Board of Directors or any one of the following officers: Chairman of the Board, Chief Executive Officer, President, any Vice President, Secretary, or Treasurer, may call a meeting of the Board of Directors. Notice of such meeting need be given only to those directors whom it is practicable to reach, and may be given in any practical manner, including by publication and radio. Such notice shall be given at least six hours prior to commencement of the meeting.

9.2. Temporary Directors and Quorum. One or more officers of the Corporation present at the emergency meeting of the Board of Directors, as is necessary to achieve a quorum, shall be considered to be directors for the meeting, and shall so serve in order of rank, and within the same rank, in order of seniority. In the event that less than a quorum of the directors are present (including any officers who are to serve as directors for the meeting), those directors present (including the officers serving as directors) shall constitute a quorum.

9.3. Actions Permitted To Be Taken. The Board as constituted in Section 9.2, and after notice as set forth in Section 9.1 may:

(a) prescribe emergency powers to any officer of the Corporation;

(b) delegate to any officer or director, any of the powers of the Board of Directors;

(c) designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;

(d) relocate the principal place of business, or designate successive or simultaneous principal places of business; and

(e) take any other convenient, helpful or necessary action to carry on the business of the Corporation.

BUSINESS LOAN AND SECURITY AGREEMENT

dated as of December 17, 2001

by and among

MANTECH INTERNATIONAL CORPORATION  
AND CERTAIN OF ITS SUBSIDIARIES  
as Borrower Parties,

CITIZENS BANK OF PENNSYLVANIA,

PNC BANK, NATIONAL ASSOCIATION,

BRANCH BANKING AND TRUST COMPANY OF VIRGINIA

and

CHEVY CHASE BANK, F.S.B.,  
as Lender Parties,

CITIZENS BANK OF PENNSYLVANIA,  
as Administrative Agent

and

PNC BANK, NATIONAL ASSOCIATION,  
as Documentation Agent

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Exhibit 4	Borrowing Base/Non-Default Certificate
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Exhibit 6	Form of Joinder Agreement
Exhibit 7	Financial Statements
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Exhibit 10	Form of Assignment and Acceptance Agreement
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BUSINESS LOAN AND SECURITY AGREEMENT

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THIS BUSINESS LOAN AND SECURITY AGREEMENT is executed as of the 17/th/ day of December, 2001 and is by and among (i) CITIZENS BANK OF PENNSYLVANIA, a Pennsylvania state chartered bank ("Citizens Bank"), acting in the capacity of Lender, Swing Line Lender and as the Administrative Agent for the Lenders, having offices at 8521 Leesburg Pike, Suite 405, Vienna, Virginia 22182; (ii) PNC BANK, NATIONAL ASSOCIATION, a national banking association ("PNC"), acting in the capacity of Lender and as the Documentation Agent for the Lenders, having offices at One PNC Plaza, 6/th/ Floor, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222; (iii) BRANCH BANKING AND TRUST COMPANY OF VIRGINIA, a Virginia banking corporation ("BB&T"), having offices at 8200 Greensboro Drive, Suite 250, McLean, Virginia 22102, CHEVY CHASE BANK, F.S.B., a federal savings bank ("Chevy Chase"), having offices at 7501 Wisconsin Avenue, 12/th/ Floor, Bethesda, MD 20814, and other "Lender" parties to this Business Loan and Security Agreement from time to time; (iv) MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation; MANTECH INTERNATIONAL CORPORATION, a Delaware corporation; MANTECH ADVANCED SYSTEMS INTERNATIONAL, INC., a Virginia corporation; MANTECH SYSTEMS ENGINEERING CORPORATION, a Virginia corporation; NSI TECHNOLOGY SERVICES CORPORATION, a California corporation; MANTECH SYSTEMS CORPORATION, a New Jersey corporation; MANTECH SOLUTIONS CORPORATION, a Virginia corporation; MANTECH ENVIRONMENTAL TECHNOLOGY, INC., a Virginia corporation; MANTECH SUPPORT TECHNOLOGY, INC., a Virginia corporation; MANTECH AUSTRALIA INTERNATIONAL, INC., a Virginia corporation formerly known as ManTech Computer Company, Inc.; FIELD SUPPORT SERVICES Muhendislik LIMITED SIRKETI, a corporation organized and existing under the laws of Turkey; MASI U.K. LIMITED, a corporation organized and existing under the laws of the United Kingdom; MANTECH TELECOMMUNICATIONS AND INFORMATION SYSTEMS CORPORATION, a Delaware corporation formerly known as ManTech Strategic Associates, Ltd.; TECHNOLOGY MANAGEMENT CORPORATION, a Virginia corporation; SCIENCE ENGINEERING & ANALYSIS, INCORPORATED, a Virginia corporation; MANTECH ENVIRONMENTAL RESEARCH SERVICES CORP., a Virginia corporation; NSI ENVIRONMENTAL SOLUTIONS, INC., a Virginia corporation; MANTECH ENVIRONMENTAL CORPORATION, a Virginia corporation; MANTECH SYSTEMS SOLUTIONS CORPORATION, a Virginia corporation formerly known as Tidewater Consultants, Inc.; MANTECH SOLUTIONS & TECHNOLOGIES CORPORATION, a Virginia corporation formerly known as ManTech Systems Integration Corporation; MANTECH TEST SYSTEMS, INC., a Virginia corporation; MANTECH U.K. SYSTEMS CORPORATION, a Virginia corporation; REDESMUNDIAL, S.A., a corporation organized and existing under the laws of the Republic of Panama formerly known as ManTech International Panama, Inc.; MANTECH GERMANY SYSTEMS CORPORATION, a Virginia corporation; MANTECH CHINA SYSTEMS CORPORATION, a Virginia corporation; MANTECH ADVANCED DEVELOPMENT GROUP, INC., a California corporation; MANTECH ENTERPRISE SOLUTIONS, INC., a Virginia corporation; MANTECH ADVANCED RECOGNITION LIMITED, a private company registered in England under the number 885326 formerly known as Advanced Recognition Limited; VOBIX CORPORATION, a Virginia corporation; MANTECH DATABASE SERVICES EUROPE LIMITED, a corporation organized and

existing under the laws of the United Kingdom; MANTECH SECURITY TECHNOLOGIES CORPORATION, a Virginia corporation, with all such corporations having principal offices located at the location(s)s listed on Schedule 2 hereto; and (v) each

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other person or entity hereafter becoming a "Borrower" party to this Business Loan and Security Agreement by executing a "Joinder Agreement" pursuant to this Business Loan and Security Agreement.

W I T N E S S E T H T H A T :  
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In consideration of the mutual covenants and agreements herein contained, Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree, represent and warrant as follows:

CERTAIN DEFINITIONS  
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For the purposes of this Business Loan and Security Agreement, the terms set forth below shall have the following definitions:

"Account Debtor" shall mean any person or entity who is indebted to one (1) or more of the Borrowers for the payment of any Receivable; it being understood and agreed that when computations are being made with respect to amounts due and owing from an Account Debtor (a) such computations shall be made on a contract by contract basis (as opposed to on an Account Debtor basis), with respect to amounts owing in connection with Government Contracts, and (b) such computations shall be made on the basis of all amounts due from the Account Debtor and any other person or entity related to or affiliated with the particular Account Debtor, with respect to amounts owing in connection with contracts which are not Government Contracts.

"Accounts" shall mean all the funds and accounts now or hereafter owned or held by a Borrower and all monies, Receivables, Investment Property, Security Entitlements and other property on deposit therein or credited thereto, including without limitation, all "Accounts," as such term is now or hereafter defined in the UCC, whether now owned or hereafter acquired, including (a) all accounts receivable, other receivables, book debts and other forms of obligations (other than forms of obligations evidenced by Chattel Paper, or Instruments), (including any such obligations that may be characterized as an account or contract right under the UCC), (b) all rights in, to and under all purchase orders or receipts for goods or services, (c) all rights to any goods represented by any of the foregoing (including unpaid sellers' rights of rescission, replevin, reclamation and stoppage in transit and rights to returned, reclaimed or repossessed goods), (d) all rights to payment due for property sold, leased, licensed, assigned or otherwise disposed of, for a policy of insurance issued or to be issued, for a secondary obligation incurred or to be incurred, for energy provided or to be provided, for the use or hire of a vessel under a charter or other contract, arising out of the use of a credit card or charge card, or for services rendered or to be rendered in connection with any other transaction (whether or not yet earned by performance), (e) all "health care insurance receivables", as defined in the UCC and (f) all collateral security of any kind, given by any person or entity with respect to any of the foregoing.

"Additional Equity Stock" shall mean the shares of either treasury stock or newly issued preferred stock, common stock or other equity interests (including options, warrants or rights to purchase) of any Borrower issued to any person or entity from and after the date hereof.

"Administration Fee" shall have the meaning assigned to such term in Section 1.7(a) of this Agreement.

"Administrative Agent" shall mean Citizens Bank, acting in its capacity as administrative agent for the Lenders, or any successor Administrative Agent appointed pursuant to Section 10.10 of this Agreement.

"Administrative Agent's Fee" shall have the meaning assigned to such term in Section 1.7 of this Agreement.

"Agent" or "Agents" shall mean the Administrative Agent and the Documentation Agent, individually or collectively, as the context may require.

"Agent's Spot Rate of Exchange" shall mean the spot rate of exchange as determined by the Administrative Agent, based on the Reuters FX Page, for the purchase of the relevant currency in the London foreign exchange market with U.S. Dollars at or about 9:00 a.m. on any date of determination.

"Agreement" or "Loan Agreement" shall mean this Business Loan and Security Agreement, together with the schedules and exhibits attached hereto and any and all amendments or modifications of this Business Loan and Security Agreement.

"Annual Excess Cash Limitation" shall mean the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00).

"Applicable Interest Rate" shall mean either the (i) LIBOR Lending Rate or (ii) Base Rate, as set forth in the Notes.

"Applicable Laws" shall mean any federal, state or local law, ordinance, rule or regulation to which any Borrower or the property of any Borrower is subject, whether domestic or international.

"Approved ESOP" shall have the meaning assigned to such term in Section 7.1(b) of this Agreement.

"Approved ESPP" shall have the meaning assigned to such term in Section 7.1(b) of this Agreement.

"ARL" shall mean ManTech Advanced Recognition Limited, a private company registered in England under the number 885326 formerly known as Advanced Recognition Limited.

"Base Rate" shall mean the higher of the (i) Federal Funds Rate plus one-half of one percent (.50%) or (ii) Prime Rate.

"Borrower" and "Borrowers" shall mean, respectively, each and all of the following entities, as the context may require: MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation; MANTECH INTERNATIONAL CORPORATION, a Delaware corporation; MANTECH ADVANCED SYSTEMS INTERNATIONAL, INC., a Virginia corporation; MANTECH SYSTEMS ENGINEERING CORPORATION, a Virginia corporation; NSI TECHNOLOGY SERVICES CORPORATION, a California corporation; MANTECH SYSTEMS CORPORATION, a New Jersey corporation; MANTECH SOLUTIONS CORPORATION, a Virginia corporation; MANTECH ENVIRONMENTAL TECHNOLOGY, INC., a Virginia corporation; MANTECH SUPPORT TECHNOLOGY, INC., a Virginia corporation; MANTECH AUSTRALIA INTERNATIONAL, INC., a Virginia corporation formerly known as ManTech Computer Company, Inc.; FIELD SUPPORT SERVICES Muhendislik Limited sirketi, a corporation organized and existing under the laws of Turkey; MASI U.K. LIMITED, a corporation organized and existing under the laws of the united kingdom; MANTECH TELECOMMUNICATIONS AND INFORMATION SYSTEMS CORPORATION, a Delaware corporation formerly known as ManTech strategic associates, ltd.; TECHNOLOGY MANAGEMENT CORPORATION, a Virginia corporation; SCIENCE ENGINEERING & ANALYSIS, INCORPORATED, a Virginia corporation; MANTECH ENVIRONMENTAL RESEARCH SERVICES CORP., a Virginia corporation; NSI ENVIRONMENTAL SOLUTIONS, INC., a Virginia corporation; MANTECH ENVIRONMENTAL CORPORATION, a Virginia corporation; MANTECH SYSTEMS SOLUTIONS CORPORATION, a Virginia corporation formerly known as Tidewater Consultants, Inc.; MANTECH TEST SYSTEMS, INC., a Virginia corporation; MANTECH SOLUTIONS & TECHNOLOGIES CORPORATION, a Virginia corporation formerly known as ManTech Systems Integration Corporation; MANTECH U.K. SYSTEMS CORPORATION, a Virginia corporation; REDESMUNDIAL, S.A., a corporation organized and existing under the laws of the Republic of Panama formerly known as ManTech International Panama, Inc.; MANTECH CHINA SYSTEMS CORPORATION, a Virginia corporation; MANTECH GERMANY SYSTEMS CORPORATION, a Virginia corporation; MANTECH ADVANCED DEVELOPMENT GROUP, INC., a California corporation; MANTECH ENTERPRISE SOLUTIONS, INC., a Virginia corporation; MANTECH ADVANCED RECOGNITION LIMITED, a private company registered in England under the number 885326 formerly known as Advanced Recognition Limited; VOBIX CORPORATION, a Virginia corporation; MANTECH DATABASE SERVICES EUROPE LIMITED, a corporation organized and existing under the laws of the United Kingdom; MANTECH SECURITY TECHNOLOGIES CORPORATION, a Virginia corporation; and each other person or entity hereafter executing a Joinder Agreement pursuant to Section 1.10 of this Agreement.

"Borrowing Base/Non-Default Certificate" shall mean a certificate in the form of Exhibit 4 hereto.

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"Borrowing Base Deficiency" shall have the meaning assigned to such term in Section 1.3 of this Agreement.

"Business Day" shall mean (a) any day which is neither a Saturday or Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in the Commonwealth of Virginia; (b) when such term is used to describe a day on which a borrowing, payment, prepaying, or repaying is to be made in respect of any LIBOR Rate Loan, any day

which is: (i) neither a Saturday or Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in New York City; and (ii) a London Banking Day; and (c) when such term is used to describe a day on which an interest rate determination is to be made in respect of any LIBOR Rate Loan, any day which is a London Banking Day.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.).  
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"Chattel Paper" shall have the meaning assigned to that term under the UCC, and shall include "electronic chattel paper" and "tangible chattel paper", as such terms are defined in the UCC, whether now owned or hereafter acquired by a Borrower.

"Citizens Bank" shall mean Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting individually, together with its successors and assigns.

"Closing" shall mean the settlement of the transactions contemplated by this Agreement.

"Closing Date" shall mean the date of this Agreement.

"Collateral" shall have the meaning assigned to such term in Article 3 of this Agreement.

"Collateral Account" shall have the meaning assigned to such term in Article 8 of this Agreement.

"Commercial Contract" shall mean any written contract to which a Borrower is a party (other than a Government Contract or a contract with the District of Columbia or any department, instrumentality or agency thereof) which gives rise or may give rise to Receivables.

"Commercial Tort Claims" shall have the meaning assigned that term under the UCC, and shall include any and all claims now existing or hereafter arising in tort with respect to which (a) the claimant is an organization, or (b) the claimant is an individual and the claim (i) arose in the course of the claimant's business or profession, and (ii) does not include damages arising out of personal injury to or death of any individual.

"Commitment Amount" shall mean Seventy-one Million Four Hundred Thousand and No/100 Dollars (\$71,400,000.00), or if the maximum aggregate commitment of the Lenders hereunder is reduced pursuant to the terms of this Agreement, such lesser amount.

"Commitment Fee" shall have the meaning assigned to such term in Section 1.7 of this Agreement.

"Commitment Letter" shall mean that certain letter dated November 13, 2001, from the Administrative Agent to the Parent Company relating to the Loan, including the Term Sheet and schedules annexed thereto.

"Contribution Agreement" shall mean the Contribution Agreement of even date herewith, by and among the Borrowers, and delivered by the Borrowers prior to or simultaneously with their execution and delivery of this Agreement or a Joinder Agreement, as

applicable, together with all Administrative Agent-approved amendments and modifications thereof hereafter executed and delivered by the Borrowers.

"Deposit Accounts" shall have the meaning assigned to that term under the UCC, and shall include any demand, time, savings, passbook or similar account from time to time established and maintained with a bank.

"Documents" shall have the meaning assigned to that term under the UCC, and shall include any and all Documents whether now owned or hereafter created or acquired.

"Documentation Agent" shall mean PNC Bank, National Association, acting in its capacity as the documentation agent for the Lenders, or any successor Documentation Agent appointed pursuant to Section 10.10 of this Agreement.

"Dollar Equivalent Amount" shall mean, as of any applicable date of determination, (i) with respect to amounts denominated in U.S. Dollars, the amount of U.S. Dollars, and (ii) with respect to amounts denominated in a Foreign Currency, the amount of U.S. Dollars into which such sums could be converted as determined initially by the Borrowers by reference to the Agent's Spot Rate of Exchange as of the applicable date of determination (or such other reasonable method as the Administrative Agent may approve in writing), and subject to verification and revision by the Administrative Agent.

"Duty Deferment Bond" shall mean that certain Duty Deferment Bond issued by First Union National Bank, London Branch for the benefit of H.M. Customs and Excise on behalf of ARL in the original principal amount of Forty Thousand British Pounds Sterling (40,000(pound)), as modified, amended, increased or decreased pursuant to the terms of this Agreement.

"EBITDA" shall mean, as of the date of any determination, the Borrowers' net earnings (or loss) after taxes, plus interest expense, plus all charges against income for foreign, federal, state and local income taxes, plus depreciation expense, plus amortization expense, and with respect to determinations for the four (4) quarters ending September 30, 2001, December 31, 2001, March 31, 2002 and June 30, 2002, plus Twelve Million Five Hundred Two Thousand and No/100 Dollars (\$12,502,000.00) for discontinued operations, all as determined on a consolidated basis in accordance with GAAP.

"Eligible ARL Accounts Receivable" shall mean all Receivables which (a) represent amounts due and owing for products actually delivered or services actually performed or rendered by or on behalf of ARL to or for the benefit of an Account Debtor; (b) have been properly billed by ARL; (c) arise in the ordinary course of ARL's business; (d) are due, owing and not subject to any defense, set-off or counterclaim; (e) are not final invoices; (f) do not represent Deferred Revenue (as defined according to GAAP); and (g) are not otherwise Ineligible Receivables.

"Eligible Assignee" shall mean any Lender, an affiliate of any Lender, a Federal Reserve Bank or any other "Qualified Institutional Buyer", as such term is defined under Rule 144(A), promulgated under the Securities Act of 1933, as amended.

"Eligible Billed Government Accounts Receivable" shall mean all Receivables arising from Government Contracts which (a) represent amounts due and owing for products actually delivered or services actually performed or rendered by or on behalf of a Borrower pursuant to a Government Contract; (b) have been properly billed; (c) arise in the ordinary course of the Borrower's business; (d) are due, owing and not subject to any defense, set-off or counterclaim; (e) are not final invoices; and (f) are not otherwise Ineligible Receivables.

"Eligible Billed Commercial Accounts Receivable" shall mean all Receivables which (a) represent amounts due and owing for products actually delivered or services actually performed or rendered by or on behalf of a Borrower to or for the benefit of an Account Debtor (other than the Government); (b) have been properly billed; (c) arise in the ordinary course of the Borrower's business; (d) are due, owing and not subject to any defense, set-off or counterclaim; (e) are not final invoices; and (f) are not otherwise Ineligible Receivables.

"Eligible Unbilled Government Accounts Receivable" shall mean all Receivables arising from work actually performed by a Borrower pursuant to a Government Contract which (a) are eligible to be billed to the Government in accordance with the applicable Government Contract within thirty (30) days of the "as of" date of the applicable Borrowing Base/Non-Default Certificate (with no additional performance required by any person, and no condition to payment by the Government, other than receipt of an appropriate invoice); (b) have not been billed to the Government solely as a result of timing differences between the date the revenue is recognized on the Borrower's books and the date the invoice is actually rendered; (c) represent revenue recognized on the books of the Borrower not more than ninety (90) days prior to the "as of" date of the applicable Borrowing Base/Non-Default Certificate as it relates to "milestones" (with no additional performance required by any person, and no condition to payment by the Government; i.e., all necessary Government written consents and approvals have been obtained, whether in connection with a required contract modification or otherwise); (d) may, in accordance with GAAP, be included as current assets of the Borrower, even though such amounts have not been billed to the Government; and (e) are not Ineligible Receivables.

"Enterprise Resource Planning Operating Lease" shall mean Schedule 1 of that certain Lease Agreement No. LA-5015 dated December 29, 2000, between the Parent Company and CG Commercial Funding providing for the ERP/People Soft Human Resources and Financial Management System.

"Equipment" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired and wherever located: machinery and equipment, including processing equipment, conveyors, machine tools, data processing and computer equipment, including embedded software and peripheral equipment and all engineering, processing and manufacturing equipment, office machinery, furniture, materials handling equipment, tools, attachments, accessories, automotive equipment, trailers, trucks, forklifts, molds, dies, stamps, motor vehicles, rolling stock and other equipment of every kind and nature, trade fixtures and fixtures not forming a part of real property, together with all additions and accessions thereto, replacements therefor, all parts therefor, all substitutes for any of the foregoing, fuel therefor, and all manuals, drawings, instructions, warranties and rights with respect thereto, and all products and proceeds thereof and condemnation awards and insurance proceeds with respect thereto.

"ERISA" shall have the meaning assigned to such term in Section 5.13(a) of this Agreement.

"Euro" shall mean the single currency to which the Participating Member States of the European Union are or have converted.

"Event of Default" shall have the meaning assigned to such term in Section 9.1 of this Agreement.

"Excess Cash Event" shall mean (i) any sale or disposition of any of the assets of any Borrower which is (a) not in the ordinary course of business; or (b) prohibited by the terms of this Agreement; (ii) the issuance by any Borrower after the date of this Agreement of debt securities or other debt obligations (other than in connection with debt expressly permitted pursuant to Section 7.7 of this Agreement); (iii) the receipt by or on behalf of any Borrower of insurance proceeds (other than recoveries due to damage to property, which recoveries are promptly applied toward repair or replacement of the damaged property, or recoveries for business interruption loss or workers compensation insurance proceeds); (iv) the reversion of any pension plan assets; and/or (v) any other extraordinary cash event resulting in excess cash to a Borrower, including, without limitation, cash proceeds resulting from the issuance of additional equity interests or capital stock by a Borrower (other than the issuance of additional equity interests or capital stock by a Borrower pursuant to an Approved ESOP or an Approved ESPP).

"Facility" or "Facilities" shall mean Facility A, Facility B and/or the Swing Line Facility, individually or collectively, as the context may require.

"Facility A" shall mean the revolving credit facility being extended pursuant to this Agreement on the basis of Eligible Billed Government Accounts Receivable, Eligible Billed Commercial Accounts Receivable, Eligible Unbilled Government Accounts Receivable and Eligible ARL Accounts Receivable, in the maximum principal amount of Sixty-five Million and No/100 Dollars (\$65,000,000.00), with a sub-limit of Ten Million and No/100 Dollars (\$10,000,000.00) for Letters of Credit.

"Facility A Commitment Amount" shall mean Sixty-five Million and No/100 Dollars (\$65,000,000.00), or if such amount shall be reduced pursuant to this Agreement, such lesser amount.

"Facility A Commitment Fee" shall have the meaning assigned to such term in Section 1.7(b) of this Agreement.

"Facility B" shall mean the term loan being extended pursuant to this Agreement, in the original principal amount of Six Million Four Hundred Thousand and No/100 Dollars (\$6,400,000.00).

"Facility B Commitment Amount" shall mean Six Million Four Hundred Thousand and No/100 Dollars (\$6,400,000.00).

"Federal Funds Rate" for any day shall mean the rate per annum (rounded upward to the nearest 1/8 of 1%) determined by the Administrative Agent to be the rate per annum announced by the Federal Reserve Bank of New York (or any successor) on such day as being

the weighted average of the rates on overnight Federal Funds transactions arranged by Federal Funds brokers on the previous trading day, as computed and announced by such Federal Reserve Bank (or any successor) in substantially the same manner as such Federal Reserve Bank computes and announces the weighted average it refers to as the "Federal Funds Effective Rate" as of the date of this Agreement; provided that if such Federal Reserve Bank (or its successor)

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does not announce such rate on any day, the "Federal Funds Effective Rate" for such day shall be the Federal Funds Rate for the last day on which such rate was announced.

"First Source Debt" shall have the meaning assigned to that term in Section 7.7(a) of this Agreement.

"First Source Debt Credit Agreement" shall mean that certain Subordinated Credit Agreement dated as of January 9, 1998 by and among the Parent Company and the other Borrower parties thereto, First Source Financial LLP, as Agent, and the Financial Institutions named therein.

"Fixed Charge Coverage Ratio" shall have the meaning assigned to such term in Section 6.15(b) of this Agreement.

"Foreign Currency" and "Foreign Currencies" shall mean British Pounds Sterling issued by the Bank of England and Euros under the European Monetary Union, individually or collectively as the context may require.

"GAAP" shall mean generally accepted accounting principles.

"General Intangibles" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter created or acquired: all right, title and interest in or under any contract, all "payment intangibles", as defined in the UCC, customer lists, licenses, copyrights, trademarks, patents, and all applications therefor and reissues, extensions or renewals thereof, rights in intellectual property, interests in partnerships, joint ventures and other business associations, licenses, permits, copyrights, trade secrets, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know how, software, data bases, data, skill, expertise, experience, processes, models, drawings, materials and records, goodwill (including the goodwill associated with any trademark or trademark license), all rights and claims in or under insurance policies (including insurance for fire, damage, loss and casualty, whether covering personal property, real property, tangible rights or intangible rights, all liability, life, key man and business interruption insurance, and all unearned premiums), uncertificated securities, choses in action, deposit, checking and other bank accounts, rights to receive tax refunds and other payments, rights to receive dividends, distributions, cash, Instruments and other property in respect of or in exchange for pledged stock and investment property, rights of indemnification, all books and records, correspondence, credit files, invoices and other papers, including without limitation all tapes, cards, computer runs and other papers and documents.

"Goods" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired and wherever located: embedded software to the extent included in "goods" as defined in the UCC,

manufactured homes, standing timber that is cut and removed for sale, "as-extracted collateral" as defined in the UCC, and unborn young of animals.

"Government" shall mean the United States government or any department, instrumentality or agency thereof, and any state government or any department, instrumentality or agency thereof; it being expressly understood and agreed that the District of Columbia is not included within this definition of Government.

"Government Contract Assignments" shall have the meaning assigned to such term in Section 6.11 of this Agreement.

"Government Contracts" shall mean (i) written contracts between any Borrower and the Government; and (ii) written subcontracts between any Borrower and a prime contractor who is providing goods or services to the Government pursuant to a written contract with the Government (the "Prime Contract"), provided that the subcontract relates only to goods or services being provided to the Government pursuant to the Prime Contract.

"GSE" shall mean GSE Systems, Inc., a Delaware corporation.

"Hazardous Substance" shall mean, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances, pollutants or contaminants as defined in CERCLA, HMTA, RCRA or any other applicable environmental law, rule, order or regulation.

"Hazardous Wastes" shall mean, without limitation, all waste materials subject to regulation under CERCLA, RCRA or analogous state law, and/or any other applicable Federal and/or state law now in force or hereafter enacted relating to hazardous waste treatment or disposal.

"Hedging Contracts" shall mean interest rate swap agreements, interest rate cap agreements and interest rate collar agreements, or any other agreements or arrangements entered into between any Borrower and the Administrative Agent or a Lender and designed to protect such Borrower against fluctuations in interest rates or currency exchange rates.

"Hedging Obligations" shall mean all liabilities of any and all Borrowers to the Administrative Agent or a Lender under Hedging Contracts.

"HMTA" shall mean the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801 et seq.)

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"Ineligible Receivables" shall mean Receivables which are (1) evidenced by a promissory note or similar instrument; (2) owed or payable by an Account Debtor pursuant to a Commercial Contract, if payment of fifty percent (50%) or more of the aggregate balance due from such Account Debtor is outstanding for more than ninety (90) days from the date of original invoice; (3) owed or payable by an Account Debtor pursuant to a Government Contract, if the payment of fifty percent (50%) or more of the aggregate balance due from such Account Debtor is outstanding for more than one hundred twenty (120) days from the date of original invoice; (4) owing from any person that is the subject of any (a) suit, lien, levy or judgment which could

reasonably be expected to affect the collectibility of said account(s), or (b) bankruptcy, insolvency or a similar process or proceeding; (5) owing from foreign Account Debtors, unless otherwise deemed eligible by the Lenders in their sole discretion; (6) unbilled as a result of rate variances, retainage provisions, "milestone" requirements or any other reason, except for timing differences expressly permitted under the definition of Eligible Unbilled Government Accounts Receivable; (7) final invoices; or (8) bonded accounts receivable. Additionally, without limiting any other provision of this Agreement, or the discretion of the Administrative Agent or the Lenders to deem Receivables ineligible pursuant to any other provision of this Agreement, it is expressly understood and agreed that if any Borrower (i) has been debarred or suspended by the Government, or been issued a notice of proposed debarment or notice of proposed suspension by the Government; (ii) is the subject of a Government investigation (other than a normal and customary review by the Government) involving or possibly involving fraud, willful misconduct or other wrongdoing, and which could result in criminal liability, liability or expense in excess of Five Hundred Thousand and No/100 Dollars (\$500,000.00), suspension, debarment or any other adverse administrative action; (iii) is a party to any Government Contract which has been actually terminated due to such Borrower's alleged fraud, willful misconduct or any other wrongdoing; (iv) is a party to any Government Contract which has been actually terminated for any other reason whatsoever, which could result in liability or expense in excess of Five Hundred Thousand and No/100 Dollars (\$500,000.00); or (v) has been issued a cure notice or show cause notice under any Government Contract involving amounts in excess of Five Hundred Thousand and No/100 Dollars (\$500,000.00), and has failed to cure the default giving rise to such cure notice or failed to resolve the matter set forth in the show cause notice (a) within the time period available to such Borrower pursuant to such Government Contract and/or such notice, or (b) before the date on which the Government or other contracting party is entitled to exercise its rights and remedies under the Government Contract as a consequence of such default or matter set forth in the show cause notice, then in any such event, any and all Receivables of such Borrower may, in the sole but reasonable discretion of the Administrative Agent, be deemed and treated by the Lenders as Ineligible Receivables.

"Instrument" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired and wherever located: all certificates of deposit, and all "promissory notes", as defined in the UCC, and other evidences of indebtedness, other than instruments that constitute, or are a part of a group of writings that constitute, Chattel Paper.

"Interest Expense" shall mean, as of the date of any determination, the Borrowers' aggregate cash interest expense for borrowed money (including, without limitation, premiums and interest expense arising from or relating to interest rate protection agreements and original issue discounts), plus the amount of all other interest due (whether paid or not paid) on any indebtedness of each Borrower for the applicable measurement period, all as determined on a consolidated basis in accordance with GAAP.

"Interest Payment Date" shall mean, relative to any LIBOR Rate Loan having an Interest Period of three months or less, the last Business Day of such Interest Period, and as to any LIBOR Rate Loan having an Interest Period longer than three months, each Business Day which is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period.

"Interest Period" shall mean, relative to any LIBOR Rate Loans, (i) initially, the period beginning on (and including) the date on which such LIBOR Rate Loan is made or continued as, or converted into, a LIBOR Rate Loan pursuant to this Agreement (including, without limitation, Exhibit 3 hereto) and the

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Notes and ending on (but excluding) the day which numerically corresponds to such date one, three or six months thereafter (or, if such month has no numerically corresponding day, on the last Business Day of such month), in each case as the Borrower may select in its notice pursuant to this Agreement (including, without limitation, Exhibit 3 hereto) and the Notes; and (ii)

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thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such LIBOR Rate Loan and ending one, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Bank not less than two (2) Business Days prior to the last day of the then current Interest Period with respect thereto.

"Inventory" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired and wherever located: all inventory, merchandise, goods and other personal property for sale or lease or are furnished or are to be furnished under a contract of service, or that constitute raw materials, work in process, finished goods, returned goods, or materials or supplies of any kind, nature or description used or consumed or to be used or consumed or in the processing, production, packaging, promotion, delivery or shipping of the same, including all supplies and embedded software.

"Investment Property" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired: (a) all securities, whether certificated or uncertificated, including stocks, bonds, interests in limited liability companies, partnership interests, treasuries, certificates of deposit, and mutual fund shares; (b) all Securities Entitlements, including the rights to any securities account and the financial assets held by a securities intermediary in such securities account and any free credit balance or other money owing by any securities intermediary with respect to that account; (c) all securities accounts; (d) all commodity contracts; and (e) all commodity accounts.

"Joinder Agreement" shall have the meaning assigned to such term in Section 1.10 of this Agreement.

"Lender" and "Lenders" shall mean, respectively, each and all of the banking or financial institutions which have (i) extended credit to the Borrowers pursuant to this Agreement, and/or (ii) agreed in writing to be bound by the terms and provisions of this Agreement.

"Letter of Credit" and "Letters of Credit" shall mean, respectively, each and all of the standby letters of credit issued pursuant to this Agreement.

"Letter of Credit Application" shall have the meaning assigned to such term in Section 2.1 of this Agreement.

"Letter of Credit Administration Fee" shall have the meaning assigned to such term in Section 2.3 of this Agreement.

"Letter of Credit Fee" shall have the meaning assigned to such term in Section 2.3 of this Agreement.

"Letter of Credit Rights" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired: any right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance, but specifically excludes any right of a beneficiary to demand payment or performance under a letter of credit.

"LIBOR" or "LIBOR Rate" shall mean relative to any Interest Period for LIBOR Rate Loans, the offered rate for deposits of U.S. Dollars in an amount approximately equal to the amount of the requested LIBOR Rate Loan for a term coextensive with the designated Interest Period which the British Bankers' Association fixes as its LIBOR rate and which appears on the Telerate Page 3750 as of 11:00 a.m. London time on the day which is two London Banking Days prior to the beginning of such Interest Period.

"LIBOR Election Form and Certification" shall mean the form attached as Exhibit 2 hereto.

"LIBOR Rate Loan" shall mean any loan or advance, the rate of interest applicable to which is based upon the LIBOR Rate.

"LIBOR Lending Rate" shall mean, relative to any LIBOR Rate Loan to be made, continued or maintained as, or converted into, a LIBOR Rate Loan for any Interest Period, a rate per annum determined pursuant to the following formula:

$$\text{LIBOR Lending Rate} = \frac{\text{LIBOR Rate}}{(1.00 - \text{LIBOR Reserve Percentage})}$$

"LIBOR Reserve Percentage" shall mean, relative to any day of any Interest Period for LIBOR Rate Loans, the maximum aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements (including all basic, emergency, supplemental, marginal and other reserves and taking into account any transitional adjustments or other scheduled changes in reserve requirements) under any regulations of the Board of Governors of the Federal Reserve System (the "Board") or other governmental authority having jurisdiction with respect thereto as issued from time to time and then applicable to assets or liabilities consisting of "Eurocurrency Liabilities", as currently defined in Regulation D of the Board, having a term approximately equal or comparable to such Interest Period.

"Loan" shall mean the loans made by the Lenders to the Borrowers in the aggregate maximum principal amount of Seventy-one Million Four Hundred Thousand and No/100 Dollars (\$71,400,000.00), or so much thereof as shall be advanced or readvanced from time to time, which are represented by the Facilities, and which shall be evidenced by, bear interest and be payable in accordance with the terms and provisions set forth in the Notes.

"Loan Document" and "Loan Documents" shall mean, respectively, each and all of this Agreement, the Notes, the Stock Security Agreements and each other document, instrument, agreement or certificate heretofore, now or hereafter executed and delivered by any Borrower in connection with the Loan.

"London Banking Day" shall mean a day on which dealings in US dollar deposits are transacted in the London interbank market.

"Mandatory Payments" shall mean the mandatory payments required to be made on the Loan pursuant to Section 1.5 of this Agreement.

"ManTech Europe" shall have the meaning assigned to such term in Section 3.1 of this Agreement.

"Material Contract" shall mean any and all Government Contracts and/or other contracts or agreements of any Borrower(s) involving amounts, in the aggregate, in excess of the Dollar Equivalent Amount of Five Million and No/100 Dollars (\$5,000,000.00).

"Maturity Date" shall mean December 31, 2004 or such other date as may be agreed to by the Administrative Agent, the Lenders and the Borrowers in writing.

"Maximum Borrowing Base" shall have the meaning assigned to such term in Section 1.3 of this Agreement.

"Net Cash" shall mean cash proceeds (net of cash taxes paid and reasonable and customary costs paid to unrelated and unaffiliated third parties in connection with a particular transaction) arising from any Excess Cash Event.

"Note" and "Notes" shall mean, respectively, each and all of the promissory notes executed, issued and delivered pursuant to this Agreement, together with all extensions, renewals, modifications, replacements and substitutions thereof and therefor.

"NSI" shall mean NSI Technology Services Corporation, a California corporation, together with its successors and assigns.

"Obligation" and "Obligations" shall mean, respectively, any and all obligations or liabilities of any Borrower to any Lender or any Agent in connection with the Loan, whether now existing or hereafter created or arising, direct or indirect, matured or unmatured, and whether absolute or contingent, joint, several or joint and several, and no matter how the same may be evidenced or shall arise.

"Ordinary Course Payments" shall mean payments made directly by a Borrower to any non-Borrower subsidiary or affiliate; provided that that such payments are made (i) in the ordinary course of such Borrower's business, (ii) for products actually delivered or services actually performed, and (iii) pursuant to an "arm's length" transaction (i.e., a transaction that would otherwise be made with an unrelated and unaffiliated third party).

"Parent Company" shall mean ManTech International Corporation, a New Jersey corporation, together with its successors and assigns.

"Pedersen" shall mean George J. Pedersen, during his life as long as he is legally competent, and thereafter Marilyn Pedersen during her life as long as she is legally competent, and thereafter the Pedersen Family Trust.

"Pedersen Entity" shall mean any entity in which Pedersen owns and holds at least fifty-one percent (51%) of the voting stock (and has both majority and effective control).

"Pension Plan" or "Pension Plans" shall have the meaning assigned to such term in Section 5.13(a) of this Agreement.

"Percentage" shall mean with respect to each Lender, the percentage set forth below such Lender's name on Schedule 1 to this Agreement in respect of the -----  
Commitment Amount, the Facility A Commitment Amount, the Facility B Commitment Amount and/or the Swing Line Commitment Amount (as the context may require), as the same may be modified or amended from time to time.

"Permitted Liens" shall mean: (a) liens for taxes which are being contested in good faith and by appropriate proceedings, which (i) the Borrower has the financial ability to pay, including penalties and interest, and (ii) the non-payment thereof will not result in the execution of any such tax lien or otherwise jeopardize the interests of the Administrative Agent and/or the Lenders in any part of the Collateral; (b) deposits or pledges to secure obligations under workers' compensation, social security or similar laws, incurred in the ordinary course of business; (c) liens securing indebtedness of the Borrowers permitted by Section 7.7 of this Agreement; (d) cash deposits pledged to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), leases, statutory obligations, surety and appeal bonds and other obligations of like nature made in the ordinary course of business; (e) mechanics', workmen's, repairmen's, warehousemen's, vendors' or carriers' liens or other similar liens; provided that such liens arise in the ordinary course of the Borrowers' business and secure sums which are not past due, or which are separately secured by cash deposits or pledges in an amount adequate to obtain the release of such liens; (f) except as otherwise provided in this Agreement, statutory or contractual landlord's liens on the Borrower's tangible personal property located in the demised premises; (g) zoning or other similar and customary land use restrictions, which do not materially impair the use or value of the subject property; (h) judgment liens which are not prohibited by Section 7.4 of this Agreement; (i) other liens expressly permitted by the terms and provisions of this Agreement; and (j) liens in favor of the Administrative Agent.

"Permitted Offering" shall have the meaning assigned to that term in Section 1.5 of this Agreement.

"PNC" shall mean PNC Bank, National Association, a national banking association, acting individually, together with its successors and assigns.

"Praxa" shall mean Praxa Limited, a company organized and existing under the laws of the Commonwealth of Australia.

"Prime Rate" shall mean the rate of interest from time to time established and publicly announced by Citizens Bank as its prime rate, in Citizens Bank's sole discretion, which rate of interest may be greater or less than other interest rates charged by Citizens Bank to other borrowers and is not solely based or dependent upon the interest rate which Citizens Bank may charge any particular borrower or class of borrowers.

"Proceeds" shall have the meaning assigned to that term under the UCC or under other applicable law, and, in any event, shall include, but shall not be limited to, any and all of the following, whether now owned or hereafter acquired: (i) any and all proceeds of, or amounts (in any form whatsoever, whether cash, securities, property or other assets) received under or

with respect to, any insurance, indemnity, warranty or guaranty payable from time to time, and claims for insurance, indemnity, warranty or guaranty effected or held with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever, whether cash, securities, property or other assets) made or due and payable from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority), (iii) any claim against third parties (a) for past, present or future infringement of any patent or patent license, or (b) for past, present or future infringement or dilution of any copyright, copyright license, trademark or trademark license, or for injury to the goodwill associated with any trademark or trademark license, (iv) any recoveries against third parties with respect to any litigation or dispute concerning any of the Collateral including claims arising out of the loss or nonconformity of, interference with the use of, defects in, or infringement of rights in, or damage to, Collateral, (v) all amounts collected on, or distributed on account of, other Collateral, including dividends, interest, distributions and Instruments with respect to Investment Property and pledged stock, and (vi) any and all other amounts (in any form whatsoever, whether cash, securities, property or other assets) from time to time paid or payable under or in connection with any of the Collateral (whether or not in connection with the sale, lease, license, exchange or other disposition of the Collateral).

"RCRA" shall mean the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901 et. seq.).

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"Receivables" shall mean all of the Borrowers' present and future accounts, contracts, contract rights, chattel paper, general intangibles, notes, drafts, acceptances, chattel mortgages, conditional sale contracts, bailment leases, security agreements, contribution rights and other forms of obligations now or hereafter arising out of or acquired in the course of or in connection with any business the Borrowers conduct, together with all liens, guaranties, securities, rights, remedies and privileges pertaining to any of the foregoing, whether now existing or hereafter created or arising, and all rights with respect to returned and repossessed items of inventory.

"Request for Advance and Certification" shall mean the form Request for Advance and Certification attached as Exhibit 1 hereto.

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"Required Lenders" shall mean all of the Lenders who at any given time, are not in default under or in breach of any of the terms and conditions of this Agreement applicable to such Lender, and who hold Notes or participation interests representing, in the aggregate, at least fifty-one percent (51%) of the aggregate Commitment Amount (excluding the Swing Line Commitment Amount).

"Restructuring Fee" shall have the meaning assigned to such term in Section 1.7(a) of this Agreement.

"Revolver Notes" shall mean each and all of the promissory notes executed, issued and delivered pursuant to this Agreement in connection with Facility A, together with all extensions, renewals, modifications, replacements and substitutions thereof and therefor.

"Security Entitlements" shall have the meaning to that term under the UCC, and shall include any and all Security Entitlements whether now owned or hereafter created or acquired.

"Stock Security Agreements" shall mean each and all of the following documents, instruments and agreements: (a) Stock Security Agreement dated the date hereof, by and between the Parent Company and the Administrative Agent, (b) MAI Stock Security Agreement dated the date hereof between the Administrative Agent and ManTech Australia International, Inc., (c) ManTech U.K. Systems Corporation Stock Security Agreement dated the date hereof, between the Administrative Agent and ManTech U.K. Systems Corporation, (d) any and all stock security agreements now or hereafter executed and delivered by a Borrower as security for repayment of the Loan, and (e) any and all amendments and/or modifications of any of the foregoing stock security agreements.

"Supporting Obligations" shall have the meaning assigned to that term under the UCC, and shall include any and all of the following, whether now owned or hereafter acquired: any and all letter of credit rights or secondary obligations that support the payment or performance of an Account, Chattel Paper, Document, General Intangible, Instrument or Investment Property.

"Swing Line Commitment" shall mean the Swing Line Lender's obligation to make Swing Line Loans to the Borrowers in the aggregate principal amount not to exceed Ten Million and No/100 Dollars (\$10,000,000.00).

"Swing Line Commitment Amount" shall mean Ten Million and No/100 Dollars (\$10,000,000.00).

"Swing Line Commitment Period" shall mean the period commencing on the Closing Date and ending on the Swing Line Termination Date.

"Swing Line Facility" shall mean the swing line credit facility being extended pursuant to this Agreement, in the original maximum principal amount equal to the Swing Line Commitment Amount.

"Swing Line Lender" shall mean Citizens Bank.

"Swing Line Loan" or "Swing Line Loans" shall have the meaning attributed to such term in Section 1.1(b) of this Agreement.

"Swing Line Note" shall mean that certain Swing Line Promissory Note of even date herewith, made by the Borrowers and payable to the order of the Swing Line Lender, in the maximum principal amount of Ten Million and No/100 Dollars (\$10,000,000.00) or so much thereof as shall be advanced, together with all extensions, renewals, modifications, replacements and substitutions thereof or therefor.

"Swing Line Outstandings" shall mean, as of any date of determination, the aggregate principal amount of all Swing Line Loans then outstanding.

"Swing Line Termination Date" shall mean the fifth (5/th/) Business Day prior to the Maturity Date, or such earlier date on which the Swing Line Lender has elected, in its sole and absolute discretion, to terminate the Swing Line Facility.

"Total Debt" shall mean the actual amount of borrowed money (including, without limitation, subordinated debt, capital leases and synthetic leases that remain unpaid or outstanding as of the date of any determination), plus the aggregate amount of any and all financial guarantees and the face amount of any and all outstanding letters of credit, less cash-on-hand; it being understood and agreed that trade debt incurred in the ordinary course of the Borrower's business shall not be included in the computation of Total Debt.

"UCC" shall mean the Uniform Commercial Code as the same may, from time to time, be enacted and in effect in the Commonwealth of Virginia; provided,

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that to the extent that the UCC is used to define any term herein and such term is defined differently in different Articles or Divisions of the UCC, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of

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law, any or all of the attachment, perfection or priority of, or remedies with respect to, the Administrative Agent's lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the Commonwealth of Virginia, the term "UCC" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

"Vobix" shall mean Vobix Corporation, a Virginia corporation.

ARTICLE 1  
COMMITMENT

1.1. Maximum Loan Amount.  
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(a) Subject to the terms and conditions of this Agreement, (i) each Lender severally agrees to make the Loan to the Borrowers (except for the Swing Line Loan, which shall be extended only by the Swing Line Lender), with the maximum amount of each Lender's obligation being equal to the Lender's Percentage of the Commitment Amount; and (ii) as set forth more fully in Section 1.1(b) below, the Swing Line Lender will make the Swing Line Loan to the Borrowers. The Loan, including the Swing Line Loan, shall bear interest and be payable in accordance with the terms and provisions of and be initially evidenced by nine (9) promissory notes, four (4) of which shall evidence Facility A, four (4) of which shall evidence Facility B and one (1) of which shall evidence the Swing Line Facility. Concurrent with the Borrowers' execution of this Agreement, (a) Citizens Bank shall receive a revolving promissory note in the maximum principal amount of Twenty-four Million Three Hundred Seventy-five Thousand and No/100 Dollars (\$24,375,000.00) or so much thereof as shall be advanced or readvanced, a term promissory note in the original principal amount of Two Million Four Hundred Thousand and No/100 Dollars (\$2,400,000.00) and the Swing Line Note, (b) PNC shall receive a revolving promissory note in the maximum principal amount of Sixteen Million Two Hundred Fifty Thousand and No/100 Dollars (\$16,250,000.00) or so much thereof as shall be advanced or readvanced, and a term promissory note in the original principal amount of One Million Six

Hundred Thousand and No/100 Dollars (\$1,600,000.00), (c) BB&T shall receive a revolving promissory note in the maximum principal amount of Twelve Million Five Hundred Seventeen Thousand Five Hundred Seven and No/100 Dollars (\$12,517,507.00) or so much thereof as shall be advanced or readvanced, and a term promissory note in the original principal amount of One Million Two Hundred Thirty-two Thousand Four Hundred Ninety-three and No/100 Dollars (\$1,232,493.00), and (d) Chevy Chase shall receive a revolving promissory note in the maximum principal amount of Eleven Million Eight Hundred Fifty-seven Thousand Four Hundred Ninety-three and No/100 Dollars (\$11,857,493.00) or so much thereof as shall be advanced or readvanced, and a term promissory note in the original principal amount of One Million One Hundred Sixty-seven Thousand Five Hundred Seven and No/100 Dollars (\$1,167,507.00);

(b) Subject to the terms and conditions of this Agreement, the Swing Line Lender shall make swing line loans (each, a "Swing Line Loan" and collectively, the "Swing Line Loans") to the Borrowers from time to time during the Swing Line Commitment Period, in the aggregate principal amount at any one time outstanding not to exceed Ten Million and No/100 Dollars (\$10,000,000.00); provided, however, that at no time may the aggregate outstanding principal amount of the Swing Line Loans, plus the aggregate outstanding principal amount of Facility A (including the aggregate face amount of all Letters of Credit outstanding), plus the Dollar Equivalent Amount of the Duty Deferment Bond exceed the lesser of the Facility A Commitment Amount, and the applicable Maximum Borrowing Base. During the Swing Line Commitment Period, the Borrowers may use the Swing Line Commitment by borrowing, repaying Swing Line Loans in whole or in part, and reborrowing, all in accordance with the terms of this Agreement. At the request of the Swing Line Lender, the Administrative Agent may, at any time, on behalf of the Borrowers (which hereby irrevocably direct the Administrative Agent to act on their behalf) request each Lender having a Percentage of Facility A, including the Swing Line Lender, to make, and each such Lender, including the Swing Line Lender, shall make an advance under Facility A, in an amount equal to such Lender's Percentage of Facility A, of the amount of the Swing Line Outstandings as of the date such request is made. In such event, each such Lender shall make the requested proceeds available to the Administrative Agent for the account of the Swing Line Lender in accordance with the funding provisions set forth in this Agreement. The proceeds of Facility A advanced pursuant to this Section 1.1(b) shall be immediately applied to repay the Swing Line Outstandings.

1.2. Use of Proceeds. The Loan shall be used by the Borrowers only for

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the following purposes: (i) to refinance certain existing indebtedness of the Borrowers; and (ii) for working capital and general corporate needs. Each Borrower agrees that it will not use or permit the Loan proceeds to be used for any other purpose without the prior written consent of the Administrative Agent.

1.3. Borrowing Base and Maximum Advances. Notwithstanding any term or

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provision of this Agreement or any other Loan Document to the contrary, it is understood and agreed that in no event whatsoever shall the Lenders be obligated to advance any amount or issue any Letters of Credit hereunder if such advance or the issuance of such Letter of Credit would cause the aggregate amount of outstanding Loans (including Swing Line Outstandings), plus the face amount of all outstanding Letters of Credit, plus the Dollar Equivalent Amount of the Duty Deferment Bond, to exceed the following amounts:

(a) as to Facility A, the lesser of:

- (i) the Facility A Commitment Amount; or
- (ii) the aggregate of (the "Maximum Borrowing Base"):
  - A. Ninety percent (90%) of Eligible Billed Government Accounts Receivable, which are outstanding less than one hundred twenty-one (121) days from the date of original invoice; plus
  - B. Eighty-five percent (85%) of Eligible Billed Commercial Accounts Receivable, which are outstanding less than ninety-one (91) days from the date of original invoice; plus
  - C. the lesser of (I) Ten Million Dollars (\$10,000,000), or (II) fifty percent (50%) of Eligible Unbilled Government Accounts Receivable; plus
  - D. the lesser of (I) sixty percent (60%) of the Dollar Equivalent Amount of Eligible ARL Receivables which are outstanding less than ninety-one (91) days from the date of original invoice; or (II) One Million and No/100 Dollars (\$1,000,000.00).

Notwithstanding anything to the contrary set forth herein, it is expressly understood and agreed that in no event whatsoever shall the aggregate Dollar Equivalent Amount of outstanding loans to ARL and Vobix at any time exceed Six Million and No/100 Dollars (\$6,000,000.00) and Ten Million and No/100 Dollars (\$10,000,000.00), respectively.

(b) as to Facility B, the Facility B Commitment Amount; and

(c) as to the Swing Line Facility, the lesser of the Swing Line Facility Commitment Amount or the Maximum Borrowing Base.

All determinations regarding eligibility shall be made by the Lenders. Determinations regarding eligibility of billed and unbilled Receivables shall be made in the reasonable discretion of the Administrative Agent; provided, however, that in the event of any dispute or disagreement as to whether an unbilled Receivable is, or has ceased to be, eligible pursuant to the terms of this Agreement, the decision of the Administrative Agent in the exercise of its sole and absolute discretion shall control.

If at any time the outstanding principal balance of Facility A (including the maximum aggregate face amount of all outstanding Letters of Credit, plus Swing Line Outstandings, plus the Dollar

Equivalent Amount of the Duty Deferment Bond) exceeds the Maximum Borrowing Base (such excess being referred to herein as a "Borrowing Base Deficiency"), the Borrowers shall immediately make a principal payment in the amount of the Borrowing Base Deficiency; it being expressly understood and agreed that, for purposes of calculating the Maximum Borrowing Base with respect to Eligible ARL Accounts Receivable and the Duty Deferment Bond, the Dollar Equivalent Amount shall be determined as of the date of the applicable Borrowing Base/Non-Default Certificate.

1.4. Advances.

(a) Agreement to Advance and Readvance; Procedure. So long as no

Event of Default shall have occurred and be continuing, and no act, event or condition shall have occurred and be continuing which with notice or the lapse of time, or both, shall constitute an Event of Default, and subject to the terms and provisions of this Agreement, the Lenders (and the Swing Line Lender, as the case may be) shall (i) advance and readvance the proceeds of Facility A and the proceeds of the Swing Line Facility from time to time in accordance with this Agreement; and (ii) advance the proceeds of Facility B to the Borrowers upon the Borrowers' execution and delivery of this Agreement and all other documents, instruments and agreements required by the Lenders in connection herewith. Requests for advances with respect to Facility A shall be in the form of Exhibit

1 hereto, and requests for advances with respect to the Swing Line Facility

shall be in the form of Exhibit 1(a) hereto. Requests for advances of Loan

proceeds with respect to Facility A and the Swing Line Facility may be made via facsimile on any given Business Day if the Borrowers provide the Administrative Agent, in advance, with a written list of the names of the specific officers authorized to request disbursements by facsimile. Upon request by the Administrative Agent, the Borrowers shall confirm in an original writing each facsimile request for advance made by any Borrower. Notwithstanding the foregoing, (a) the Lenders shall have no obligation to make any advance with respect to Facility A after the Maturity Date; and (b) the Swing Line Lender shall have no obligation to make any advance with respect to the Swing Line Facility after the Swing Line Termination Date.

(b) Interest Rate Election; Certain Advance Procedures and Limits.

Amounts advanced in connection with the Loan shall bear interest either on a Base Rate basis or LIBOR basis, as more fully set forth in the Notes in the exhibits attached to this Agreement, except that the Swing Line Loans shall only be made available to the Borrowers on a Base Rate basis. Advances bearing interest on a Base Rate basis shall be in minimum and incremental amounts of One Hundred Thousand Dollars (\$100,000.00), and shall be made available on a same-day basis, if requested by 12:00 Noon Washington, D.C. time on a Business Day. Advances bearing interest on a LIBOR basis shall also be in minimum and incremental amounts of One Hundred Thousand Dollars (\$100,000.00), and shall be made available not less than two (2) Business Days nor more than five (5) Business Days after request therefor. The Borrowers' right to request LIBOR based interest, as well as certain additional terms, conditions and requirements relating thereto, are set forth in the Notes and in the exhibits attached to this Agreement, and each Borrower expressly acknowledges and consents to such additional terms and provisions.

1.5. Additional Mandatory Payments; Reduction of Commitment. In

addition to all other sums payable by the Borrowers pursuant to any of the Notes, this Agreement or any other Loan Document, the Borrowers shall also make mandatory payments on the Notes (applied

first to amounts outstanding under Facility B, then to Swing Line Outstandings (if any), and then to amounts outstanding under Facility A, as provided herein below), upon the occurrence of any Excess Cash Event. Notwithstanding the foregoing, no mandatory payment shall be due and payable unless the Net Cash arising from any Excess Cash Event occurring in any fiscal year, when aggregated with all other Excess Cash Events occurring during fiscal year, exceeds the Annual Excess Cash Limitation, in which event the amount of such mandatory payment shall be equal to the amount by which the Net Cash arising from such Excess Cash Event exceeds the Annual Excess Cash Limitation. In the event any payment(s) made or required to be made by the Borrowers pursuant to this Section 1.5 shall be applied to Facility A (i.e., all amounts outstanding under Facility B and Swing Line Outstandings (if any) shall have been paid and satisfied in full), the Facility A Commitment Amount shall be reduced by an amount equal to such payment; provided, however, that no such reduction in the Facility A Commitment Amount shall occur until the aggregate amount of such mandatory payments during any fiscal year exceeds Two Million and No/100 Dollars (\$2,000,000.00) or the aggregate amount of such mandatory payments during the loan term exceeds Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00), whichever occurs first, in which event the Facility A Commitment Amount shall only be reduced to the extent the aggregate amount of such mandatory payments during such fiscal year exceeds Two Million and No/100 Dollars (\$2,000,000.00) or to the extent the amount of such mandatory payments during the loan term exceeds Five Million Five Hundred Thousand and No/100 Dollars (\$5,500,000.00), as applicable. Furthermore, in the event that any Borrower issues additional equity interests or capital stock in accordance with Section 7.1(a) of this Agreement (a "Permitted Offering") and the Net Cash thereof shall have been used to pay and satisfy in full all amounts outstanding under Facility B and Swing Line Outstandings (if any), then so long as no Event of Default shall have occurred and be continuing beyond any applicable notice and cure period (i) any remaining Net Cash of the Permitted Offering may be used by the Borrowers to repay the First Source Debt in full before having to apply remaining Net Cash of the Permitted Offering to amounts outstanding under Facility A, (ii) the Borrowers shall not be obligated to make any mandatory payment on amounts then outstanding under Facility A unless, at the time of the Permitted Offering, the then outstanding principal balance of Facility A exceeds Twenty-five Million and No/100 Dollars (\$25,000,000.00), in which event the mandatory payment shall be in an amount equal to such excess, and (iii) to the extent any remaining Net Cash of the Permitted Offering shall be applied to amounts outstanding under Facility A pursuant to this Section 1.5, no such reduction in the Facility A Commitment Amount shall be required.

1.6. Field Audits. The Administrative Agent has the right at any time

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and in its sole discretion to conduct field audits with respect to the Collateral and each Borrower's accounts receivable, inventory, business and operations. All field audits shall be at the cost and expense of the Borrowers; it being understood and agreed that, in the absence of an Event of Default, the Borrowers' maximum liability for field audit costs and expenses shall be limited to the costs and expenses of only one (1) field audit conducted during any twelve (12) month period (unless the Administrative Agent shall conduct a field audit pursuant to Section 1.10 of this Agreement in connection with the joinder of a new "Borrower" hereunder, in which event the Borrowers shall be liable for the costs and expenses of such field audit as well). Any and all field audits conducted following an Event of Default shall be at the Borrowers' cost and expense, with the foregoing limitation on maximum costs and expense being inapplicable.

1.7. Certain Fees. In addition to principal, interest and other sums

payable under the Notes, the Borrowers shall pay the following fees:

(a) Restructuring Fee. Simultaneously with the execution of this

Agreement, the Borrowers shall pay to the Administrative Agent, for the benefit of all Lenders pro-rata based on each Lender's Percentage, a Loan restructuring fee (the "Restructuring Fee") in the aggregate amount of Three Hundred Fifty-seven Thousand and No/100 Dollars (\$357,000.00).

(b) Commitment Fee. So long as any amounts remain outstanding in

connection with the Facility, or the Lenders have any obligation to make any advance in connection therewith, the Borrowers agree to pay to the Administrative Agent for the benefit of all Lenders pro-rata based on each Lender's Percentage, a quarter-annual commitment fee (the "Facility A Commitment Fee"), at the annual rate corresponding to the Borrower's Total Debt to EBITDA ratio for the immediately preceding quarter, as set forth on Exhibit 9 hereto,

calculated on the difference between (i) the Facility A Commitment Amount, and (ii) the sum of the average daily outstanding principal balance of Facility A and the Swing Line Facility during the applicable quarter, plus the aggregate face amount of all outstanding Letters of Credit during the applicable quarter, plus the Dollar Equivalent of the Duty Deferment Bond (determined as of the date of the most recently submitted Borrowing Base/Non-Default Certificate). The Facility A Commitment Fee shall be calculated on the basis of the actual number of days elapsed and a three hundred sixty (360) day year, shall be due for any quarter during which the Lenders have any obligation in connection with the Facility, and shall be payable in arrears, commencing on December 31, 2001 and continuing on the last Business Day of every third (3rd) calendar month thereafter for so long as this Agreement remains in effect.

(c) Administrative Agent Fee. The Borrowers shall pay to the

Administrative Agent, for its own account, a loan administration fee (the "Administration Fee"), in the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) per annum. The Administration Fee shall be due and payable in full on the date of this Agreement and on each anniversary of the date of this Agreement.

(d) Letter of Credit Fees. The Borrowers shall pay any and all

Letter of Credit fees as and when such fees become due and payable pursuant to this Agreement.

(e) Out-of-Pocket Fees and Expenses. The Borrowers shall be liable

for and shall timely pay all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and expenses of counsel for the Administrative Agent, and of other special and local counsel and other experts, if any, engaged by the Administrative Agent) from time to time incurred by the Administrative Agent in connection with the administration of, preservation of rights in and enforcement of this Agreement, the other Loan Documents and the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, the Borrowers shall be liable for all reasonable out-of-pocket costs and expenses associated with any and all amendments, waivers and/or consents relating to any of the Facilities.

1.8. Intentionally Omitted.

1.9. Appointment of the Parent Company. Each Borrower acknowledges that

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(i) the Lenders have agreed to extend credit to each of the Borrowers on an integrated basis for the purposes herein set forth; (ii) it is receiving direct and/or indirect benefits from each such extension of credit; and (iii) the obligations of the "Borrower" or "Borrowers" under this Agreement are the joint and several obligations of each Borrower. To facilitate the administration of the Loan, each Borrower hereby irrevocably appoints the Parent Company as its true and lawful agent and attorney-in-fact with full power and authority to execute, deliver and acknowledge on such Borrower's behalf, each Request for Advance and Certification, Borrowing Base/Non-Default Certificate and all other Loan Documents or other materials provided or to be provided to any of the Agents or Lenders pursuant to this Agreement or in connection with the Loan. This power-of-attorney is coupled with an interest and cannot be revoked, modified or amended without the prior written consent of the Administrative Agent. Upon request of the Administrative Agent, each Borrower shall execute, acknowledge and deliver to the Administrative Agent a form Power of Attorney confirming and restating the power-of-attorney granted herein.

1.10. Joinder of New Subsidiaries and Affiliates. Any present or future

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subsidiary of any Borrower in which such Borrower now or hereafter owns, directly or indirectly, an ownership interest of greater than fifty percent (50%) shall, unless waived in writing by the Administrative Agent, execute and deliver to the Administrative Agent (a) a Joinder Agreement in the form attached hereto as Exhibit 6 (a "Joinder Agreement"), pursuant to which such subsidiary

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or affiliate shall (i) join in and become a party to this Agreement and the other Loan Documents; (ii) agree to comply with and be bound by the terms and conditions of this Agreement and all of the other Loan Documents; and (iii) become a "Borrower" and thereafter be jointly and severally liable for the performance of all the past, present and future obligations and liabilities of the Borrowers hereunder and under the Loan Documents; and (b) such other documents, instruments and agreements as may be reasonably required by the Administrative Agent in connection therewith (including, without limitation, an opinion of counsel), in form and substance acceptable to the Administrative Agent in all respects. The Borrowers acknowledge and agree that the Administrative Agent shall have the right, at the Borrowers' cost and expense, to perform a field audit of the accounts receivable, inventory, business and operations of any present or future subsidiary or affiliate proposed to be joined as a "Borrower" hereunder.

ARTICLE 2  
LETTERS OF CREDIT

2.1. Issuance. The Borrowers and Lenders acknowledge that from time to

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time the Borrowers may request that Citizens Bank issue or amend Letter(s) of Credit. Subject to the terms and conditions of this Agreement, and any other reasonable requirements for letters of credit normally and customarily imposed by Citizens Bank, Citizens Bank agrees to issue such requested letters of credit, provided that no Event of Default has occurred and is continuing, and no act, event or condition which with notice or the passage of time, or both, would constitute an Event of Default has occurred and is continuing. If any such Letter(s) of Credit are issued by Citizens Bank, each of the Lenders shall purchase from Citizens Bank a risk participation with respect to such Letter(s) of Credit in an amount equal to such Lender's Percentage of such Letter(s) of Credit. Citizens Bank shall have no obligation to issue any Letter of Credit which

has an expiration date beyond the Maturity Date, unless the Borrowers shall have deposited with the Administrative Agent, concurrent with the issuance of any such Letter of Credit, cash security therefor in an amount equal to the face amount of the Letter of Credit. Any request for a Letter of Credit shall be made by a Borrower submitting to the Administrative Agent an Application and Agreement for Letter of Credit or Amendment to Letter of Credit (each being herein referred to as a "Letter of Credit Application") on Citizens Bank's standard form, at least three (3) Business Days prior to the date on which the issuance or amendment of the Letter of Credit shall be required, which Letter of Credit Application shall be executed by an authorized officer of a Borrower, and be accompanied by such other supporting documentation and information as the Administrative Agent may from time to time reasonably request. Each Letter of Credit Application shall be deemed to govern the terms of issuance of the subject Letter of Credit, except to the extent inconsistent with the terms of this Agreement. It is understood and agreed that Letters of Credit shall not be issued for durations of longer than one (1) year. Any outstanding Letter of Credit may be renewed from time to time; provided that (i) at least sixty (60) days' prior written notice thereof shall have been given by the Borrower to the Administrative Agent; and (ii) no default or Event of Default exists under the terms and provisions of the particular Letter of Credit or this Agreement. Letters of Credit issued pursuant to this Agreement may be issued in U.S. Dollars, Australian Dollars or such other foreign currency as the Administrative Agent may approve.

2.2. Amounts Advanced Pursuant to Letters of Credit. Upon the issuance

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of any Letter(s) of Credit (i) any amounts drawn under any Letter of Credit shall be deemed advanced ratably under the Revolver Notes, shall bear interest and be payable in accordance with the terms of the Revolver Notes and shall be secured by the Collateral (in the same manner as all other sums advanced under the Revolver Notes); and (ii) each Lender shall purchase from Citizens Bank such risk participations in the Letter(s) of Credit as shall be necessary to cause each Lender to share the funding obligations with respect thereto ratably in accordance with its particular Percentage. It is expressly understood and agreed that all obligations and liabilities of the Borrowers to Citizens Bank in connection with any such Letter(s) of Credit shall be deemed to be "Obligations," and the Administrative Agent shall not be required to release its security interest in the Collateral until (i) all Notes and all other sums due to the Lenders in connection with the Loan have been paid and satisfied in full, (ii) all Letters of Credit have been canceled or expired, and (iii) no Lender has any further obligation or responsibility to make additional Loan advances or issue additional Letters of Credit. Furthermore, in no event whatsoever shall Citizens Bank have any obligation to issue any Letter of Credit which would cause the face amount of all then outstanding Letters of Credit issued for the benefit of any or all Borrowers, in the aggregate, to exceed the Dollar Equivalent Amount of Ten Million and No/100 Dollars (\$10,000,000.00), at any time.

2.3. Letter of Credit Fees. The Borrowers shall be jointly and

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severally liable for the payment of: (i) to the Lenders ratably, a per annum fee in the amount of one and three-quarters percent (1.75%) of the Dollar Equivalent Amount of the average daily undrawn amount of each Letter of Credit issued or amended pursuant to this Agreement (the "Letter of Credit Fee"), calculated on the basis of the actual number of days elapsed and a three hundred sixty (360) day year; and (ii) to the Administrative Agent, customary issuance and administrative charges (the "Letter of Credit Administration Fee"). The Letter of Credit Fee shall be due and payable, in advance, on the date the Letter of Credit is issued or amended, and on the same day

of every third (3rd) month thereafter during which such Letter of Credit shall remain issued or outstanding. The Letter of Credit Administration Fee shall be due and payable simultaneously with the Administrative Agent's issuance or amendment of the particular Letter of Credit.

ARTICLE 3  
SECURITY

3.1. Security Generally. As collateral security for the Loan and all

other Obligations, the Borrowers hereby grant and convey to the Administrative Agent, for the benefit of all of the Lenders ratably, a security interest in all of the following (collectively, the "Collateral"):

Receivables. All of each Borrower's present and future Accounts,

contracts, contract rights, Chattel Paper, General Intangibles, notes, drafts, acceptances, chattel mortgages, conditional sale contracts, bailment leases, security agreements and other forms of obligations now or hereafter arising out of or acquired in the course of or in connection with any business each Borrower conducts, together with all liens, guaranties, securities, rights, remedies and privileges pertaining to any of the foregoing, whether now existing or hereafter created or arising, and all rights with respect to returned and repossessed items of inventory;

Inventory. All of each Borrower's Inventory and Goods now or

hereafter owned by each Borrower, whenever acquired and wherever located, and whether held for sale or lease or furnished or to be furnished under contracts of service, and all raw materials, work in process and materials now or hereafter owned by each Borrower, wherever located, and used or consumed in its business, including all returned and repossessed items; and all other property now or hereafter constituting Inventory;

Other Collateral. All of each Borrower's Deposit Accounts,

Documents, Instruments, Investment Property, Letter of Credit Rights and Supporting Obligations, whether any of the foregoing shall be now owned or hereafter acquired by such Borrower, together with all of each Borrower's present and future furniture, fixtures, Equipment, machinery, supplies and other assets (other than stock, as below provided) and personal property of every type or nature whatsoever, including without limitation, all of each Borrower's present and future inventions, designs, patents, patent applications, trademarks, trademark applications, trade names, trade secrets, goodwill, registrations, copyrights, licenses, franchises, customer lists, tax refunds, tax refund claims, rights of claims against carriers and shippers, leases and rights to indemnification;

Stock. All of each Borrower's right, title and interest in and to

the issued and outstanding capital stock standing in such Borrower's name on the books of (i) GSE, (ii) Praxa, (iii) ManTech Australia International, Inc., a Virginia corporation, and (iv) ManTech Europe, Ltd., a private company

registered in England under No. 2497488 formerly known as Spurland Limited ("ManTech Europe"), in each case, whether common and/or preferred, and whether now or hereafter issued or outstanding and whether now or hereafter acquired by the Borrowers, together with all voting or other rights appurtenant thereto, including, without limitation, the right to receive all dividends and/or distributions, and all proceeds thereof, pursuant to the terms and conditions of the Stock Security Agreements;

Leases. All of each Borrower's present and future right, title and interest in and to any and all leases, occupancy agreements, subleases, contracts, licenses, agreements and other understandings of or relating to the use, enjoyment and occupancy of real property or any improvements thereon.

Records. All of each Borrower's records, documents and files, in whatever form, pertaining to the Collateral; and

Proceeds, Etc. Any and all Proceeds, whether cash or non-cash proceeds, and all increases, substitutions, replacements and/or additions to any or all of the foregoing.

Notwithstanding the foregoing, the above described conveyance shall not be deemed to include the conveyance of (A) any Government Contract or other contractual agreement, which by its terms or applicable law may not be conveyed; it being understood, however, that in any such situation(s), the Administrative Agent's security interest shall include (i) the entirety of each Borrower's right, title and interest in and to all accounts receivable and all other Proceeds directly or indirectly arising from such Government Contract or other contractual agreement, and (ii) all other rights and interests which any Borrower may lawfully convey to the Administrative Agent; (B) any stock of a foreign corporation (other than ManTech Europe) in excess of sixty-six percent (66%) of all of the issued and outstanding stock of such foreign corporation, or any other stock or equity interests owned by any Borrower (other than the stock specifically referenced in this Section above and other stock from time to time pledged as collateral for the Loan); (C) motor vehicles titled in the name of any Borrower; and (D) interests in real property owned by any Borrower.

3.2. No Preference or Priority. It is expressly understood and

agreed that each of the Notes shall be secured without preference or priority; it being the intention of the parties that the Notes shall be co-equal and coordinate in right of payment of principal, interest, late charges and other sums due thereunder.

#### ARTICLE 4 CONDITIONS TO THE LENDERS' OBLIGATIONS

The initial performance of the Lenders' obligations under this Agreement shall be subject to the following conditions:

4.1. Compliance with Law and Agreements; Third Party Consents. The

Lenders shall be reasonably satisfied that (a) the Loan shall be in full compliance with all legal

requirements, (b) all regulatory and third party consents and approvals required to be obtained have been obtained, and (c) the Borrowers shall have performed all agreements theretofore to be performed by the Borrowers.

4.2. Financial Condition. There shall have been no material adverse  
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change in the financial condition of the Borrowers, in the aggregate, between the date of the most recent financial statement(s) delivered to the Lenders and the date hereof.

4.3. Opinion of Counsel. The Administrative Agent shall have received  
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an opinion of Borrowers' counsel with respect to each of the Borrowers (other than the Borrowers listed on Schedule 4.3 hereto), in form and substance  
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satisfactory to the Administrative Agent and its counsel.

4.4. No Default. There shall exist no Event of Default, and no act,  
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event or condition shall have occurred which with notice or the lapse of time, or both, would constitute an Event of Default.

4.5. Documentation. The Administrative Agent shall have received an  
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initial Borrowing Base/Non-Default Certificate, the "basket calculation" statement, in the form required pursuant to Section 6.3(b) of this Agreement, and such certificates of good standing, corporate resolutions, government contract assignments, UCC financing statements, opinions, certifications, schedules to be attached to this Agreement and such other documents, instruments and agreements as may be reasonably required by the Lenders or the Administrative Agent, in such form and content and from such parties, as the Lenders shall require. All documentation relating to the Loan and all related transactions must be satisfactory in all respects to the Lenders, and their counsel.

4.6. Closing Costs and Expenses. The Borrowers shall have paid all fees  
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payable to the Administrative Agent and/or the Lenders, plus all closing costs and expenses incurred by the Administrative Agent in connection with the transactions contemplated hereby, including, without limitation, all recording costs.

ARTICLE 5  
REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement, each Borrower jointly and severally represents, warrants, covenants and agrees as follows:

5.1. Corporate Existence and Qualification. Each Borrower is a  
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corporation duly organized, validly existing and in good standing under the laws of its state of incorporation referenced in the preamble of this Agreement, with all corporate power and authority and all necessary licenses and permits to own, operate and lease its properties and carry on its business as now being conducted, and as it may in the future be conducted. Each Borrower has only one (1) jurisdiction of incorporation. Each Borrower is duly qualified and authorized to do business and is in good standing in each jurisdiction in which the nature of its activities or the character of its properties makes qualification necessary.

5.2. Corporate Authority; Noncontravention. The execution, delivery and

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performance of the obligations of each Borrower set forth in this Agreement, the Notes and the other Loan Documents (i) have been duly authorized by all necessary corporate and/or stockholder action; (ii) do not require the consent of any governmental body, agency or authority; (iii) will not violate or result in (and with notice or the lapse of time will not violate or result in) the breach of any provision of any Borrower's Articles/Certificate of Incorporation or By-laws, any material indenture, instrument, agreement or other undertaking to which any Borrower is a party or by which any Borrower is bound, or any order or regulation of any governmental authority or arbitration board or tribunal; and (iv) except as permitted by the terms and provisions of this Agreement, will not result in the creation of a lien, charge or encumbrance of any nature upon any of the properties or assets of any Borrower. When the Loan Documents are executed and delivered, they will constitute legal, valid and binding obligations of each Borrower, enforceable against each Borrower in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other similar laws affecting the rights of creditors generally.

5.3. Financial Position. The financial statements listed on Exhibit 7

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hereto, copies of which have been delivered to the Lenders, present fairly the financial condition of the Borrowers as of the date thereof and the results of the Borrowers' operations for the periods indicated therein, were prepared in accordance with GAAP, are true and accurate in all material respects, and are not misleading in any material respect. All material liabilities, fixed or contingent, are fully shown or provided for on the referenced financial statements or the notes thereto as of the dates thereof. There has been no material adverse change in the business, property or condition (financial or otherwise) of the Borrowers since the date of the most recent financial statements listed on Exhibit 7.  
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5.4. Payment of Taxes. Each Borrower has filed all tax returns and

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reports required to be filed by it with the United States Government and/or with all state and local governments, and has paid in full or made adequate provision on its books for the payment of all taxes, interest, penalties, assessments or deficiencies shown to be due or claimed to be due on or in respect of such tax returns and reports, except to the extent that the validity or amount thereof is being contested in good faith by appropriate proceedings and the non-payment thereof pending such contest will not result in the execution of any tax lien or otherwise jeopardize the Administrative Agent's or the Lenders' interests in any part of the Collateral.

5.5. Accuracy of Submitted Information; Omissions. As of the date

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furnished, all documents, certificates, information, materials and financial statements furnished or to be furnished to any Lender or the Administrative Agent pursuant to this Agreement or otherwise in connection with the Loan (i) are true and correct in all material respects; (ii) do not contain any untrue statement of a material fact; and (iii) do not omit any material fact necessary to make the statements contained therein or herein not misleading. No Borrower is aware of any fact which has not been disclosed to the Administrative Agent in writing which materially adversely affects, or so far as any Borrower can now reasonably foresee, could reasonably be expected to materially adversely affect, the properties, business, profit or condition (financial or otherwise) of any Borrower or the ability of any Borrower to perform its obligations set forth in this Agreement or in any other Loan Document.

5.6. Government Contracts. No notice of suspension, debarment, cure

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notice, show cause notice or notice of termination for default has been issued by the Government to any Borrower, and no Borrower is a party to any pending, or to any Borrower's knowledge threatened, suspension, debarment, termination for default issued by the Government or other adverse Government action or proceeding in connection with any Government Contract; it being understood and agreed that, for purposes hereof, normal and customary reviews and audits conducted by the Government in the ordinary course of business shall not be deemed adverse Government action(s) or proceeding(s). All Government Contracts which constitute Material Contracts and have a remaining term of six (6) months or longer are listed on Schedule 5.6 hereto.  
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5.7. No Defaults or Liabilities. No Borrower is in default in any

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material respect in the performance of any obligation, covenant or condition contained in any material agreement to which it is a party. Additionally, except for the matters disclosed on Schedule 5.9 hereto, there is no litigation, legal

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or administrative proceeding or investigation pending against any Borrower, and no litigation, legal or administrative proceeding or investigation has been threatened in writing against any Borrower, which has not been disclosed to the Administrative Agent and/or the Lenders in writing and which involves amounts in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) or which could reasonably be expected to prejudice the Administrative Agent's or any Lender's rights under any Loan Document in any material respect.

5.8. No Violations of Law. No Borrower is in violation of any

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Applicable Laws in any material respect; no Borrower has failed to obtain any license, permit, franchise or other governmental authorization necessary to the ownership of its properties or to the conduct of its business, and each Borrower has conducted its business and operations in compliance with all Applicable Laws in all material respects.

5.9. Litigation and Proceedings. Except for the matters set forth on

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Schedule 5.9 attached hereto, no action, suit or proceeding against or affecting

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any Borrower is presently pending, or to the knowledge of any Borrower, threatened, in any court, before any governmental agency or department, or before any arbitration board or tribunal, which involves the possibility of any judgment or liability in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) and is not fully covered by insurance. No Borrower is in default with respect to any order, writ, injunction or decree of any court, governmental authority or arbitration board or tribunal.

5.10. Security Interest in the Collateral. Each Borrower is the sole

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legal and beneficial owner of the Collateral owned or purported to be owned by it, free and clear of all liens, claims and encumbrances of any nature, except for the Permitted Liens and other liens expressly permitted by the terms and provisions of this Agreement.

5.11. Principal Place of Business; Location of Books and Records. Each

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Borrower maintains its principal place of business and the office where it keeps its books and records with respect to accounts and contracts rights at the locations listed on Schedule 2 hereto. Set forth on Schedule 5.11 hereto is a

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list of each Borrower's business locations as of the Closing Date, and all places where any of the Collateral is located. The locations set forth on

Schedule 5.11 hereto denoted with an asterisk reflect all locations where

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Borrower assets are valued in excess of the Dollar Equivalent Amount of One Hundred Thousand and No/100 Dollars (\$100,000.00). Each Borrower agrees to notify the Administrative Agent in writing at least ten (10) days prior to any change in its principal place of business, or any change in the location of the office where it keeps its books and records with respect to accounts and contract rights, or any change of or addition to the locations where any Collateral is located.

5.12. Fiscal Year. Each Borrower's fiscal year ends on December 31.  
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5.13. Pension Plans.  
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(a) The present value of all benefits vested under all "employee pension benefit plans", as such term is defined in Section 3(2) of the Employee Retirement Income Security Act of 1974 ("ERISA"), from time to time maintained by the Borrowers (individually, a "Pension Plan" and collectively, the "Pension Plans") did not, as of December 31, 2000, exceed the value of the assets of the Pension Plans allocable to such vested benefits;

(b) No Pension Plan, trust created thereunder or other person dealing with any Pension Plan has engaged in a non-exempt transaction proscribed by Section 406 of ERISA or a non-exempt "prohibited transaction", as such term is defined in Section 4975 of the Internal Revenue Code;

(c) No Pension Plan or trust created thereunder has been terminated within the last three (3) years, and there have been no "reportable events" (as such term is defined in Section 4043 of ERISA and the regulations thereunder) with respect to any pension plan or trust created thereunder after June 30, 1974; and

(d) No Pension Plan or trust created thereunder has incurred any "accumulated funding deficiency" (as such term is defined in Section 302 of ERISA or Section 412 of the Internal Revenue Code) as of the end of any plan year, whether or not waived, since the effective date of ERISA.

5.14. O.S.H.A. and Environmental Compliance.  
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(a) Each Borrower has duly complied in all material respects with, and its facilities, business assets, property, leaseholds and equipment are in compliance in all material respects with, the provisions of the Federal Occupational Safety and Health Act ("O.S.H.A."), the Environmental Protection Act, RCRA and all other environmental laws which non-compliance with could result in a material adverse effect on the business, condition (financial or otherwise) or results of operations of any Borrower; and there have been no citations, notices, notifications or orders of any such non-compliance issued to any Borrower or relating to its business, assets, property, leaseholds or equipment under any such laws, rules or regulations;

(b) each Borrower has been issued all required federal, state and local licenses, certificates and permits necessary or appropriate in the operation of its facilities, businesses, assets, property, leaseholds and equipment, unless the failure to obtain any such

license, certificate or permit would not have a material adverse effect on the business condition (financial or otherwise) or results of operations of any Borrower; and

(c) (i) there are no visible signs of releases, spills, discharges, leaks or disposal (collectively referred to herein as "Releases") of Hazardous Substances at, upon, under or within any Real Property owned, or to the actual knowledge of any Borrower any premises leased, by any Borrower; (ii) there are no underground storage tanks or polychlorinated biphenyls on any Real Property owned, or to the actual knowledge of any Borrower any premises leased, by any Borrower; (iii) no Real Property owned, or to the actual knowledge of any Borrower premises leased, by any Borrower has ever been used by any Borrower (and to the best of each Borrower's knowledge, any other person) as a treatment, storage or disposal facility for Hazardous Waste; and (iv) no Hazardous Substances are present on any Real Property owned, or to the actual knowledge of any Borrower any premises leased, by any Borrower, except for such quantities of Hazardous Substances as are handled in all material respects in accordance with all applicable manufacturer's instructions and governmental regulations, and as are necessary or appropriate for the operation of the business of the Borrowers. Each Borrower, for itself and its successors and assigns, hereby covenants and agrees to indemnify, defend and hold harmless the Agents and Lenders from and against any and all liabilities, losses, claims, damages, suits, penalties, costs and expenses of every kind or nature, including, without limitation, reasonable attorneys' fees arising from or in connection with (i) the presence or alleged presence of any Hazardous Substance or Hazardous Waste on, under or about any property of any Borrower (including, without limitation, any property or premises now or hereafter owned or leased by any Borrower), or which is caused by or results from, directly or indirectly, any act or omission to act by any Borrower; and (ii) any Borrower's violation of any environmental statute, ordinance, order, rule or regulation of any governmental entity or agency thereof (including, without limitation, any liability arising under CERCLA, RCRA, HMTA or any Applicable Laws).

5.15. Intellectual Property. All patents, patent applications, trademarks,

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trademark applications, copyrights, copyright applications, tradenames, trade secrets and licenses necessary for the conduct of the business of each Borrower are (i) owned or utilized by such Borrower, (ii) valid and, except with respect to licenses, have been duly registered or filed with all appropriate governmental authorities, and (iii) listed on Schedule 5.15 (a) hereto. Except

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as disclosed in Schedule 5.15(a) hereto, there is no objection or pending

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challenge to the validity of any such patent, trademark, copyright, tradename, trade secret or license; no Borrower is aware of any grounds for any such challenge or objection thereto; except as disclosed in Schedule 5.15(b) hereto,

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no Borrower pays any royalty to anyone in connection with any patent, trademark, copyright, tradename, trade secret or license; and each Borrower has the right to bring legal action for the infringement of any such patent, trademark, copyright, tradename, trade secret or license.

5.16. Existing or Pending Defaults; Material Contracts. All Material

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Contracts are listed on Schedule 5.16(a) hereto. Except as set forth on Schedule

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5.16(b) attached hereto, no Borrower is aware of any pending or threatened

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litigation, or any other legal or administrative proceeding or investigation pending or threatened, against any Borrower arising from or related to any Material Contract which could reasonably be expected to have a material adverse effect on the Administrative Agent's or any Lender's rights in connection with such Material Contract.

5.17. Leases and Real Property. No Borrower owns any real property. All

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material leases and other agreements under which any Borrower occupies real property are in full force and effect and constitute legal, valid and binding obligations of, and are legally enforceable against, the Borrower party thereto and, to the Borrowers' best knowledge, are the binding obligations of and legally enforceable against, the other parties thereto. All necessary governmental approvals, if any, have been obtained for each such material lease or agreement, and there have been no threatened cancellations thereof or outstanding material disputes with respect thereto. The landlord for the premises in which the Parent Company's headquarters is located has subordinated (or expressly assumed terms, covenants and conditions of subordination) for the benefit of the Administrative Agent, on terms and conditions reasonably satisfactory to the Administrative Agent, any landlord's or lessor's lien which may now or hereafter exist (whether by statute, contract or otherwise) on any of the Collateral located at such premises.

5.18. Labor Relations. There are no strikes, work stoppages, material

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grievance proceedings, union organization efforts or other controversies pending, or to any Borrower's knowledge, threatened or reasonably anticipated, between any Borrower and (i) any current or former employee of any Borrower or (ii) any union or other collective bargaining unit representing any such employee. Each Borrower has complied and is in compliance in all material respects with all Applicable Laws relating to employment or the workplace, including, without limitation, provisions relating to wages, hours, collective bargaining, safety and health, work authorization, equal employment opportunity, immigration, withholding, unemployment compensation, employee privacy and right to know. Except as set forth on Schedule 5.18 hereto, there are no collective  
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bargaining agreements, employment agreements between any Borrower and any of its employees, or professional service agreements not terminable at will relating to the businesses or assets of any Borrower. The consummation of the transactions contemplated hereby will not cause any Borrower to incur or suffer any liability relating to, or obligation to pay, severance, termination or other similar payments to any person or entity.

5.19. Assignment of Government Contracts. No existing Government Contract

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of any Borrower (and no present or future interest of any Borrower, in whole or in part, in, to or under any such Government Contract) is currently assigned, pledged, hypothecated or otherwise transferred to any person or entity (other than in favor of the Administrative Agent for the benefit of the Lenders ratably).

5.20. Contribution Agreement. The Contribution Agreement is in full force

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and effect, has not been modified, altered or amended in any respect whatsoever (other than to add a new Borrower party thereto from time to time), and no Borrower is in default thereunder.

5.21. Intentionally Deleted.

5.22. Ownership of the Borrowers. As of the date of this Agreement (i) all

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of the issued and outstanding capital stock of the Parent Company is owned in the percentages and by the persons referenced on Schedule 5.22(a) hereto; and  
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(ii) all of the issued and outstanding capital stock of each other Borrower is owned by either the Parent Company or another Borrower, except as described on Schedule 5.22(b) hereto.  
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5.23. Solvency. Both prior to and after giving effect to the transactions

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contemplated by the terms and provisions of this Agreement, (i) each Borrower  
(other than those Borrowers listed on Schedule 5.23 hereto) owned and owns

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property (including, without limitation, the Borrower's rights under the  
Contribution Agreement) whose fair saleable value is greater than the amount  
required to pay all of such Borrower's Indebtedness (including contingent  
debts), (ii) each Borrower was and is able to pay all of its Indebtedness as  
such Indebtedness matures, and (iii) each Borrower had and has capital  
sufficient to carry on its business and transactions and all business and  
transactions in which it is about to engage. For purpose hereof, "Indebtedness"  
means, without duplication (a) all items which in accordance with GAAP would be  
included in determining total liabilities as shown on the liability side of a  
balance sheet of such Borrower as of the date on which Indebtedness is to be  
determined, (b) all obligations of any other person or entity which such  
Borrower has guaranteed, (c) reimbursement obligations in connection with  
letters of credit issued for the benefit of such Borrower, and (d) the  
Obligations.

5.24. Survival of Representations and Warranties. All representations and

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warranties made herein shall survive the making of the Loan, and shall be deemed  
remade and redated as of the date of each request for an advance or readvance of  
any Loan proceeds, unless the Borrower is unable to remake and/or redate any  
such representation or warranty, discloses the same to the Lenders in writing,  
and such inability does not constitute or give rise to an Event of Default.

ARTICLE 6  
AFFIRMATIVE COVENANTS OF THE BORROWERS

So long as any Obligation remains outstanding or this Agreement remains in  
effect, each Borrower jointly and severally covenants and agrees with the  
Lenders that:

6.1. Payment of Loan Obligations. Each Borrower will duly and punctually

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pay all sums to be paid to the Lenders and the Agents in accordance with the  
terms and conditions of the Loan Documents, and will comply with, perform and  
observe all of the terms thereof.

6.2. Payment of Taxes. Each Borrower will promptly pay and discharge when

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due all federal, state and other governmental taxes, assessments, fees and  
charges imposed upon it, or upon any of its properties or assets, except to the  
extent that the non-payment thereof will not result in the execution of any tax  
lien or otherwise jeopardize the Administrative Agent's or the Lenders' interest  
in any part of the Collateral.

6.3. Delivery of Financial and Other Statements. The Borrowers shall

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deliver to the Administrative Agent and the Lenders financial and other  
statements, each of which shall, unless otherwise expressly provided to the  
contrary, be prepared in accordance with GAAP consistently applied, as follows:

(a) on or before the one hundred twentieth (120th) day following the  
close of each fiscal year, the Borrowers will submit to the Administrative Agent  
and the Lenders (i) annual audited and unqualified consolidated financial  
statements, which shall be accompanied by consolidating schedules and management  
letters (if issued) and certified by a nationally

recognized independent certified public accountant, and (ii) an annual budget for the then current year, in form reasonably satisfactory to the Administrative Agent, certified by the Borrowers' Chief Financial Officer or another duly authorized executive officer of the Borrowers;

(b) on or before the forty-fifth (45th) day following the close of each calendar quarter, the Borrowers will submit to the Administrative Agent and the Lenders (i) a consolidated and consolidating balance sheet, income statement and statement of stockholders' equity, reporting the Borrowers' current financial position and the results of their operations for the quarter then ended and year-to-date, (ii) internally prepared statements of cash flow and contract/status backlog reports, (iii) a Quarterly Covenant Compliance/Non-Default Certificate in the form of Exhibit 5 hereto, and (iv) a

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statement detailing (A) the Borrowers' availability under the "basket limitations" set forth in Section 7.8 of this Agreement, and (B) the Dollar Equivalent Amount of outstanding and unpaid Loan proceeds to ARL and Vobix, each of which shall be in form reasonably satisfactory to the Administrative Agent and certified by the Borrowers' Chief Financial Officer or another duly authorized executive officer of the Borrowers;

(c) on or before the twenty-fifth (25th) day following the close of each calendar month, the Borrowers will submit to the Administrative Agent and the Lenders a Borrowing Base/Non-Default Certificate in the form of Exhibit 4

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hereto, accompanied by detailed current aged billed and unbilled accounts receivable reports, each of which shall be certified by an authorized executive officer of the Borrowers;

(d) within five (5) days of issuance, distribution or filing, as applicable, the Borrowers will submit to the Administrative Agent and the Lenders copies of all public filings, disclosure statements and/or registration statements which any Borrower issues to, distributes to or files with the Securities and Exchange Commission or any state agency or department regulating securities (or any other person or entity, pursuant to the rules and/or regulations of the Securities and Exchange Commission or any state agency or department regulating securities); and

(e) promptly upon the request of the Administrative Agent or any Lender, the Borrowers will provide to the Administrative Agent and the Lenders such other information and/or reports relating to each Borrower's business, operations, properties or prospects as the Administrative Agent or Lenders may from time to time reasonably request.

6.4. Maintenance of Records; Review by the Lenders. Each Borrower will

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maintain at all times proper books of record and account in accordance with GAAP, consistently applied, and, subject to any confidentiality and secrecy requirements imposed by any Government agency, will permit the Lenders' officers or any of the Lenders' authorized representatives or accountants to visit and inspect each Borrower's offices and properties, examine its books of account and other records, and discuss its affairs, finances and accounts with the officers of the Parent Company, all at such reasonable times during normal business hours, and as often as the Lenders may desire.

6.5. Maintenance of Insurance Coverage. Each Borrower will maintain in

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effect fire and extended coverage insurance, public liability insurance, worker's compensation insurance and insurance on the Collateral and each of its properties, with responsible insurance

companies, in such amounts and against such risks as are customary for similar businesses, required by governmental authorities, if any, having jurisdiction over all or part of its operations, or otherwise reasonably required by the Administrative Agent, and will furnish to the Administrative Agent certificates evidencing such continuing insurance. The Administrative Agent, for the benefit of the Lenders, shall be named as loss payee on all hazard and casualty insurance policies by means of a standard noncontributory mortgagee clause and as an additional insured on all liability insurance policies. All insurance policies shall also provide for (i) not less than thirty (30) days written notice to the Administrative Agent prior to expiration, cancellation or material change; and (ii) waiver of subrogation. The Lenders acknowledge that the insurance maintained by the Borrowers as of the date of this Agreement, as evidenced by the certificates of insurance delivered to the Lenders for the period from March 3, 2001 (May 1, 2001 with respect to property coverage) through March 3, 2002 (May 1, 2002 with respect to property coverage), satisfies the requirements of this Section 6.5 as of the date of this Agreement.

6.6. Maintenance of Property/Collateral; Performance of Contracts. Each

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Borrower will at all times maintain the Collateral and its tangible property, both real and personal, in good order and repair (subject to ordinary wear and tear), and will permit the Administrative Agent's officers or authorized representatives to visit and inspect the Collateral and each Borrower's tangible property at such reasonable times during normal business hours, as and when the Administrative Agent deems necessary or appropriate; provided, however, that the Administrative Agent's review of any and all "classified contracts" shall be subject to compliance with Applicable Laws. Each Borrower shall perform all obligations under all material contracts to which it is a party (including, without limitation, all obligations as contractor under any Material Contract), including all exhibits and other attachments to such contracts, all modifications thereto and all documents and instruments delivered pursuant thereto, and will comply in all material respects with all laws, rules and regulations governing the execution, delivery and performance thereof.

6.7. Maintenance of Corporate Existence. Each Borrower will maintain its

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corporate existence and will provide the Administrative Agent with evidence of the same from time to time upon the Administrative Agent's request.

6.8. Maintenance of Certain Accounts with the Administrative Agent. Each

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Borrower will maintain its primary operating accounts, including all primary depository accounts (time and demand), disbursement accounts and collection accounts with the Administrative Agent.

6.9. Maintenance of Management. The Borrowers will notify the

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Administrative Agent and the Lenders in writing of the change of any corporate officer or director of the Parent Company, within ten (10) days of the date of any such change.

6.10. Disclosure of Defaults, Etc.

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(a) Promptly upon the occurrence thereof, each Borrower will provide the Administrative Agent and the Lenders with written notice of any Event of Default, or any act, event or occurrence that upon the giving of any required notice or the lapse of time, or both, would constitute an Event of Default. In addition, each Borrower will promptly advise the

Administrative Agent and the Lenders in writing of any condition, act, event or occurrence which comes to such Borrower's attention that would or could reasonably be expected to prejudice the Administrative Agent's or any Lender's rights in connection with any Material Contract, the Collateral, this Agreement, any Note or any other Loan Document, including, without limitation, the details of any pending or threatened suspension, debarment or other governmental action or proceeding, any material pending or threatened litigation, and any other legal or administrative proceeding or investigation pending or threatened against any Borrower, including the entry of any judgment in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) or lien (other than a Permitted Lien) against any Borrower, its assets or property.

(b) If, at any time after the Closing Date, any Borrower shall receive any letter, notice, subpoena, court order, pleading or other document issued, given or delivered by the Government or by any person or entity acting for or on behalf of the Government with respect to, or in any manner related to, Items 1 or 3 set forth in Schedule 5.9 hereto, such Borrower shall deliver a

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true, correct and complete copy of such letter, notice, subpoena, court order, pleading or document to the Administrative Agent, the Administrative Agent's counsel and each Lender within one (1) Business Day of such Borrower's receipt thereof. Furthermore, if any Borrower shall issue, give or deliver to the Government or any person or entity acting for or on behalf of the Government any letter, notice, subpoena, court order, pleading or other document with respect to, or in any manner related to, Items 1 or 3 set forth in Schedule 5.9 hereto,

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such Borrower shall deliver a true, correct and complete copy of such letter, notice, subpoena, court order, pleading or other document to the Administrative Agent, the Administrative Agent's counsel and each Lender concurrent with the Borrower's issuance or delivery thereof to the Government. If any letter, notice, subpoena, court order, pleading or other document required to be delivered to the Administrative Agent, the Administrative Agent's counsel and each Lender pursuant to this Section 6.10 contains any information deemed "classified" by the Government and/or the dissemination of any such information to the Administrative Agent, the Administrative Agent's counsel and each Lender would result in the Borrowers violating any Applicable Law, then the Borrowers shall deliver to the Administrative Agent, the Administrative Agent's counsel and each Lender a summary of such letter, notice, subpoena, court order, pleading or other document containing a summary thereof, but including as much (but no more than) detail as can be included therein without violating any Applicable Law.

6.11. Security Perfection; Assignment of Claims Act; Payment of Costs. The

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Borrowers will execute and deliver and pay the costs of recording and filing financing statements, continuation statements, termination statements, assignments and other documents, as the Administrative Agent may from time to time deem necessary or appropriate for the perfection of any liens granted to the Administrative Agent or Lenders pursuant hereto or pursuant to any other Loan Document. On or before the date which is ninety (90) days from the date of any Government Contract hereafter entered into by one or more Borrowers, such Borrower(s) shall execute all documents necessary or appropriate in order to comply with the Assignment of Claims Act of 1940, as amended, 31 U.S.C. Section 3727 and 41 U.S.C. Section 15 (the "Government Contract Assignments") in connection with each such Government Contract; it being understood and agreed, however, that no Government Contract Assignment is being required for any Government Contract (a) which has a remaining value of less than Five Million and No/100 Dollars (\$5,000,000.00), (b) which has a term of less than six (6) months, or

(c) pursuant to which a Borrower is not a/the prime contractor thereof. All Government Contract Assignments shall be held in escrow pursuant to the Escrow Agreement attached as Exhibit 8 hereto, as the same may be amended from time to time. All costs and expenses incurred in connection with the escrow of the Government Contract Assignments shall be borne solely by the Borrowers. Additionally, the Borrowers will pay any and all costs incurred in connection with the transactions contemplated hereby, as well as any and all taxes (other than the Lenders' income and franchise taxes), which may be payable as a result of the execution of this Agreement or any agreement supplemental hereto, or as a result of the execution and/or delivery of any Note or other Loan Document.

6.12. Defense of Title to Collateral. The Borrowers will at all times

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defend the Lenders', the Administrative Agent's and Borrowers' rights in the Collateral, subject to the Permitted Liens, against all persons and all claims and demands whatsoever, and will, upon request of the Administrative Agent (i) furnish such further assurances of title as may be required by the Administrative Agent, and (ii) do any other acts necessary to effectuate the purposes and provisions of this Agreement, or as required by law or otherwise in order to perfect, preserve, maintain or continue the interests of the Administrative Agent and Lenders in the Collateral.

6.13. Compliance with Law. Each Borrower will conduct its businesses and

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operations in compliance in all material respects with (i) all Applicable Laws and requirements of all federal, state and local regulatory authorities having jurisdiction, (ii) the provisions of its charter documents and by-laws, (iii) all agreements and instruments by which it or any of its properties may be bound, and (iv) all applicable decrees, orders and judgments.

6.14. Other Collateral Covenants.

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(a) The Borrowers will, at their own expense, make, execute, endorse, acknowledge, file and/or deliver to the Administrative Agent from time to time such lists, descriptions and designations of Collateral, warehouse receipts, receipts in the nature of warehouse receipts, bills of lading, documents of title, vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, powers of attorney, certificates, reports and other assurances or instruments, and take such further steps relating to the Collateral and other property or rights covered by the interests hereby granted which the Administrative Agent deems reasonably appropriate or advisable to perfect, preserve or protect its ownership and security interests in the Collateral.

(b) Unless waived in writing by the Administrative Agent, the Borrowers shall obtain authenticated control letters from each issuer of uncertificated securities, securities intermediary or commodities intermediary issuing or holding any financial assets or commodities to or for any of the Borrowers.

(c) Following the occurrence of an Event of Default, if any Borrower is or becomes the beneficiary of a letter of credit, such Borrower shall promptly, and in any event within two (2) Business Days after becoming a beneficiary, notify the Administrative Agent thereof and, following the Administrative Agent's request, enter into a tri-party agreement with the Administrative Agent and the issuer and/or confirmation bank with respect to all Letter of Credit Rights in connection with such letter of credit, assigning such Letter of Credit Rights to

the Administrative Agent and directing all payments thereunder to an account designated by the Administrative Agent, which tri-party agreement shall be in form and substance reasonably satisfactory to the Administrative Agent.

(d) The Borrowers shall take all steps necessary to grant the Administrative Agent control of all electronic chattel paper in accordance with the UCC and all "transferable records" as defined in each of the Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

(e) The Borrowers hereby irrevocably authorize the Administrative Agent at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto that (A) describe Collateral (I) as all assets of the Borrowers or words of similar effect (other than assets expressly excluded from the description of Collateral herein), regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code in such jurisdiction, or (II) as being of an equal or lesser scope or with greater detail, and (B) contain any other information required by part 5 of Article 9 of the Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement or amendment, including (I) whether any Borrower is an organization, the type of organization and any organization identification number issued to such Borrower, and (II) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates. The Borrowers agree to furnish any such information to the Administrative Agent promptly upon request. The Borrowers also ratify their authorization for the Administrative Agent to have filed in any Uniform Commercial Code jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(f) The Borrowers shall promptly, and in any event within two (2) Business Days after the same is acquired by any Borrower, notify the Administrative Agent of any Commercial Tort Claim (as defined in the UCC) acquired by a Borrower and unless otherwise consented to by the Administrative Agent, such Borrower shall enter into a supplement to this Agreement, granting to the Administrative Agent a security interest in such Commercial Tort Claim.

(g) If any Borrower retains possession of any Chattel Paper or Instruments with the Administrative Agent's consent, such Chattel Paper and Instruments shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Citizens Bank, as Administrative Agent."

(h) Without limiting the prohibitions on mergers involving the Borrowers contained in this Agreement, no Borrower shall reincorporate or reorganize itself under the laws of any jurisdiction other than the jurisdiction in which it is incorporated as of the date hereof without the prior written consent of the Administrative Agent.

(i) Each Borrower acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement without the prior written consent of the Administrative Agent and agrees that it will not do so

without the prior written consent of the Administrative Agent, subject to such Borrower's rights under Section 9-509(d)(2) of the UCC.

6.15. Financial Covenants of the Borrowers. So long as any Obligation

remains outstanding or this Agreement remains in effect, the Borrowers will comply with each of the financial covenants set forth below.

(a) Net Worth. The Borrowers will at all times maintain on a

consolidated basis Net Worth of not less than the sum of ninety-five percent (95%) of the Borrowers' Net Worth, determined as of September 30, 2001, plus seventy-five percent (75%) of net income arising after September 30, 2001 (not to be reduced for consolidated losses), plus ninety percent (90%) of equity issuances. For purposes of this Agreement, "Net Worth" shall mean shareholders' equity (other than minority shareholder interests), as determined in accordance with GAAP.

(b) Fixed Charge Coverage Ratio. The Borrowers will maintain on a

consolidated basis for each quarter, a Fixed Charge Coverage Ratio of not less than 1.25 to 1.00. For purposes of the foregoing, "Fixed Charge Coverage Ratio" shall mean the Borrowers' EBITDA, plus real property rent expense, minus cash taxes paid, minus capital expenditures (excluding capitalized software), divided by the Borrower's real property rent expense, plus interest expense, plus required principal payments on debt and capital leases. The Fixed Charge Coverage Ratio shall be measured on the last day of each fiscal quarter throughout the term of the Loan.

(c) Total Debt to EBITDA Ratio. The Borrowers will maintain on a

consolidated basis for each quarter ending during the periods specified below, a Total Debt to EBITDA ratio of not more than the following:

Period	Required Total Debt to EBITDA Ratio
From the date of this Agreement through December 31, 2001	3.25 to 1.0
From January 1, 2002 through December 31, 2002	3.00 to 1.0
From January 1, 2003 through the Maturity Date	2.75 to 1.0

For purposes of the foregoing, "Total Debt" shall have the meaning attributed to such term in the "Certain Definitions" section of this Agreement. The Total Debt to EBITDA ratio shall be measured on the last day of each fiscal quarter throughout the term of the Loan.

(d) EBITDA to Interest Expense Ratio. The Borrowers will maintain

on a consolidated basis for each quarter, an EBITDA to Interest Expense ratio of not less than 2.50 to

1.00. The Ratio of EBITDA to Interest Expense shall be measured on the last day of each fiscal quarter throughout the term of the Loan.

(e) Capital Expenditures. The Borrowers shall not, on a consolidated

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basis, make or incur any capital expenditures in excess of the Dollar Equivalent Amount of Seven Million Five Hundred Thousand and No/100 Dollars (\$7,500,000.00), in the aggregate, during any twelve (12) month period. For purposes hereof, capital expenditures shall include, but not be limited to, leasehold improvements and capitalized software, but shall exclude payments due in connection with the Enterprise Resource Planning Operating Lease.

The financial covenants referenced above shall be calculated and tested on the basis of twelve (12) month trailing results, and shall include the twelve (12) month trailing results of any entity acquired with the consent of the Administrative Agent and consolidated into the Borrowers' financial statements within the twelve (12) month period immediately preceding the applicable covenant calculation date; provided that the financial covenant calculations referenced above shall not include nor take into account any of the operating results of Praxa. Unless otherwise defined, all financial terms used in this Section 6.15 shall have the meanings attributed to such terms in accordance with GAAP.

6.16. Intentionally Omitted.  
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6.17. Landlord Waivers; Subordination. The Borrowers shall provide landlord

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waivers to the Administrative Agent with respect to any location at which any Borrower now or hereafter stores, keeps or locates its books and records. The Borrowers shall exercise reasonable efforts to provide landlord waivers to the Administrative Agent prior to any Borrower storing, keeping or locating any other assets and/or inventory of such Borrower on the lessor's/landlord's premises with respect to any location at which any Borrower hereafter stores, keeps or locates such other assets and/or inventory having a value in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00), in the aggregate. These landlord waivers shall subordinate any statutory, contractual or other lien the lessor/landlord may have in any of the Collateral to the lien, operation and effect of the lien being granted to the Administrative Agent pursuant to this Agreement, and shall be in form and substance reasonably acceptable to the Administrative Agent.

6.18. Substitute Notes. Upon request of the Administrative Agent, each

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Borrower shall execute and deliver to the Administrative Agent substitute promissory notes, in form and substance satisfactory to the Administrative Agent in all respects, payable to the order of such person or entity as may be designated by the Administrative Agent; it being understood and agreed, however, that the aggregate principal amount of all outstanding promissory notes shall not exceed the Commitment Amount (plus the Swing Line Commitment Amount) as of the date such substitute note(s) are issued.

6.19. Interest Rate Contracts. The Borrowers may have in effect, from time

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to time, interest rate protection agreements ("Interest Rate Contracts") reasonably satisfactory to the Administrative Agent. Any such Interest Rate Contract must be purchased from a Lender, an affiliate of a Lender or any financial institution reasonably acceptable to the Administrative Agent. The Borrowers' obligations under any Interest Rate Contract purchased from a Lender or

an affiliate of a Lender shall be secured by the Collateral on a pari passu basis. All other Interest Rate Contracts shall be unsecured in all respects. The Borrowers shall determine to their own satisfaction whether each such Interest Rate Contract is sufficient to meet the Borrowers' needs for interest rate protection, and neither the Agents nor any Lender shall have any obligation or liability with respect thereto, nor any obligation to propose, quote or enter into any Interest Rate Contract, unless such Interest Rate Contract shall be on terms and conditions satisfactory to the applicable Lender in all respects.

ARTICLE 7  
NEGATIVE COVENANTS OF THE BORROWERS

So long as any Obligation remains outstanding or this Agreement remains in effect, each Borrower jointly and severally covenants and agrees that, without the prior written consent of the Administrative Agent, the Borrowers will not:

7.1. Change of Control; Disposition of Assets; Merger.  
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(a) Permit majority or effective control of any Borrower to be sold, assigned or otherwise transferred, legally or equitably, to any person or entity, except to another Borrower or a Pedersen Entity; provided that such entity, upon its acquisition of majority or effective control of any such Borrower, becomes a "Borrower" hereunder (if not already a Borrower in which the Administrative Agent has a perfected security interest in and to all of its assets constituting Collateral) and pledges all of its assets (of the kind and nature pledged by each Borrower pursuant to the terms and provisions of the Loan Documents) to the Administrative Agent on behalf of the Lenders, pursuant to such documentation as the Lenders deem necessary and appropriate; or

(b) suffer or permit the issuance of any capital stock of the Borrowers, except for the issuance of Additional Equity Stock, whether pursuant to an employee stock option plan or an employee stock ownership plan, in form and substance reasonably satisfactory to the Administrative Agent (either such plan being referred to herein as an "Approved ESOP"), an employee stock purchase plan, in form and substance reasonably satisfactory to the Administrative Agent (an "Approved ESPP"), a public offering or otherwise; provided that, after giving effect to such issuance, (i) Pedersen shall own and hold stock representing at least fifty-one percent (51%) of the voting rights (and both majority and effective control) of the Parent Company; (ii) stock representing at least fifty-one percent (51%) of the voting rights (and both majority and effective control) of any other Borrower in which Additional Equity Stock is issued shall be owned by the Borrower(s); and (iii) not more than Five Million and No/100 Dollars (\$5,000,000.00) in the aggregate of the Additional Equity Stock is redeemable; or

(c) permit any Borrower to sell, assign, loan, deliver, lease, transfer or otherwise dispose of property or assets (including, without limitation, stock of another Borrower), except for (i) transfers of assets between Borrowers in which the Administrative Agent has a perfected security interest in and to all of their assets constituting Collateral; (ii) the disposition of a Borrower's assets to a Pedersen Entity, provided that such entity, upon its acquisition of such assets, becomes a "Borrower" under this Agreement and the other Loan Documents and pledges all of its assets (of the kind and nature pledged by the Borrowers

pursuant to the terms and provisions of the Loan Documents) to the Administrative Agent on behalf of the Lenders pursuant to such documentation as the Lenders deem necessary and appropriate; (iii) dispositions of the assets of the Borrowers listed on Schedule 9.1 hereto; and (iv) the disposition of other

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assets in the ordinary course of the Borrowers' business, provided that such dispositions of other assets, in the aggregate, do not exceed the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) during any twelve (12) month period; or permit any Borrower to become a party to any document, instrument or agreement (other than this Agreement) which prohibits such Borrower from assigning, pledging, hypothecating or otherwise encumbering any stock of another Borrower; or

(d) permit any Borrower or any subsidiary or affiliate of any Borrower to merge or consolidate with any company or enterprise, or acquire or purchase any company or enterprise or acquire or purchase substantially all of the assets of any company or enterprise; it being understood and agreed that mergers between Borrowers shall not require the consent of the Administrative Agent so long as (i) after giving effect to such merger, the Administrative Agent has a perfected security interest in and to the all of the assets of the surviving Borrower constituting Collateral, and (ii) the Borrowers shall have provided not less than twenty (20) days prior written notice to the Administrative Agent and Lenders of any merger or consolidation between Borrowers, except that written notice of the proposed merger between the Parent Company and ManTech International Corporation, a Delaware corporation, may be given within five (5) days after such merger. In the event that the Administrative Agent issues its consent to a hostile acquisition or an acquisition involving the stock or assets of existing customers of any Lender, such consent shall be subject to the Borrowers' agreement to indemnify, defend and hold the Lenders harmless from and against any and all claims, demands, losses, liabilities, damages, costs and expenses of every kind and nature, including without limitation, reasonable attorneys' fees, related to, arising out of or in connection with such acquisition, pursuant to an indemnity agreement satisfactory to the Lenders in all respects. Furthermore, the Borrowers acknowledge and agree that the assets of the company to be acquired or merged will not be included in the calculation of the Maximum Borrowing Base without the Administrative Agent's prior approval.

7.2. Margin Stocks. Use all or any part of the proceeds of any advance made

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hereunder to purchase or carry, or to reduce or retire any loan incurred to purchase or carry, any margin stocks (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying any such margin stocks.

7.3. Change of Operations. Change the general character of any Borrower's

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business as conducted on the Closing Date, or engage in any type of business not directly related to or compatible with such business as presently and normally conducted.

7.4. Judgments; Attachments. Suffer or permit any judgment in excess of the

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Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) against any Borrower or any attachment against any Borrower's property (for an amount not fully covered by insurance) to remain unpaid, undischarged or undismitted for a period of ten (10) days, unless enforcement thereof shall be effectively stayed or bonded.

7.5. Further Assignments; Performance and Modification of Contracts; etc.  
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Except as may be expressly permitted by the Loan Documents (i) make any further assignment, pledge or disposition of the Collateral or any part thereof; (ii) permit any set-off or reduction, delay the timing of any payment under, or otherwise modify any Material Contract, if such set-off, reduction, delay or modification would give rise to a Borrowing Base Deficiency or otherwise adversely affect any Borrower in any material respect; (iii) create, incur or permit to exist any lien or encumbrance on any real property now or hereafter owned by any Borrower; or (iv) do or permit to be done anything to impair the Administrative Agent's security interest in any Collateral or the payments due to any Borrower thereunder; it being understood that reasonable and customary compromises and settlements with Account Debtors in the ordinary course of the Borrower's business will not constitute a violation of this covenant.

7.6. Affect Rights of the Administrative Agent or Lenders. At any time do  
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or perform any act or permit any act to be performed which would or reasonably could materially adversely affect the interests or rights of the Administrative Agent or Lenders under any Loan Document.

7.7. Indebtedness; Granting of Security Interests.  
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(a) Suffer or permit any Borrower to incur any indebtedness, whether direct or indirect, except for:

(i) trade debt and operating leases incurred in the ordinary course of business;

(ii) indebtedness outstanding on the date hereof and listed on Schedule 7.7(a) hereto;  
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(iii) inter-company indebtedness (including inter-company guarantees) by and among the Borrowers in which the Administrative Agent has a perfected security interest in and to all of their assets constituting Collateral;

(iv) performance bonds issued on behalf of the Borrowers in the ordinary course of business, and performance guarantees issued by any Borrower for the benefit of another Borrower;

(v) indebtedness secured by liens listed on Schedule 7.7(c)  
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hereto, or other indebtedness secured by Permitted Liens;

(vi) debt incurred to finance the redemption of not more than One Million Five Hundred Thousand Dollars (\$1,500,000) of the Borrowers Redeemable Common B Stock, on terms and conditions acceptable to the Lenders in all respects;

(vii) subject to the terms and provisions set forth in the letter agreement dated January 7, 1998 attached as Exhibit 11 hereto, subordinated debt  
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(the "First Source Debt") owing to First Source Financial LLP in a principal amount not to exceed Eight Million and No/100 Dollars (\$8,000,000.00); it being expressly understood and agreed that (a)

the terms of such letter agreement shall be applicable to the Facilities being made available to the Borrowers pursuant to this Agreement and be for the benefit of the Lenders in connection with the Facilities (although such letter agreement was originally executed in connection with, and for the benefit of, a previous senior credit facility), and (b) in the event of any inconsistency between the letter agreement and this Agreement, the terms and provisions set forth in this Agreement shall control;

(viii) other subordinated debt expressly subordinated to the Loan on terms and conditions acceptable to the Lenders, provided that, upon request of the Administrative Agent, the subordinate lender executes a subordination agreement satisfactory to the Administrative Agent in all respects;

(ix) unfunded retirement plan liabilities of the senior employee retirement plans of the Parent Company and NSI;

(x) indebtedness incurred pursuant to interest rate contracts entered into by the Borrowers in accordance with Section 6.19 of this Agreement;

(xi) indebtedness incurred by ARL in the United Kingdom, provided that such indebtedness is unsecured, used solely for working capital purposes and does not, at any time, exceed the Dollar Equivalent Amount of One Million and No/100 Dollars (\$1,000,000.00);

(xii) indebtedness incurred to finance (by purchase or lease) equipment constituting capital expenditures, provided that such indebtedness does not violate any other covenant set forth in this Agreement; and

(xiii) other guarantees expressly permitted by the terms of this Agreement.

(b) mortgage, assign, pledge, hypothecate or otherwise encumber or permit any lien, security interest or other encumbrance, including purchase money liens, whether under conditional or installment sales arrangements or otherwise, to affect the Collateral or any other assets or properties of any Borrower (except for Permitted Liens and other liens, security interests or encumbrances expressly permitted herein); or

(c) enter into any agreement or understanding with any person or entity pursuant to which any Borrower agrees to be bound by a covenant not to encumber all or any part of the property or assets of such Borrower, unless such agreement or understanding is entered into in connection with the granting of purchase money security interests permitted pursuant to the terms and provisions of this Agreement.

Each Borrower hereby agrees that, upon request of the Administrative Agent, the Borrower shall provide to the Administrative Agent such documents, instruments and/or agreements evidencing, arising from or related to any and all performance guarantees executed by any Borrower.

7.8. Dividends; Loans; Advances; Investments and Similar Events.

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(a) Declare or pay any dividend on any Borrower's capital stock of any class, alter or amend any Borrower's capital structure, purchase, redeem or otherwise retire any shares of any Borrower's capital stock (other than pursuant to an Approved ESOP or an Approved ESPP), voluntarily prepay, acquire or anticipate any sinking fund requirement of any indebtedness, or make any distributions in cash or assets to any Borrower's shareholders or any Borrower's affiliate; it being understood and agreed, however, that so long as (i) no Event of Default shall have occurred, and no act, event or condition shall have occurred which with notice or the lapse of time, or both, shall constitute an Event of Default; and (ii) the dividends, distributions and payments authorized below cannot reasonably be expected to cause any Borrower to be unable to satisfy the financial covenants set forth in Section 6.15 of this Agreement, the Borrowers shall be entitled to:

(i) pay dividends on the Parent Company's Redeemable Common B Stock, provided that the dividend rate and aggregate amount of Common B Stock dividends do not exceed the rates and amounts permitted by the Borrowers' Certificate of Incorporation, as in effect on the date hereof;

(ii) redeem the Parent Company's Redeemable Common B Stock in connection with 401(k) transactions;

(iii) purchase or redeem stock in subsidiaries of the Parent Company held by minority shareholders, provided that the aggregate purchase price of all such purchases or redemptions does not, at any time, exceed Two Million and No/100 Dollars (\$2,000,000.00) throughout the term of the Loan; and

(iv) pay dividends on any Borrower's capital stock (other than the Parent Company, as provided above); provided that (A) if the dividends are payable solely to another Borrower, there shall be no limitation on the amount paid, and (B) if the dividends are payable to both a Borrower and non-Borrower, the amount of any and all dividends paid shall not exceed Two Hundred Seventy-five Thousand and No/100 Dollars (\$275,000.00), in the aggregate, per annum.

(b) make any loans, salary advances or other payments to (i) any shareholders of any Borrower, unless such shareholder is also a Borrower party to this Agreement in which the Administrative Agent has a perfected security interest in and to all of its assets constituting Collateral at the time such loan, salary advance or other payment is made; (ii) any corporation or other enterprise directly or indirectly owned in whole or in part by any shareholder of any Borrower, unless such corporation or other enterprise is also a Borrower party to this Agreement in which the Administrative Agent has a perfected security interest in and to all of its assets constituting Collateral at the time such loan, salary advance or other payment is made; or (iii) any other person or entity; provided, however, that the Borrowers may make or continue to have outstanding any or all of the following:

(i) loans or advances to any individual officer, present employee or former employee of any Borrower of not more than Three Hundred Thousand and No/100

Dollars (\$300,000.00), provided, that all such loans and advances to officers may not at any time exceed Nine Hundred Thousand and No/100 Dollars (\$900,000.00), in the aggregate; it being understood that travel advances made in the ordinary course of business shall not be included in calculating the foregoing computation;

(ii) loans, advances and/or investments from one Borrower to another Borrower; provided that (A) the aggregate amount of all loans or advances to, or net after tax cash investments in Vobix (including direct borrowings from the Administrative Agent or the Lenders to Vobix) shall not, at any time, exceed Ten Million and No/100 Dollars (\$10,000,000.00), in the aggregate; (B) the aggregate amount of all loans or advances to, or net after tax investments in ARL (including direct borrowings from the Administrative Agent or the Lenders to ARL) shall not, at any time, exceed Six Million and No/100 Dollars (\$6,000,000.00), in the aggregate; and (C) the Administrative Agent has a perfected security interest in and to all of each Borrower's assets constituting Collateral;

(iii) loans, advances and/or investments in the amounts which are unpaid or outstanding as of the date hereof and listed on Schedule 7.8(c)

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hereto, together with such other loans, advances and/or investments that any Borrower may hereafter make or extend to any non-Borrower (to the extent such loans, advances and/or investments are not otherwise addressed in this Section 7.8); provided that (A) all such loans, advances and investments may not at any time exceed Twelve Million and No/100 Dollars (\$12,000,000.00), in the aggregate; (B) the debt or equity security issued in connection therewith shall have been pledged to the Administrative Agent, for the benefit of the Lenders, pursuant to documentation reasonably satisfactory to the Administrative Agent; and (C) with respect to any loan, advance or investment made after the Closing Date, the Borrowers shall have maintained excess availability under Facility A, during the thirty (30) day period immediately preceding the date on which the particular loan, advance and/or investment is made, in an amount not less than Seven Million and No/100 Dollars (\$7,000,000.00);

(iv) trade credit extended to customers of the Borrowers in the ordinary course of business;

(v) Ordinary Course Payments;

(vi) negotiable instruments endorsed for deposit or collection in the ordinary course of business;

(vii) securities or certificates of deposit with maturities of two (2) years or less; provided that, concurrent with such investment, any and all securities or certificates of deposit (other than those acquired in connection with RABBI trusts and deferred compensation plans) shall have been pledged to the Administrative Agent, for the benefit of the Lenders, pursuant to documentation reasonably satisfactory to the Administrative Agent;

(viii) with respect to the First Source Debt, (a) regularly scheduled payments thereof (including payment at maturity), except to the extent any such payment shall be prohibited pursuant to the First Source Debt Credit Agreement, and (b) subject to Section 1.5 of this Agreement, the prepayment of the First Source Debt; provided that such prepayment is

funded solely from the proceeds of an initial public offering expressly permitted pursuant to Section 7.1(b) of this Agreement; and

(ix) so long as no Event of Default shall have occurred and be continuing, regularly scheduled payments on any other indebtedness expressly permitted pursuant to Section 7.7 of this Agreement.

7.9. Lease Obligations.  
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(a) Except as may be expressly permitted by Section 7.7 of this Agreement, enter into any new lease of real or personal property, except in the ordinary course of business; or

(b) enter into any operating lease (other than a lease for real property) if the aggregate amount of payments due under any and all operating leases of the Borrower(s) shall, at any time, exceed the Dollar Equivalent Amount of Four Million Five Hundred Thousand and No/100 Dollars (\$4,500,000.00) during any twelve (12) month period; it being understood and agreed that payments now or hereafter due in connection with the Enterprise Resource Planning Operating Lease shall not be included in the foregoing computation so long as the aggregate amount of such payments does not exceed Eight Million One Hundred Thousand and No/100 Dollars (\$8,100,000.00) throughout the term of the Loan.

7.10. Duty Deferment Bond. Modify or amend, in any respect, the Duty  
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Deferment Bond, without the prior written consent of the Administrative Agent; it being expressly understood and agreed that the Administrative Agent's consent shall not be required for any change in the amount of the Duty Deferment Bond so long as the Borrowers shall have provided to the Administrative Agent not less than two (2) Business Days' prior written notice of such change, together with a copy of the proposed amended Duty Deferment Bond.

7.11. Lockbox Deposits. Permit or cause any and all payments required to be  
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made directly to the Administrative Agent, pursuant to Section 11.2 of this Agreement, to be made or directed to any other person or entity, without the prior approval of the Administrative Agent.

ARTICLE 8  
COLLATERAL ACCOUNT

From and after the occurrence of an Event of Default, upon the request of the Administrative Agent, the Borrowers will deposit or cause to be deposited into a collateral account (the "Collateral Account") designated by the Administrative Agent, all checks, drafts, cash and other remittances received by the Borrowers, and shall deposit such items for credit to the Collateral Account within one (1) Business Day of the receipt thereof and in precisely the form received. Pending such deposit, the Borrowers will not commingle any such items of payment with any of their other funds or property, but will hold them separate and apart.

The Borrowers hereby covenant and agree that the Collateral Account shall secure the Obligations and hereby grants, assigns and transfers to or at the direction of the Administrative Agent, on behalf of the Lenders, a continuing security interest in all of the Borrowers' right, title

and interest in and to the Collateral Account, whenever created or established. Subject to the terms of this Agreement or any other Loan Document, from and after the occurrence of an Event of Default, the Administrative Agent may apply funds in the Collateral Account to any of the Obligations, including, without limitation, any principal, interest or other payment(s) not made when due, whether arising under this Loan Agreement and/or any other Loan Document, or any other Obligation of the Borrowers, without notice to the Borrowers, without regard to the origin of the deposits in the account, the beneficial ownership of the funds therein or whether such Obligations are owed jointly with another or severally; the order and method of such application to be in the sole discretion of the Administrative Agent, subject to the terms of this Agreement and the other Loan Documents. The Administrative Agent's right to deduct sums due under the Loan Documents from the Borrowers' account(s) shall not relieve the Borrowers from their obligation to make all payments required by the Loan Documents as and when required by the Loan Documents, and the Administrative Agent shall not have any obligation to make any such deductions or any liability whatsoever for any failure to do so.

ARTICLE 9  
DEFAULT AND REMEDIES

9.1. Events of Default. Any one of the following events shall be considered an "Event of Default":

(a) if any Borrower shall fail to pay any principal, interest or other sum owing on any of the Notes or any other Obligation when the same shall become due and payable, whether by reason of acceleration or otherwise;

(b) if the Borrowers shall exceed the Maximum Borrowing Base and fail, immediately upon the happening of such occurrence, without notice or demand therefor, to make a payment to the Administrative Agent in an amount equal to or greater than the Borrowing Base Deficiency;

(c) if any Borrower shall fail to pay and satisfy in full, within ten (10) days of the rendering thereof, any judgment against any Borrower in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) which is not, to the reasonable satisfaction of the Administrative Agent, fully bonded, stayed, covered by insurance or covered by appropriate reserves;

(d) if any warranty or representation set forth herein or in any other Loan Document made by any Borrower or any other party to any of the Loan Documents shall be misleading or untrue in any material respect when made or remade;

(e) if there shall be non-compliance with or a breach of any of the Affirmative Covenants or Negative Covenants contained in this Agreement, or any other covenants or agreements of any Borrower or any other person set forth herein, in any of the Notes or in any other Loan Document;

(f) if (i) without the prior written consent of the Administrative Agent, any Borrower (other than the Borrowers listed on Schedule

9.1 hereto) shall be liquidated or

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dissolved or shall discontinue its business; (ii) a trustee or receiver is appointed for any Borrower or for all or a substantial part of its assets; (iii) any Borrower makes a general assignment for the benefit of creditors; (iv) any Borrower files or is the subject of any insolvency proceeding or petition in bankruptcy, which in the case of an involuntary bankruptcy, remains undismissed for sixty (60) days; (v) any Borrower (other than the Borrowers listed on Schedule 5.23 hereto) shall become insolvent or any Borrower shall at any time

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fail generally to pay its debts as such debts become due; or (vi) any governmental agency or bankruptcy court or other court of competent jurisdiction shall assume custody or control of the whole or any part of the assets of any Borrower;

(g) if any Borrower's property or assets, including, without limitation, any deposit accounts, are levied upon, attached or subject to any other enforcement proceeding, which is not fully bonded or stayed;

(h) the reorganization of any Borrower, without the prior written consent of the Administrative Agent;

(i) if any obligation of any Borrower for the payment of borrowed money, which involves amounts in excess of the Dollar Equivalent Amount of Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00), whether now existing or hereafter created, incurred or arising, becomes or is declared to be due and payable prior to the expressed maturity thereof, whether such obligation is owed to a Lender or any other person;

(j) if any Borrower is in default under any contract or agreement, financial or otherwise, between such Borrower and any other person or entity, involving amounts in excess of the Dollar Equivalent Amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00), and the other party thereto commences exercise of its rights and remedies under such contract or agreement as a consequence of such default; and/or

(k) if the Required Lenders believe there is a material adverse change in the business, assets, properties, condition (financial or otherwise) of the Borrowers, in the aggregate.

9.2. Remedies. Upon the occurrence of any Event of Default, the

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Administrative Agent, acting on behalf of the Lenders, may exercise any or all of the following remedies:

(a) Withhold disbursement of all or any part of the Loan proceeds;

(b) Terminate the Lenders' obligation to make further disbursements of the Loan proceeds;

(c) Declare all principal, interest and other sums owing on the Obligations to be immediately due and payable without demand, protest, notice of protest, notice of default, presentment for payment or further notice of any kind; provided, however, that payments of amounts hereunder shall not be accelerated by reason of (i) a default in the payment of any sum due and payable hereunder or pursuant to any other Loan Document (a "Payment Default"), unless such Payment Default remains uncured for five (5) days (with no notice of default being

required); and (ii) a default other than a Payment Default (a "Non-Payment Default"), unless such Non-Payment Default remains uncured for fifteen (15) days following notice thereof from the Administrative Agent to the Borrowers. Notwithstanding the foregoing, no notice of a Non-Payment Default shall be required prior to acceleration or prior to the Administrative Agent exercising any other right or remedy under this Agreement or any other Loan Document, if (i) the Administrative Agent in good faith believes that any such delay would jeopardize the Lenders' security or the Administrative Agent's or Lenders' lien priority or (ii) the default is a violation of Section 6.3(c) of this Agreement;

(d) Without notice, redirect any and all of the Borrowers' deposits to the Collateral Account;

(e) Without notice, offset and apply against all or any part of the Obligations then owing by any Borrower to any Lender, any and all money, credits, stocks, bonds or other securities or property of any Borrower of any kind or nature whatsoever on deposit with, held by or in the possession of any Lender in any capacity whatsoever, including, without limitation, any deposits with any Lender or any of its affiliates, to the credit of or for the account of any Borrower. The Administrative Agent and Lenders are authorized at any time to charge the Obligations against any Borrower's account(s), without regard to the origin of deposits to the account or beneficial ownership of the funds. Any and all amounts obtained by the Administrative Agent or any Lender pursuant to this subsection (e) shall be shared by all of the Lenders ratably, in accordance with each Lender's Percentage; it being expressly acknowledged and agreed that each Lender, as well as the Administrative Agent, shall be entitled to exercise the rights of set-off provided in this subsection (e) of this Section 9.2;

(f) Exercise all rights, powers and remedies of a secured party under the UCC and/or any other applicable law(s), including, without limitation, the right to (i) require any Borrower to assemble the Collateral (to the extent that it is movable) and make it available to the Administrative Agent at a place to be designated by the Administrative Agent, and (ii) enter upon any Borrower's premises, peaceably by the Administrative Agent's own means or with legal process, and take possession of, render unusable or dispose of the Collateral on such premises; each Borrower hereby agreeing not to resist or interfere with any such action. The Administrative Agent agrees to give the Borrowers written notice of the time and place of any public sale of the Collateral or any part thereof, and the time after which any private sale or any other intended disposition of the Collateral is to be made, and such notice will be mailed, postage prepaid, to the principal place of business of the Borrowers, at least ten (10) days before the time of any such sale or disposition. Each Borrower hereby authorizes and appoints the Administrative Agent and its successors and assigns to (x) sell the Collateral, and (y) declare that each Borrower assents to the passage of a decree by a court of proper jurisdiction for the sale of the Collateral. Any such sale pursuant to (x) or (y) above is to be made in accordance with the applicable provisions of the laws and rules of procedure of the Commonwealth of Virginia or other applicable law; and/or

(g) Proceed to enforce such other and additional rights and remedies as the Administrative Agent and/or Lenders may have hereunder and/or under any of the other Loan Documents, or as may be provided by applicable law.

It is expressly understood and agreed that the Lenders and/or the Administrative Agent may exercise their respective rights under this Agreement or under any other Loan Document without exercising the rights or affecting the security afforded by any other Loan Document, and it is further understood and agreed that the Administrative Agent may proceed against all or any portion of the Collateral in such order and at such times as the Administrative Agent, in its sole discretion, sees fit; and each Borrower hereby expressly waives, to the extent permitted by law, all benefit of valuation, appraisal, marshaling of assets and all exemptions under the laws of the Commonwealth of Virginia and/or any other state, district or territory of the United States. Notwithstanding the foregoing delegation of authority by the Lenders to the Administrative Agent, it is agreed that at any time there are two (2) or fewer Lender parties to this Agreement, any Lender may request the Administrative Agent to commence enforcement action against the Borrowers and/or Collateral upon an Event of Default. In this event, if the Administrative Agent fails or refuses to take enforcement action upon the request of a Lender, such Lender may itself commence appropriate enforcement action. Furthermore, if any Borrower shall default in the performance when due of any of the provisions of this Agreement, the Administrative Agent, without notice to or demand upon the Borrowers (and without any grace or cure period) and without waiving or releasing any of the Obligations or any default hereunder, under the Notes or under any other Loan Document, may (but shall be under no obligation to) perform the same for each Borrower's account, and any monies expended in so doing shall be chargeable to the Borrowers with interest, at the highest rate of interest payable under Notes, plus two percent (2%), and added to the indebtedness secured by the Collateral.

All sums paid or advanced by the Administrative Agent in connection with the foregoing or otherwise in connection with the Loan, and all court costs and expenses of collection, including without limitation, reasonable attorneys' fees and expenses (and fees and expenses resulting from the taking, holding or disposition of the Collateral) incurred in connection therewith shall be paid by the Borrowers upon demand and shall become a part of the Obligations secured by the Collateral. The Borrowers agree to bear the expense of each lien search, property and judgment report or other form of Collateral ownership investigation as the Administrative Agent, in its discretion, shall deem necessary or desirable to assure or further assure to the Lenders and/or the Administrative Agent their respective interests in the Collateral.

ARTICLE 10  
THE AGENTS; AGENCY

10.1. Appointment. Each Lender hereby affirms its irrevocable  
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appointment of Citizens Bank to act as Administrative Agent and PNC to act as Documentation Agent for each such Lender pursuant to the provisions of this Agreement and the other Loan Documents, and affirms its irrevocable authorization given to the Agents to take such action, and exercise such powers and perform such duties as are expressly delegated to or required of the Agents by the terms hereof or thereof, or are reasonably incidental thereto, including without limitation, executing documents on behalf of the Lenders, as agent. Citizens Bank affirms its agreement to act as Administrative Agent and PNC affirms its agreement to act as Documentation Agent on behalf of the Lenders on the terms and conditions set forth in this Agreement and the other Loan Documents, subject to their right to resign as provided in Section 10.10. Each Lender agrees that the rights and remedies granted to the Agents under this Agreement and the other Loan Documents shall be exercised exclusively by the Agents, and that no Lender shall have the right

individually to exercise any such right or remedy, except to the extent expressly provided herein or therein.

10.2. General Nature of Agents' Duties. Notwithstanding anything to the

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contrary elsewhere in this Agreement or any other Loan Document:

(a) The Agents shall have no duties or responsibilities other than those expressly set forth in this Agreement and the other Loan Documents, and no implied duties or responsibilities on the part of the Agents shall be read into this Agreement or any other Loan Document or shall otherwise exist.

(b) The duties and responsibilities of the Agents under this Agreement and the other Loan Documents shall be mechanical and administrative in nature, and the Agents shall not have a fiduciary relationship in respect of any Lender, except with respect to funds or collateral any Agent receives on behalf of any Lender.

(c) Each Agent is and shall be solely the agent of the Lenders. Each Agent does not assume, and shall not at any time be deemed to have, any relationship of agency or trust with or for, or any other duty or responsibility to, any Borrower or any other person (except only for its relationship as agent for, its express duties and responsibilities as agent for, and its express duties and responsibilities to, the Lenders as provided in this Agreement and the other Loan Documents).

(d) Neither Agent shall be under any obligation to take any action hereunder or under any other Loan Document if such Agent believes in good faith that taking such action may conflict with any Applicable Laws, or any provision of this Agreement or any other Loan Document, or may require the such Agent to qualify to do business in any jurisdiction where it is not then so qualified.

10.3. Exercise of Powers.

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(a) The Agents shall have the authority to take any action of the type specified in this Agreement or any other Loan Document as being within each Agent's rights, powers or discretion, as it determines in its sole discretion, except as provided in subsection (b) below, and except as provided in any other Loan Document which expressly requires the direction or consent of (i) the Required Lenders; or (ii) all of the Lenders, in either of which circumstances such Agent shall not take such action absent such direction or consent. Any action or inaction pursuant to such direction or consent shall be binding on all of the Lenders.

(b) The Administrative Agent shall not in any material respect amend, modify, grant consents or waive any term or provision of this Agreement or any other Loan Document without the consent or approval of the Required Lenders, or declare an Event of Default, provide formal written notice of default to any Borrower or exercise any rights or remedies against any Borrower without the prior consent of the Required Lenders. Each Lender agrees that its decision to consent to or reject any request by the Administrative Agent for permission to declare an Event of Default, provide formal notice thereof to any Borrower and/or exercise any rights or remedies arising by virtue of such default, shall be made as soon as

reasonably practicable after the Lender has received all relevant information with respect to such request, but in all events within five (5) Business Days of the receipt of such information; it being understood and agreed that, unless otherwise provided herein, the Administrative Agent shall exercise any and all rights and responsibilities on behalf of the Lenders in connection with an Event of Default. Additionally, only with the consent or approval of all of the Lenders, the Administrative Agent may (a) extend the final maturity of the Loan or any Note, reduce the interest rate payable on or extend the time of payment for any installment of principal, interest or fees payable in connection with the Loan, or issue Letters of Credit (i) having an expiration date beyond the Maturity Date, except as otherwise expressly provided in this Agreement, or (ii) causing the aggregate outstanding amount of all such Letters of Credit issued to exceed Ten Million Dollars (\$10,000,000); (b) change the Percentage of the Commitment Amount of any Lender, (c) release all or a substantial portion of the Collateral, except in accordance with the provisions of any applicable Loan Document, (d) amend the definition of the Required Lenders or expand the definitions of Eligible Billed Government Accounts Receivable, Eligible Billed Commercial Accounts Receivable and/or Eligible Unbilled Government Accounts Receivable, (e) consent to the assignment or transfer by any Borrower of any of its rights or obligations hereunder, (f) amend, modify or waive any provisions of this Section 10.3, (g) change the manner of application by the Administrative Agent of payments made under the Loan Documents, or (h) change the method of calculation used in connection with the computation of interest, commissions or fees. Each Lender agrees that its decision to approve or reject any request for an amendment or waiver with respect to this Agreement shall be made as soon as reasonably practicable after the Lender has received all relevant information with respect to such request.

10.4. General Exculpatory Provisions. Notwithstanding anything to the  
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contrary elsewhere in this Agreement or any other Loan Document:

(a) Neither Agent, in its capacity as Agent (but not as a Lender), shall be liable for any action taken or omitted to be taken by it under or in connection with this Agreement or any other Loan Document, unless caused by its own gross negligence or willful misconduct.

(b) Neither Agent shall be responsible for (i) the execution, delivery, effectiveness, enforceability, genuineness, validity or adequacy of this Agreement or any other Loan Document, (ii) any recital, representation, warranty, document, certificate, report or statement in this Agreement or any other Loan Document, (iii) any failure of any Borrower or any Lender to perform any of their respective obligations under this Agreement or any other Loan Document, (iv) the existence, validity, enforceability, perfection, recordation, priority, adequacy or value, now or hereafter, of any lien or encumbrance or other direct or indirect security afforded or purported to be afforded by any of the Loan Documents, or otherwise from time to time, or (v) caring for, protecting, insuring or paying any taxes, charges or assessments with respect to any Collateral.

(c) Neither Agent shall be under any obligation to ascertain, inquire or give any notice relating to (i) the performance or observance of any of the terms or conditions of this Agreement or any other Loan Document on the part of any Borrower, (ii) the business,

operations, condition (financial or otherwise) or prospects of any Borrower, or (iii) except to the extent as may be set forth in Article 9 hereof, the existence of any Event of Default.

(d) Neither Agent shall be under any obligation, either initially or on a continuing basis, to provide any Lender with any notices, reports or information of any nature, whether in its possession presently or hereafter, except for such notices, reports and other information expressly required by this Agreement or any other Loan Document to be furnished by the Agent to such Lender.

10.5. Administration by the Agent.  
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(a) Each Agent may rely upon any notice or other communication of any nature (written or oral, including telephone conversations, whether or not such notice or other communication is made in a manner permitted or required by this Agreement or any other Loan Document) purportedly made by or on behalf of the proper party or parties, and neither Agent shall have any duty to verify the identity or authority of any person giving such notice or other communication.

(b) Each Agent may consult with legal counsel (including in-house counsel for such Agent), independent public accountants and any other experts selected by such Agent from time to time, and neither Agent shall be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts.

(c) Each Agent may conclusively rely upon the truth of the statements and the correctness of the opinions expressed in any certificates or opinions furnished to such Agent in accordance with the requirements of this Agreement or any other Loan Document. Whenever either Agent shall deem it necessary or desirable that a matter be proved or established with respect to any Borrower or any Lender, such matter may be established by a certificate of such Borrower or such Lender, as the case may be, and such Agent may conclusively rely upon such certificate.

(d) Each Agent may fail or refuse to take any action unless it shall be indemnified to its satisfaction from time to time against any and all amounts, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of every kind and nature which may be imposed on, incurred by or asserted against such Agent by reason of taking or continuing to take any such action; provided that no Lender shall be obligated to indemnify such Agent for any portion of such amounts, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements resulting solely from the gross negligence or willful misconduct of such Agent, as finally determined by a court of competent jurisdiction.

(e) Each Agent may perform any of its duties under this Agreement or any other Loan Document by or through agents or attorneys-in-fact. Neither Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(f) Neither Agent shall be deemed to have any knowledge or notice of the occurrence of any Event of Default (other than a default in the payment of regularly scheduled principal or interest), unless such Agent has received from a Lender or a Borrower a written notice referring to this Agreement, describing the Event of Default, and stating that such notice is a "notice of default". If either Agent receives such a notice, such Agent shall give prompt notice thereof to each Lender.

(g) The Administrative Agent shall provide three (3) Business Days prior notice to the Lenders of any field audit scheduled to be performed by the Administrative Agent pursuant to Section 1.6 of this Agreement. The Lenders shall be entitled to (i) receive copies of field audits performed by the Administrative Agent, and (ii) accompany the Administrative Agent to any field audit, provided that the Administrative Agent may, in its discretion, limit the number of Lenders attending any such field audit.

10.6. Lenders Not Relying on Agent or Other Lenders. Each Lender

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acknowledges as follows:

(a) Neither Agent nor any other Lender has made any representations or warranties to it, and no act taken hereafter by either Agent or any other Lender shall be deemed to constitute any representation or warranty by such Agent or such other Lender to it.

(b) It has, independently and without reliance upon either Agent or any other Lender, and based upon such documents and information as it has deemed appropriate, made its own credit and legal analysis and decision to enter into this Agreement and the other Loan Documents.

(c) It will, independently and without reliance upon either Agent or any other Lender, and based upon such documents and information as it shall deem appropriate at the time, make its own decisions to take or not take action under or in connection with this Agreement and the other Loan Documents.

10.7. Indemnification. Each Lender agrees to reimburse and indemnify

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each Agent and each Agent's directors, officers, employees and agents (to the extent not reimbursed by the Borrowers, and without limitation of the obligation of the Borrowers to do so), ratably in accordance with each Lender's Percentage, from and against any and all amounts, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs and disbursements of every kind or nature (including the reasonable fees and disbursements of counsel for each Agent or such other person in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not either Agent or such other person shall be designated a party thereto) that may at any time be imposed on, incurred by or asserted against such Agent or such other person as a result of this Agreement, any other Loan Document, any transaction from time to time contemplated hereby or thereby, or any transaction financed in whole or in part or directly or indirectly with the proceeds of the Loan; provided that no Lender shall be obligated to

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indemnify such Agent or such other person for any portion of such amounts, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements resulting solely from the gross negligence or willful

misconduct of the person seeking indemnity, as finally determined by a court of competent jurisdiction.

10.8. Agent in its Individual Capacity; Agents' Commitment.  
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(a) With respect to their commitments and the Obligations owing to them, Citizens Bank and PNC shall have the same rights and powers under this Agreement and each other Loan Document as any other Lender, and may exercise the same as though they were not the Agents. The terms "Lender," "holders of Notes" and like terms shall include Citizens Bank and PNC in their individual capacities. Citizens Bank and PNC and their respective affiliates may, without liability to account for, make loans to, accept deposits from, acquire debt or equity interests in, act as trustee under indentures of and engage in any other business with any Borrower and any stockholder, subsidiary or affiliate of any Borrower, as though Citizens Bank and PNC were not the Agents hereunder.

(b) The Administrative Agent hereby agrees that it shall at all times maintain, at a minimum, the lesser of (the "Agent's Commitment"):

(i) a Ten Million and No/100 Dollar (\$10,000,000.00) interest in the aggregate Commitment Amount; or

(ii) a Percentage of the Commitment Amount that is at least equal to ten percent (10%).

In the event the Administrative Agent fails to maintain the Agent's Commitment, the Administrative Agent agrees to resign as the Administrative Agent hereunder, if requested by the Borrowers, pursuant to Section 10.10 of this Agreement; it being expressly acknowledged and agreed that the Borrowers shall be third party beneficiaries of the Agent's Commitment requirement set forth in this Section 10.8(b).

10.9. Holders of Notes. The Administrative Agent may deem and treat  
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any Lender which is the payee of a Note as the owner and holder of such Note for all purposes hereof unless and until written notice evidencing such transfer shall have been filed with the Administrative Agent. Any authority, direction or consent of any person who at the time of giving such authority, direction or consent was a Lender shall be conclusive and binding on each present and subsequent holder, transferee or assignee of any Note or Notes payable to such Lender or issued in exchange therefor.

10.10. Successor Agent. Either Agent may resign at any time by giving  
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thirty (30) days prior written notice thereof to the Lenders and Borrowers, subject to appointment of a successor Agent (and such appointees acceptance of appointment) as below provided in this Section 10.10. Additionally, either Agent may be removed for cause by all of the Lenders (other than such Agent, if such Agent is then a Lender), or the Borrowers may request an Agent's resignation pursuant to Section 10.8(b), if removal or resignation, as applicable, is requested in writing (which wording must specifically identify the "cause" for removal), and ten (10) days' prior written notice of removal or resignation is provided to such Agent and Borrowers (or Lenders, if applicable). Upon any such resignation or removal, the Lenders shall appoint the

other Agent as the successor Documentation Agent or Administrative Agent, as the case may be. All references to the "Agents" in the Loan Documents shall be deemed to mean the person(s) acting as the Documentation Agent and Administrative Agent, and it is understood that it is possible that the same person may be acting in both capacities. If such other Agent fails or refuses to accept such appointment within thirty (30) days after such notice of resignation or removal, then the retiring Agent shall, on behalf of the Lenders, immediately appoint, as its successor, another Lender; provided that such Lender is a commercial bank or trust company organized under the laws of the United States of America or any State thereof and has a combined capital and surplus of at least One Billion and No/100 Dollars (\$1,000,000,000.00). In such event, the Agent's resignation or removal shall not be effective until the successor Agent shall have accepted its appointment. Upon the acceptance by a successor Agent of its appointment as Agent hereunder, such successor Agent shall thereupon succeed to and become vested with all of the properties, rights, powers, privileges and duties of the former Agent, without further act, deed or conveyance. Upon the effective date of resignation or removal of a retiring Agent, such Agent shall be discharged from its duties under this Agreement and the other Loan Documents, but the provisions of this Agreement shall continue to be binding on and inure to its benefit as to any actions taken or omitted by it while it was Agent under this Agreement. If for any reason, at any time, there is no Administrative Agent hereunder, then during such period, the Required Lenders shall have the right to exercise the Administrative Agent's rights and perform its duties hereunder, except that (i) all notices or other communications required or permitted to be given to the Administrative Agent shall be given to each Lender, and (ii) all payments to be made to the Administrative Agent shall be made directly to the Borrowers or the Lender for whose account such payment is made.

10.11. Additional Agents. If the Administrative Agent shall from time to

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time deem it necessary or advisable to engage other agents for its own protection in the performance of its duties hereunder or in the interests of the Lenders, then the Administrative Agent and Borrowers shall execute and deliver a supplemental agreement and all other instruments and agreements necessary or advisable, in the opinion of the Administrative Agent, to constitute another commercial bank or trust company, or one or more other persons approved by the Administrative Agent, to act as co-Agent or a separate agent with respect to any part of the Collateral, with such powers as may be provided in such supplemental agreement, and with the power to vest in such bank, trust company or other person (as such co-Agent or separate agent, as the case may be), any properties, rights, powers, privileges and duties of the Administrative Agent under this Agreement or any other Loan Document.

10.12. Calculations. Neither Agent shall be liable for any calculation,

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apportionment or distribution of payments made by it in good faith. If such calculation, apportionment or distribution is subsequently determined to have been made in error, the sole recourse of any Lender to whom payment was due but not made shall be to recover from the Lenders any payment in excess of the amount to which they are determined to be entitled, with interest thereon at the Federal Funds Rate, or, if the amount due was not paid by any Borrower, to recover such amount from such Borrower, with interest thereon at the rate provided in the applicable Note.

10.13. Funding by the Administrative Agent.  
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(a) Except as otherwise provided in this Agreement, the Administrative Agent alone shall be entitled to make all advances in connection with the Loan and shall receive all payments and other receipts relating to the Loan; it being understood, however, that the Administrative Agent has reserved the right not to advance any amounts to the Borrowers which the Administrative Agent has not received from the Lenders. The Administrative Agent will notify each Lender of the date and amount of any requested advance, and if such notification is received by 1:00 p.m. Washington, D.C. time on any given Business Day, the Lenders shall provide the required funds to the Administrative Agent no later than the close of business on such Business Day. Once per week, or within such shorter time frame as may be requested by the Administrative Agent, the Administrative Agent and each Lender shall pay to each other such amounts (the "Equalization Payments") as may be necessary to cause each Lender to own its applicable Percentage of the Loan and otherwise implement the terms and provisions of this Agreement; it being understood that each Lender shall be entitled to receive interest on amounts advanced by it only from the date of such Lender's advance of funds. The obligation of the Administrative Agent and each Lender to make Equalization Payments shall not be affected by a bankruptcy filing by any Borrower, the occurrence of any Event of Default or any other act, occurrence or event whatsoever, whether the same occurs, before, on or after the date on which an Equalization Payment is required to be made. All Equalization Payments shall be made by 1:00 p.m. Washington, D.C. time on the date such payment is required.

(b) Unless the Administrative Agent shall have been notified in writing by any Lender no later than the close of business on the Business Day before the Business Day on which an advance requested by the Borrowers is to be made, that such Lender will not make its ratable share of such advance, the Administrative Agent may assume that such Lender will make its ratable share of the advance, and in reliance upon such assumption the Administrative Agent may (but in no circumstances shall be required to) make available to the Borrowers a corresponding amount. If and to the extent that any Lender fails to make such payment to the Administrative Agent when required, such Lender shall pay such amount on demand (or, if such Lender fails to pay such amount on demand, the Borrowers shall arrange for the repayment of such amount to the Administrative Agent), together with interest for the Administrative Agent's own account for each day from and including the date of the Administrative Agent's payment, to and including the date of repayment to the Administrative Agent (before and after judgment). Interest (a) if paid by such Lender (i) for each day from and including the date of the Administrative Agent's payment to and including the second Business Day thereafter, shall accrue at the Federal Funds Rate for such day, and (ii) for each day thereafter, shall accrue at the rate or rates per annum payable under the Notes; and (b) if paid by the Borrowers, shall accrue at the rate or rates per annum payable under the Notes. All payments to the Administrative Agent under this Section shall be made to the Administrative Agent at its office set forth in the preamble of this Agreement (or as otherwise directed by the Administrative Agent), in dollars, in immediately available funds, without set-off, withholding, counterclaim or other deduction of any nature.

(c) All borrowings under this Agreement shall be incurred from the Lenders pro rata on the basis of their respective Percentages (except to the extent advanced (i) as a Swing

Line Loan, or (ii) by the Administrative Agent on behalf of any Lender as provided in subsection (a) or (b) above). It is understood that no Lender shall be responsible for any other Lender's failure to meet its obligation to make advances hereunder, and that each Lender shall be obligated to make advances required to be made by it hereunder regardless of the failure of any other Lender to make its advances hereunder.

(d) Each payment and prepayment received by the Administrative Agent for the account of the Lenders shall be distributed first to the Swing Line Lender for application to any Swing Line Outstandings, and then to each Lender entitled to share in such payment, ratably in accordance with each Lender's Percentage. Notwithstanding the provisions of Section 9.2(d) of this Agreement, any Lender who has failed to fund its Percentage of any advance under the Loan shall not be entitled to share in any such payment(s) until such time as the funding deficiency caused thereby, together with interest thereon (as provided in subsection (b) above), has been paid to the Administrative Agent in accordance with the terms and conditions of this Agreement. Payments from the Administrative Agent to the Lenders shall be made by wire transfer in accordance with written instructions provided to the Administrative Agent by the Lenders from time to time. Unless the Administrative Agent shall have received notice from the Borrowers prior to the date on which any payment is due to the Lenders hereunder that the Borrowers will not make such payment in full, the Administrative Agent may assume that the Borrowers have made such payment in full on such date and the Administrative Agent, in reliance upon such assumption, may cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrowers shall not have made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent upon its demand therefor such amount distributed to such Lender, together with interest thereon at the overnight Federal Funds Rate for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent.

(e) If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) in excess of such Lender's Percentage of payments, such Lender shall forthwith purchase from the other Lender(s) such participations in the Loans made by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of the other Lender(s); provided, however, if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from the other Lender(s) shall be rescinded and each other Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery, together with an amount equal to such Lender's ratable share (according to the proportion of (1) the amount of such Lender's required repayment, to (2) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount recovered. Each Borrower agrees that any Lender purchasing a participation from another Lender pursuant to this Section 10.13(e), to the fullest extent permitted by law, may exercise all of its rights of payment with respect to such participation as fully as if such Lender were the direct creditor of the Borrowers in the amount of such participation.

10.14. Benefit of Article. The provisions of this Article 10 are solely for  
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the benefit of the Agents and Lenders. Except as provided in Section 10.8(b) of this Agreement, no Borrower shall have any rights under any of the provisions of this Article 10; it being understood

that the provisions of this Article 10 are not in limitation of any right, power, duty, obligation or liability which the Agents would have to or against any Borrower.

ARTICLE 11  
CERTAIN ADDITIONAL RIGHTS AND  
OBLIGATIONS REGARDING THE COLLATERAL

11.1. Power of Attorney. Each Borrower hereby reaffirms its irrevocable

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appointment of the Administrative Agent, as its agent and attorney-in-fact, with power of substitution, having full power and authority, in its own name, in the name of any Lender(s), in the name of any Borrower or otherwise (but at the cost and expense of the Borrowers and without notice to any Borrower), but only after the occurrence of an Event of Default which remains uncured beyond any applicable notice and grace period, to (i) notify account debtors obligated on any of the Receivables to make payments thereon directly to the lockbox referenced in Section 11.2 of this Agreement, and to take control of the cash and non-cash proceeds of any such Receivables; (ii) compromise, extend or renew any of the Collateral constituting Receivables or deal with any of the Collateral as the Administrative Agent may deem advisable; (iii) release its interest in, make exchanges or substitutions for and/or surrender, all or any part of any Borrower's interest in all or any part of the Collateral; (iv) remove from any Borrower's place(s) of business all books, records, ledger sheets, correspondence, invoices and documents relating to or evidencing any of the Collateral, or without cost or expense to the Administrative Agent, make such use of any Borrower's place(s) of business as may be reasonably necessary to administer, control and/or collect the Collateral; (v) repair, alter or supply goods, if any, necessary to fulfill in whole or in part the purchase order of any Account Debtor; (vi) demand, collect receipt for and give renewals, extensions, discharges and releases of all or any part of the Collateral; (vii) institute and prosecute legal and equitable proceedings to enforce collection of, or realize upon, all or any part of the Collateral; (viii) settle, renew, extend, compromise, compound, exchange or adjust claims with respect to all or any part of the Collateral or any legal proceedings brought with respect thereto; and (ix) receive and open all mail addressed to any Borrower, and notify the Post Office authorities to change the address for the delivery of mail to any Borrower to such address as the Administrative Agent may designate; it being understood that the rights granted to the Administrative Agent in this clause (ix), which are operative on the occurrence of an Event of Default, shall not in any way limit or impair the other rights provided to the Administrative Agent and/or Lenders in this Agreement or any other Loan Document, including, without limitation, their rights with respect to the Collateral Account and the below-referenced lockbox. Furthermore, each Borrower hereby reaffirms its irrevocable appointment of the Administrative Agent, as its agent and attorney-in-fact, with power of substitution, having full power and authority, in its own name, in the name of any Lender(s), in the name of any Borrower or otherwise (but at the cost and expense of the Borrowers and without notice to any Borrower) and regardless of whether an Event of Default has occurred or any act, event or condition which with notice or the lapse of time, or both, would constitute an Event of Default has occurred, to (a) file financing statements and continuation statements covering the Collateral and execute the same on behalf of any Borrower; (b) charge against any banking account of any Borrower any item of payment credited to any Borrower's account which is dishonored by the drawee or maker thereof; and/or (iii) endorse the name of any Borrower upon any items of payment relating to the Collateral or upon any proof of claim in bankruptcy against any Account Debtor.

11.2. Lockbox. Each Borrower hereby authorizes the Administrative Agent to

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receive and collect any amount or amounts due or to become due on account of any Receivables and, at its discretion, to apply the same to the repayment of the Notes, and each Borrower agrees that, as of the date hereof, it has established and shall continually maintain on terms and conditions satisfactory to the Administrative Agent in all respects, one or more lockboxes (and, if required by the Administrative Agent, one or more blocked accounts) for the collection of Receivables. Except as otherwise may be approved by the Administrative Agent in writing, any checks or other remittances received by any Borrower in payment of the Receivables shall be held in trust by each Borrower for the Administrative Agent and Lenders. Each Borrower shall, within thirty (30) days from the date hereof (or within such longer period as may be reasonably required by any Borrower), direct all of its customers (other than certain customers as may be approved by the Administrative Agent) to make payments directly to the Administrative Agent, and/or include on all of its invoices, a direction to its customer to make all payments directly to the Administrative Agent, at:

ManTech International Corporation  
P.O. Box 7777-W2155  
Philadelphia, Pennsylvania 19175-2155

11.3. Other Agreements. Except as may otherwise be expressly permitted by

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the terms of this Agreement, and without limiting any other restrictions or provisions of this Agreement, each Borrower will (i) on demand, subject to any confidentiality and secrecy requirements imposed by any Government agency, make available in form reasonably acceptable to the Administrative Agent, shipping documents and delivery receipts evidencing the shipment of goods which gave rise to the sale or lease of inventory or of an account, contract right or chattel paper, completion certificates or other proof of the satisfactory performance of services which gave rise to the sale or lease of inventory or of an account, contract right or chattel paper, and each Borrower's copy of any written contract or order from which a sale or lease of inventory, an account, contract right or chattel paper arose; and (ii) when requested, advise the Administrative Agent when an Account Debtor returns or refuses to retain any goods, the sale or lease of which gave rise to an account, contract right or chattel paper, and of any delay in delivery or performance, or claims made in regard to any sale or lease of inventory, account, contract right or chattel paper. Upon reasonable notice, all such records will be available for examination by authorized agents of the Administrative Agent.

It is expressly understood and agreed, however, that the Administrative Agent shall not be required or obligated in any manner to make any inquiries as to the nature or sufficiency of any payment received by it or to present or file any claims or take any other action to collect or enforce a payment of any amounts which may have been assigned to it or to which it or the Lenders may be entitled hereunder at any time or times.

ARTICLE 12  
MISCELLANEOUS

12.1. Remedies Cumulative. Each right, power and remedy of the Agents or

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Lenders provided for in this Agreement or in any other Loan Document or now or hereafter existing at law or in equity, by statute or otherwise, shall be cumulative and concurrent and shall

be in addition to every other right, power or remedy provided for in this Agreement or in any other Loan Document, or now or hereafter existing at law or in equity, by statute or otherwise, and the exercise or beginning of the exercise by the Agents of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Agents of any or all such other rights, powers or remedies.

12.2. Waiver. Time is of the essence of this Agreement. No failure or delay

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by the Administrative Agent to insist upon the strict performance of any term, condition, covenant or agreement set forth in this Agreement or any other Loan Document, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of such term, condition, covenant or agreement or of any such breach, or preclude the Administrative Agent from exercising any such right, power or remedy at any later time or times. By accepting payment after the due date of any of the Obligations, neither the Lenders nor the Administrative Agent shall be deemed to have waived either the right to require prompt payment when due of all other Obligations, or the right to declare a default for failure to make payment of any such other Obligations.

12.3. Notices. Notices to either party shall be in writing and shall be

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delivered personally or by first-class mail or nationally-recognized overnight delivery service addressed to the parties at the addresses set forth below or otherwise designated in writing:

If to the Borrowers: ManTech International Corporation  
12015 Lee Jackson Highway  
Fairfax, Virginia 22033  
Attention: Ms. Tracy A. Wilson

If to the Lenders: Citizens Bank of Pennsylvania  
8521 Leesburg Pike  
Suite 405  
Vienna, Virginia 22182  
Attention: Ms. Maria A. Josephs

PNC Bank, National Association  
One PNC Plaza  
6th floor  
249 Fifth Avenue  
Pittsburgh, Pennsylvania 15222  
Attention: Ms. Doreen K. Casey

Branch Banking and Trust Company of Virginia  
8200 Greensboro Drive  
Suite 250  
McLean, Virginia 22102  
Attention: Mr. Ronald P. Gudbrandsen

and

Chevy Chase Bank, F.S.B.  
Government Contracting & Technology Group  
7501 Wisconsin Avenue  
12th Floor  
Bethesda, Maryland 20814  
Attention: Ms. Marsha Thompson

If to the Administrative Agent: Citizens Bank  
8521 Leesburg Pike  
Suite 405  
Vienna, Virginia 22182  
Attention: Ms. Maria A. Josephs

If to the Documentation Agent: PNC Bank, National Association  
One PNC Plaza  
6th floor  
249 Fifth Avenue  
Pittsburgh, Pennsylvania 15222  
Attention: Ms. Doreen Casey

with a copy of all notices to any Lender or Agent to: Dickstein Shapiro Morin & Oshinsky LLP  
2101 L Street, N.W.  
Washington, D.C. 20037  
Attention: Matthew S. Bergman, Esq.

with a copy of all notices to any Borrower to: Golden & Nelson, PLLC  
8285 Highglade Ct.  
Millersville, Maryland 21108  
Attention: Hedy L. Nelson, Esq.

12.4. Entire Agreement. This Agreement and the other Loan Documents

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constitute the entire agreement of the parties with respect to the Loan and shall continue in full force and effect for so long as any Borrower shall be indebted hereunder or under any Note, and thereafter until the Administrative Agent shall have actually received written notice of the termination hereof from the Borrowers, all Letters of Credit shall have been cancelled or expired and all Obligations incurred or contracted before receipt of such notice shall have been fully paid.

12.5. Relationship of the Parties. This Agreement provides for the

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extension of financial accommodations by each Lender, in its capacity as lender, to the Borrowers, in their capacity as borrowers, and for the payment of interest and repayment of the Obligations by the Borrowers. Certain provisions herein, such as those relating to compliance with the financial covenants, delivery to the Administrative Agent and Lenders of financial statements, and compliance with other affirmative and negative covenants are for the benefit of the Administrative Agent and Lenders to protect the Lenders' interests in assuring repayment of the

Obligations. Nothing contained in this Agreement shall be construed as permitting or obligating the Lenders or Agents to act as a financial or business advisor or consultant to any Borrower, as permitting or obligating the Lenders or Agents to control any Borrower or to conduct any Borrower's operations, as creating any fiduciary obligation on the part of any Lender or Agent to any Borrower, or as creating any joint venture, agency or other relationship between the parties other than as explicitly and specifically stated in this Agreement. Each Borrower acknowledges that it has had the opportunity to obtain the advice of experienced counsel of its own choosing in connection with the negotiation and execution of this Agreement and to obtain the advice of such counsel with respect to all matters contained herein, including, without limitation, the provision in this Agreement for waiver of trial by jury. Each Borrower further acknowledges that it is experienced with respect to financial and credit matters and has made its own independent decision to request the Obligations and execute and deliver this Agreement.

12.6. Waiver of Jury Trial. Each Borrower hereby (a) covenants and agrees

not to elect a trial by jury of any issue triable by a jury, and (b) waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist. This waiver of right to trial by jury is separately given by each Borrower, knowingly and voluntarily, and this waiver is intended to encompass individually each instance and each issue as to which the right to a jury trial would otherwise accrue. The Administrative Agent is hereby authorized and requested to submit this Agreement to any court having jurisdiction over the subject matter and the parties hereto, so as to serve as conclusive evidence of each Borrower's herein contained waiver of the right to jury trial. Further, each Borrower hereby certifies that no representative or agent of the Agents or any Lender (including the Agents' counsel) has represented, expressly or otherwise, to the undersigned that the Agents or Lenders will not seek to enforce this provision waiving the right to a trial by jury.

12.7. Submission to Jurisdiction; Service of Process; Venue. Any judicial

proceeding brought against any Borrower with respect to this Agreement or any other Loan Document may be brought in any court of competent jurisdiction in the Commonwealth of Virginia, and by execution and delivery of this Agreement, each Borrower accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid court, and irrevocably agrees to be bound by any judgment rendered by such court in connection with this Agreement. Each Borrower irrevocably designates and appoints Jeffrey S. Brown, Esq., whose address is 12015 Lee Jackson Highway, Eighth Floor, Fairfax, Virginia 22033, as its agent to receive on its behalf service of all process in any such proceeding in any court in the Commonwealth of Virginia, such service being hereby acknowledged by each Borrower to be effective and binding on it in every respect. A copy of any such process so served shall be mailed by registered or certified mail to the Borrower at the address to which notices are to be addressed in accordance with this Agreement, except that any failure to mail such copy shall not affect the validity of service of process. Each Borrower shall at all times maintain an agent for service of process pursuant to this provision. If any Borrower fails to appoint such an agent, or if such agent refuses to accept service, such Borrower hereby agrees that service upon it by mail shall constitute sufficient notice. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Administrative Agent or Lenders to bring proceedings against any Borrower in the courts of any other jurisdiction.

12.8. Changes in Capital Requirements. If after the date of this Agreement

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the Administrative Agent shall determine that the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof, or compliance by the Lenders with any request or directive regarding capital adequacy of any authority, central bank or comparable agency, which adoption, change or compliance is applicable to all banks generally or to banks similar in size, has or would have the effect of reducing the rate of return on the Lenders' capital as a consequence of the Lenders' obligations hereunder to a level below that which the Lenders could have achieved but for such adoption, change or compliance (taking into consideration the Administrative Agent's policies with respect to capital adequacy), then, after sixty (60) days prior notice given by the Administrative Agent to the Borrowers, the interest rate on the Notes shall be increased to a rate which shall retain the Lenders' original rate of return on the Lenders' capital.

12.9. Captions. The paragraph headings of this Agreement are for

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convenience of reference only, and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

12.10. Modification and Waiver. Neither this Agreement nor any term,

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condition, covenant or agreement hereof may be changed, waived, discharged or terminated orally, but that may be accomplished only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

12.11. Transferability.

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(a) No Borrower shall assign any of its rights, interests or Obligations under this Agreement.

(b) No Lender shall assign its interests under this Agreement to any person or entity, without the prior written consent of both Citizens Bank and the Borrowers; provided that (i) the Borrowers' consent shall not be required for assignments from one Lender to another Lender or at any time during which an Event of Default shall have occurred and be continuing; and (ii) the Borrowers' consent shall not be unreasonably withheld or delayed. Subject to obtaining such consent, any Lender may assign its interest, in the ordinary course of its commercial banking business, at any time, or sell participations in some but not all of its rights and obligations under this Agreement and the other Loan Documents, provided that (a) the purchaser of any such interest is a commercial bank (a "Participating Lender") or Eligible Assignee, in either case whose total assets exceed Five Hundred Million and No/100 Dollars (\$500,000,000.00); (b) at least thirty (30) days' prior written notice of such sale or assignment, which notice must identify the Participating Lender and/or Eligible Assignee, shall have been issued by such transferring Lender to the Administrative Agent and the Borrowers; (c) the dollar equivalent of the Percentage of the transferring Lender being assigned equals or exceeds Five Million and No/100 Dollars (\$5,000,000.00); (d) the Administrative Agent shall have received a duly executed Assignment and Acceptance Agreement, in the form attached as Exhibit 10 hereto; and (e) if the proposed assignee of the transferring Lender is not an affiliate of the transferring Lender, an assignment fee in the amount of Three Thousand Five Hundred and No/100 Dollars (\$3,500.00) shall have been paid to the Administrative Agent to reimburse the Administrative Agent for costs and expenses incurred in connection with the assignment.

12.12. Governing Law; Binding Effect. This Agreement shall be governed  
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by the laws of the Commonwealth of Virginia and be binding upon each Borrower  
and inure to the benefit of the parties hereto and their respective successors  
and assigns.

12.13. Gender; Number. As used herein, the singular number shall  
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include the plural, the plural the singular and the use of the masculine,  
feminine or neuter gender shall include all genders, as the context may require.

12.14. Joint and Several Liability. Each Borrower shall be jointly and  
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severally liable for the payment and performance of all obligations and  
liabilities hereunder.

12.15. Materiality. Unless the context clearly indicates to the  
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contrary, determinations regarding the materiality of any act, event, condition  
or circumstance shall be in the reasonable judgment of the Administrative Agent.

12.16. Reliance on the Administrative Agent. Each Borrower shall be  
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entitled to assume that any and all consents, approvals or notices issued or  
granted by the Administrative Agent pursuant to the terms and provisions of this  
Agreement were, to the extent necessary, authorized by the Required Lenders or  
all of the Lenders, as applicable.

12.17. Counterparts. This Agreement may be executed in any number of  
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counterparts, all of which together shall constitute one and the same document.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Agreement has been signed, sealed and delivered as of the date and year first above written.

WITNESS:  
[Corporate Seal]

MANTECH INTERNATIONAL  
CORPORATION, a New Jersey  
corporation

By: \_\_\_\_\_  
Name: Hedy L. Nelson

By: \_\_\_\_\_  
Name: Matthew P. Galaski  
Title: Vice President

MANTECH INTERNATIONAL CORPORATION,  
a Delaware corporation  
MANTECH ADVANCED SYSTEMS  
INTERNATIONAL, INC., a Virginia  
corporation  
MANTECH SYSTEMS ENGINEERING  
CORPORATION, a Virginia  
corporation  
NSI TECHNOLOGY SERVICES CORPORATION,  
a California corporation  
MANTECH SYSTEMS CORPORATION, a New  
Jersey corporation  
MANTECH SOLUTIONS CORPORATION, a  
Virginia corporation  
MANTECH ENVIRONMENTAL TECHNOLOGY,  
INC., a Virginia corporation  
MANTECH SUPPORT TECHNOLOGY, INC.,  
a Virginia corporation  
MANTECH AUSTRALIA INTERNATIONAL,  
INC., a Virginia corporation  
formerly known as ManTech  
Computer Company, Inc.  
FIELD SUPPORT SERVICES MUHENDISLIK  
LIMITED SIRKETI, a corporation  
organized and existing under the  
laws of Turkey  
MANTECH TELECOMMUNICATIONS AND  
INFORMATION SYSTEMS CORPORATION,  
a Delaware corporation formerly  
known as ManTech Strategic  
Associates, Ltd.  
TECHNOLOGY MANAGEMENT CORPORATION, a  
Virginia corporation

WITNESS:  
  
By: \_\_\_\_\_  
Name: Hedy L. Nelson

By: \_\_\_\_\_  
Name: Matthew P. Galaski  
Title: Vice President

SCIENCE ENGINEERING & ANALYSIS,  
INCORPORATED, a Virginia  
corporation  
MANTECH ENVIRONMENTAL RESEARCH  
SERVICES CORP., a Virginia  
corporation  
NSI ENVIRONMENTAL SOLUTIONS, INC., a  
Virginia corporation  
MANTECH ENVIRONMENTAL CORPORATION, a  
Virginia corporation  
MANTECH SYSTEMS SOLUTIONS  
CORPORATION, a Virginia  
corporation formerly known as  
Tidewater Consultants, Inc.  
MANTECH TEST SYSTEMS, INC., a  
Virginia corporation  
MANTECH SOLUTIONS & TECHNOLOGIES  
CORPORATION, a Virginia  
corporation formerly known as  
ManTech Systems Integration  
Corporation  
MANTECH U.K. SYSTEMS CORPORATION,  
a Virginia corporation  
REDESMUNDIAL, S.A. , a corporation  
organized and existing under the  
laws of the Republic of Panama  
formerly known as ManTech  
International Panama, Inc.  
MANTECH CHINA SYSTEMS CORPORATION, a  
Virginia corporation  
MANTECH GERMANY SYSTEMS CORPORATION,  
a Virginia corporation  
MANTECH ADVANCED DEVELOPMENT GROUP,  
INC., a California corporation  
MANTECH ENTERPRISE SOLUTIONS, INC.,  
a Virginia corporation  
VOBIX CORPORATION, a Virginia  
corporation  
MANTECH SECURITY TECHNOLOGIES  
CORPORATION, a Virginia  
corporation

WITNESS:

By: \_\_\_\_\_  
Name: Hedy L. Nelson

By: \_\_\_\_\_  
Name: Matthew P. Galaski  
Title: Vice President

MANTECH DATABASE SERVICES  
EUROPE LIMITED, a United Kingdom  
corporation  
MANTECH ADVANCED RECOGNITION  
LIMITED, a private company  
registered in England under the  
number 885326 formerly known as  
Advanced Recognition Limited  
MASI U.K. LIMITED, a corporation  
organized and existing under the  
laws of the United Kingdom

WITNESS:

By: \_\_\_\_\_  
Name: Hedy L. Nelson

By: \_\_\_\_\_  
Name: Matthew P. Galaski  
Title: Attorney-in-Fact

LENDER(S):  
-----

CITIZENS BANK OF PENNSYLVANIA, a  
Pennsylvania state chartered bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PNC BANK, NATIONAL ASSOCIATION, a  
national banking association

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BRANCH BANKING AND TRUST COMPANY  
OF VIRGINIA, a Virginia banking  
corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

CHEVY CHASE BANK, F.S.B., a federal  
savings bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ADMINISTRATIVE AGENT:

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CITIZENS BANK OF PENNSYLVANIA, a  
Pennsylvania state chartered bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DOCUMENTATION AGENT:

PNC BANK, NATIONAL ASSOCIATION, a  
national banking association

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT 1  
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REQUEST FOR ADVANCE AND CERTIFICATION  
Facility A - \$65,000,000 Revolver

Citizens Bank of Pennsylvania, 8521 Leesburg Pike, Suite 405, Vienna, Virginia  
22182

REQUEST FOR ADVANCE  
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The undersigned, MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation ("ManTech"), for itself and as attorney-in-fact for and on behalf of each Borrower (hereinafter defined) under that certain Business Loan and Security Agreement dated as of December 17, 2001 (as amended or modified from time to time, the "Loan Agreement") by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as the Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its individual capacity as a Lender and as the Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, acting in its individual capacity as a Lender, Chevy Chase Bank, F.S.B., a federal savings bank, acting in its individual capacity as a Lender, and other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech, certain subsidiaries of ManTech and any person or entity who has become a Borrower party thereto pursuant to the Loan Agreement (collectively, the "Borrower"), hereby requests that a Loan advance under Facility A be made to the Borrowers pursuant to Section 1.4(a) of the Loan Agreement in the amount of \_\_\_\_\_ and No/100 Dollars

(\$ \_\_\_\_\_,00). This loan advance will be effective on \_\_\_\_\_ and will be at the \_\_\_ Base Rate option or the \_\_\_ Libor Rate option (check one). If the Libor Rate option is requested, it shall be effective for a \_\_\_\_ (select 1, 3 or 6) month period, commencing on \_\_\_\_\_ (a Business Day not less than two (2) Business Days nor more than five (5) Business Days from the date of submission of this Request for Advance and Certification) and expiring on \_\_\_\_\_ (not later than the Maturity Date). Capitalized terms used but not defined herein shall have the meanings attributed to such terms in the Loan Agreement.

CERTIFICATION  
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The undersigned certifies to the Administrative Agent, on behalf of each of the Borrowers and for the benefit of the Lenders, that (a) all of the representations and warranties of the Borrowers contained in the Loan Agreement are true and correct as of the date hereof, unless the Borrowers are unable to remake and redate any such representation or warranty, have previously disclosed the same to the Administrative Agent and the Lenders in writing, and such inability does not constitute or give rise to an Event of Default; and (b) no default or Event of Default exists under the Loan Agreement, and no act, event or condition has occurred or exists which with the giving of notice or the passage of time, or both, would constitute a default or Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MANTECH INTERNATIONAL CORPORATION,  
acting on its own behalf and as attorney-in-fact for  
and on behalf of each Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT 1(a)

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REQUEST FOR SWING LINE LOAN ADVANCE

Citizens Bank of Pennsylvania, 8521 Leesburg Pike, Suite 405, Vienna, Virginia 22182

The undersigned, MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation ("ManTech"), for itself and as attorney-in-fact for and on behalf of each Borrower (hereinafter defined) under that certain Business Loan and Security Agreement dated as of December 17, 2001 (as amended or modified from time to time, the "Loan Agreement") by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as the Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its individual capacity as a Lender and as the Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, acting in its individual capacity as a Lender, Chevy Chase Bank, F.S.B., a federal savings bank, acting in its individual capacity as a Lender, and other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech, certain subsidiaries of ManTech and any person or entity who has become a Borrower party thereto pursuant to the Loan Agreement (collectively, the "Borrower"), hereby requests that a Swing Line Loan advance be made to the Borrowers pursuant to Section 1.4(a) of the Loan Agreement in the amount of

\_\_\_\_\_ and No/100 Dollars (\$\_\_\_\_\_).

Capitalized terms used but not defined herein shall have the meanings attributed to such terms in the Loan Agreement.

CERTIFICATION

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The undersigned certifies to the Administrative Agent, on behalf of each of the Borrowers and for the benefit of the Lenders, that (a) all of the representations and warranties of the Borrowers contained in the Loan Agreement are true and correct as of the date hereof, unless the Borrowers are unable to remake and redate any such representation or warranty, have previously disclosed the same to the Administrative Agent and the Lenders in writing, and such inability does not constitute or give rise to an Event of Default; and (b) no default or Event of Default exists under the Loan Agreement, and no act, event or condition has occurred or exists which with the giving of notice or the passage of time, or both, would constitute a default or Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MANTECH INTERNATIONAL CORPORATION,  
acting on its own behalf and as attorney-in-fact for  
and on behalf of each Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT 2  
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LIBOR ELECTION FORM AND CERTIFICATION

Citizens Bank of Pennsylvania, 8521 Leesburg Pike, Suite 405, Vienna, Virginia  
22182

The undersigned, MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation ("ManTech"), for itself and as attorney-in-fact for and on behalf of each Borrower (hereinafter defined) under that certain Business Loan and Security Agreement dated as of December 17, 2001 (as amended or modified from time to time, the "Loan Agreement"), by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its capacity as a Lender, as the Swing Line Lender and as Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its capacity as a Lender and as Documentation Agent for the Lenders, and (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank, and other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech, certain subsidiaries of ManTech and any other entity who becomes a Borrower party pursuant to the Loan Agreement (each, a "Borrower" and collectively, the "Borrower"), hereby requests that the sum of

\_\_\_\_\_ and No/100 Dollars  
(\$ \_\_\_\_\_ .00), advanced and outstanding under \_\_\_ Facility A / \_\_\_  
Facility B (check one), bear interest on a LIBOR basis. This LIBOR basis  
election shall be effective for a \_\_\_ (select 1, 3 or 6) month period,  
commencing on \_\_\_\_\_ (a Business Day not less than two (2) Business Days  
nor more than five (5) Business Days from the date of submission of this LIBOR  
Election Form and Certification), and expiring on \_\_\_\_\_ (not later  
than the Maturity Date). Capitalized terms used but not defined herein shall  
have the meaning attributable to such terms in the Loan Agreement.

CERTIFICATION  
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The undersigned certifies to the Administrative Agent, on behalf of each of the Borrowers and for the benefit of the Lenders, that (a) all of the representations and warranties of the Borrowers contained in the Loan Agreement are true and correct as of the date hereof, unless the Borrowers are unable to remake and redate any such representation or warranty, have previously disclosed the same to the Administrative Agent and the Lenders in writing, and such inability does not constitute or give rise to an Event of Default; and (b) no default or Event of Default exists under the Loan Agreement, and no act, event or condition has occurred or exists which with the giving of notice or the passage of time, or both, would constitute a default or Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MANTECH INTERNATIONAL CORPORATION,  
acting on its own behalf and as attorney-in-fact for  
and on behalf of each Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT 3

LIBOR INTEREST ELECTION PROCEDURE AND REQUIREMENTS

The Borrowers' right to obtain LIBOR based interest shall be subject to the following conditions:

1. Continuation and Conversion of LIBOR Elections. By delivering a LIBOR

Election Form and Certification to the Administrative Agent on or before 10:00 a.m., New York time, on a Business Day, the Borrowers may from time to time irrevocably elect, on not less than two (2) Business Days nor more than five (5) Business Days' notice, that all, or any portion in an aggregate minimum amount of One Hundred Thousand and No/100 Dollars (\$100,000.00) and integral multiples of One Hundred Thousand and No/100 Dollars (\$100,000.00), of any LIBOR Rate Loan be converted on the last day of an Interest Period into a LIBOR Rate Loan with a different Interest Period, or continued on the last day of an Interest Period as a LIBOR Rate Loan with a similar Interest Period, provided, however, that no

portion of the outstanding principal amount of any LIBOR Rate Loans may be converted to, or continued as, LIBOR Rate Loans when any Event of Default has occurred and is continuing or when any act, event or condition exists or has occurred which with notice or the lapse of time, or both, would constitute an Event of Default, and no portion of the outstanding principal amount of any LIBOR Rate Loans may be converted to, LIBOR Rate Loans of a different duration if such LIBOR Rate Loans relate to any Hedging Obligations. In the absence of delivery of a LIBOR Election Form and Certification with respect to any LIBOR Rate Loan at least two (2) Business Days before the last day of the then current Interest Period with respect thereto, such LIBOR Rate Loan shall, on such last day, automatically convert to a Loan that accrues interest on a Base Rate basis. No more than five (5) different LIBOR funding segments may be outstanding at any time.

2. Repayments, Prepayments and Interest.

(a) Repayments, Continuations and Conversions. LIBOR Rate Loans

shall mature and become payable in full on the last day of the Interest Period relating to such LIBOR Rate Loan. Upon maturity, a LIBOR Rate Loan may be continued for an additional Interest Period or may be converted to a loan that accrues interest on a Base Rate basis.

(b) Voluntary Prepayment of LIBOR Rate Loans. LIBOR Rate Loans

may be prepaid upon the terms and conditions set forth herein and in the Notes. For LIBOR Rate Loans in connection with which the Borrowers have or may incur Hedging Obligations, additional obligations may be associated with prepayment, in accordance with the terms and conditions of the applicable Hedging Contracts. The Borrowers shall give the Administrative Agent, no later than 10:00 a.m., New York City time, at least four (4) Business Days notice of any proposed prepayment of any LIBOR Rate Loans, specifying the proposed date of payment of such LIBOR Rate Loans, and the principal amount to be paid. Each partial prepayment of the principal amount of LIBOR Rate Loans shall be in an integral multiple of One Hundred Thousand and No/100 Dollars (\$100,000.00) and be accompanied by the payment of all charges outstanding on such LIBOR Rate Loans and of all accrued interest on the principal repaid to the date of payment. The Borrowers acknowledge that prepayment or acceleration of a LIBOR Rate Loan during an Interest Period shall result in the Administrative Agent and/or the Lenders (as applicable) incurring additional costs, expenses and/or liabilities and that it is extremely difficult and impractical to ascertain the extent of such costs, expenses and/or liabilities. Therefore, all full or partial prepayments of LIBOR Rate Loans shall be accompanied by, and the Borrowers hereby promise to pay, on each date a LIBOR Rate Loan is prepaid or the date all sums payable hereunder become due and payable, by acceleration or otherwise, in addition to all other sums then owing, an amount ("LIBOR Rate Loan Prepayment Fee") determined by the Administrative Agent pursuant to the following formula:

(i) the then current rate for United States Treasury securities (bills on a discounted basis shall be converted to a bond equivalent) with a maturity date closest to the end of the Interest Period as to which prepayment is made, subtracted from

(ii) the LIBOR Lending Rate, plus the Applicable Libor Interest Rate Margin applicable to the LIBOR Rate Loan being prepaid.

If the result of the foregoing calculation is zero or a negative number, then there shall be no LIBOR Rate Loan Prepayment Fee. If the result of the foregoing calculation is a positive number, then the resulting percentage shall be multiplied by the amount of the LIBOR Rate Loan being prepaid. This resulting amount shall be divided by 360 and multiplied by the number of days remaining in the Interest Period as to which the prepayment is being made. Said amount shall be reduced to present value calculated by using the referenced United States Treasury securities rate and the number of days remaining on the Interest Period for the LIBOR Rate Loan being prepaid.

The resulting amount of these calculations shall be the LIBOR Rate Loan Prepayment Fee.

(c) Interest Provisions. Interest on the outstanding principal

amount of each LIBOR Rate Loan shall accrue during the Interest Period applicable thereto at a rate equal to the sum of the LIBOR Lending Rate for such Interest Period plus the Applicable Libor Interest Rate Margin thereto and be payable on each Interest Payment Date.

3. Miscellaneous LIBOR Rate Loan Terms.

(a) LIBOR Rate Lending Unlawful. If the Administrative Agent

shall determine (which determination shall, upon notice thereof to the Borrowers be conclusive and binding on the Borrowers) that the introduction of or any change in or in the interpretation of any law, rule, regulation or guideline, (whether or not having the force of law) makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for the Administrative Agent or any Lender to make, continue or maintain any LIBOR Rate Loan as, or to convert any loan into, a LIBOR Rate Loan of a certain duration, the obligations of the Administrative Agent and/or the Lenders to make, continue, maintain or convert into any such LIBOR Rate Loans shall, upon such determination, forthwith be suspended until the Administrative Agent shall notify the Borrowers that the circumstances causing such suspension no longer exist, and all LIBOR Rate Loans of such type shall automatically convert into Loans that accrue interest on a Base Rate basis at the end of the then current Interest Periods with respect thereto or sooner, if required by such law or assertion.

(b) Substitute Rate. If the Administrative Agent shall have

determined that:

(i) US dollar deposits in the relevant amount and for the relevant Interest Period are not available to the Administrative Agent and/or the Lenders in the London interbank market; or

(ii) by reason of circumstances affecting the Administrative Agent and/or the Lenders in the London interbank, adequate means do not exist for ascertaining the LIBOR Rate applicable hereunder to LIBOR Rate Loans of any duration, or

(iii) LIBOR no longer adequately reflects the Administrative Agent's or any Lender's cost of funding Loans,

then, upon notice from the Administrative Agent to the Borrowers, the obligations of the Administrative Agent and the Lenders set forth in the Loan Agreement to make or continue any Loans as, or to convert any loans into, LIBOR Rate Loans of such duration shall forthwith be suspended until the Administrative Agent shall notify the Borrowers that the circumstances causing such suspension no longer exist.

(c) Indemnities. In addition to the LIBOR Rate Loan Prepayment

Fee, the Borrowers jointly and severally agree to reimburse the Administrative Agent and the Lenders (without duplication) for any increase in the cost to the Administrative Agent and/or the Lenders (as applicable), or reduction in the amount of any sum receivable by the Administrative Agent and/or the Lenders (as applicable), in respect, or as a result of:

(i) any conversion or repayment or prepayment of the principal amount of any LIBOR Rate Loans on a date other than the scheduled last day of the Interest Period applicable thereto;

(ii) any loans not being made as LIBOR Rate Loans in accordance with the borrowing request thereof;

(iii) any LIBOR Rate Loans not being continued as, or converted into, LIBOR Rate Loans in accordance with the applicable LIBOR Election Notice and Certification thereof, or

(iv) any costs associated with marking to market any Hedging Obligations that (in the reasonable determination of the Administrative Agent) are required to be terminated as a result of any conversion, repayment or prepayment of the principal amount of any LIBOR Rate Loan on a date other than the scheduled last day of the Interest Period applicable thereto;

The Administrative Agent shall promptly notify the Borrowers in writing of the occurrence of any such event, such notice to state, in reasonable detail, the reasons therefor and the additional amount required fully to compensate the Administrative Agent and/or the Lenders (as applicable) for such increased cost or reduced amount. Such additional amounts shall be payable by the Borrowers to the Administrative Agent for its own benefit or for the benefit of the Lenders (as the case may be) within five (5) days of its receipt of such notice, and such notice shall, in the absence of manifest error, be conclusive and binding on the Borrowers. The Borrowers understand, agree and acknowledge the following: (i) neither the Administrative Agent nor any Lender has any obligation to purchase, sell and/or match funds in connection with the use of LIBOR Rate as a basis for calculating the rate of interest on a LIBOR Rate Loan, (ii) the LIBOR Rate may be used merely as a reference in determining such rate, and (iii) the Borrowers have accepted the LIBOR Rate as a reasonable and fair basis for calculating such rate, the LIBOR Rate Prepayment Fee, and other funding losses incurred by the Administrative Agent and/or the Lenders (as the case may be). The Borrowers further agree to pay the LIBOR Rate Prepayment Fee and other funding losses, if any, whether or not the Administrative Agent and/or the Lenders elect to purchase, sell and/or match funds.

(d) Increased Costs. If, on or after the date hereof, the

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adoption of any applicable law, rule or regulation or guideline (whether or not having the force of law), or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Administrative Agent or any Lender with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall:

(i) subject the Administrative Agent or any Lender to any tax, duty or other charge with respect to its LIBOR Rate Loans or its obligation to make LIBOR Rate Loans, or shall change the basis of taxation of payments to the Administrative Agent or any Lender of the principal of or interest on its LIBOR Rate Loans or any other amounts due under this Agreement in respect of its LIBOR Rate Loans or its obligation to make LIBOR Rate Loans (except for the introduction of, or change in the rate of, tax on the overall net income of the Administrative Agent or any Lender (as applicable) or franchise taxes, imposed by the jurisdiction (or any political subdivision or taxing authority thereof) under the laws of which the Administrative Agent or such Lender is organized or in which the Administrative Agent's or such Lender's principal executive office is located); or

(ii) impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System of the United States) against assets of, deposits with or for the account of, or credit extended by, the Administrative Agent or any Lender or shall impose on the Administrative Agent or any Lender or on the London interbank market any other condition affecting its LIBOR Rate Loans or its obligation to make LIBOR Rate Loans;

and the result of any of the foregoing is to increase the cost to the Administrative Agent or such Lender of making or maintaining any LIBOR Rate Loan, or to reduce the amount of any sum received or receivable by the Administrative Agent or such Lender under this Agreement with respect thereto, by an amount deemed by the

Administrative Agent to be material, then, within fifteen (15) days after demand by the Administrative Agent, the Borrowers shall pay to the Administrative Agent, for its own account or for the account of such Lender (as the case may be), such additional amount or amounts as will compensate the Administrative Agent or such Lender for such increased cost or reduction.

(e) Increased Capital Costs. If any change in, or the

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introduction, adoption, effectiveness, interpretation, reinterpretation or phase-in of, any law or regulation, directive, guideline, decision or request (whether or not having the force of law) of any court, central bank, regulator or other governmental authority affects or would affect the amount of capital required or expected to be maintained by the Administrative Agent or any Lender, or person controlling the Administrative Agent or any Lender, and the Administrative Agent determines (in its sole and absolute discretion) that the rate of return on its, the Lender's or such controlling person's capital as a consequence of its commitments or the loans made by the Administrative Agent or such Lender is reduced to a level below that which the Administrative Agent, such Lender or such controlling person could have achieved but for the occurrence of any such circumstance, then, in any such case upon notice from time to time by the Administrative Agent to the Borrowers, the Borrowers shall immediately pay directly to the Administrative Agent, for its own account or for the account of such Lender (as the case may be), additional amounts sufficient to compensate the Administrative Agent, such Lender or such controlling person for such reduction in rate of return. A statement of the Administrative Agent as to any such additional amount or amounts (including calculations thereof in reasonable detail) shall, in the absence of manifest error, be conclusive and binding on the Borrowers. In determining such amount, the Administrative Agent may use any method of averaging and attribution that it (in its sole and absolute discretion) shall deem applicable.

(f) Taxes. All payments by the Borrowers of principal of, and

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interest on, the LIBOR Rate Loans and all other amounts payable hereunder shall be made free and clear of and without deduction for any present or future income, excise, stamp or franchise taxes and other taxes, fees, duties, withholdings or other charges of any nature whatsoever imposed by any taxing authority, but excluding franchise taxes and taxes imposed on or measured by the Administrative Agent's and/or any Lender's net income or receipts (such non-excluded items being called "Taxes"). In the event that any withholding or deduction from any payment to be made by the Borrowers hereunder is required in respect of any Taxes pursuant to any applicable law, rule or regulation, then the Borrowers will

(i) pay directly to the relevant authority the full amount required to be so withheld or deducted;

(ii) promptly forward to the Administrative Agent an official receipt or other documentation satisfactory to the Administrative Agent evidencing such payment to such authority; and

(iii) pay to the Administrative Agent, for its own account or for the account of such Lender (as the case may be), such additional amount or amounts as is necessary to ensure that the net amount actually received by the Administrative Agent, for its own account or for the account of such Lender (as the case may be), will equal the full amount the Administrative Agent or such Lender (as applicable) would have received had no such withholding or deduction been required.

Moreover, if any Taxes are directly asserted against the Administrative Agent or any Lender with respect to any payment received by the Administrative Agent or any Lender hereunder, the Administrative Agent or such Lender may pay such Taxes and the Borrowers will promptly pay such additional amount (including any penalties, interest or expenses) as is necessary in order that the net amount received by the Administrative Agent or such Lender (as the case may be) after the payment of such Taxes (including any Taxes on such additional amount) shall equal the amount the Administrative Agent or such Lender (as the case may be) would have received had not such Taxes been asserted.

If the Borrowers fail to pay any Taxes when due to the appropriate taxing authority or fail to remit to the Administrative Agent the required receipts or other required documentary evidence, the Borrowers shall

indemnify the Administrative Agent and the Lenders for any incremental Taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure.

(g) Certain Required Information. If a Request for Advance and  
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Certification or LIBOR Election Form and Certification fails to specify an Applicable Interest Rate and/or an Interest Period, or if, after having selected an Applicable Interest Rate and/or an Interest Period, the Borrowers fail or are otherwise not entitled under the provisions of this Agreement to elect or continue any such selection (as applicable), the Borrowers shall be deemed to have selected the Base Rate as the Applicable Interest Rate until such time as the Borrowers are entitled to and have selected a different Applicable Interest Rate and specified Interest Period in accordance with the provisions of this Agreement. The Lenders shall not be obligated to act with respect to the provisions of this Exhibit unless the Administrative Agent shall have received a Request for Advance and Certification or LIBOR Election Form and Certification, as applicable, from the Borrowers specifying the following information:

- (i) the amount of the advance subject to the Applicable Interest Rate election;
- (ii) the length of the Interest Period; and
- (iii) the date on which such election is requested to be effective.

Each Request for Advance and Certification or LIBOR Election Form and Certification, as applicable, shall be made by the Borrowers in accordance with the provisions of this Exhibit, the Notes and Section 1.4 of the Loan Agreement.

Capitalized terms used and not otherwise defined in this Exhibit 3 shall have the meanings attributed to such terms in the Loan Agreement.

EXHIBIT 4

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BORROWING BASE/NON-DEFAULT CERTIFICATE

Citizens Bank of Pennsylvania, 8521 Leesburg Pike, Suite 405, Vienna, Virginia 22182

Pursuant to the terms and conditions of a certain Business Loan and Security Agreement dated as of December 17, 2001 (as amended or modified from time to time, the "Loan Agreement") made by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its capacity as a Lender and as Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank, and other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech International Corporation, a New Jersey corporation ("ManTech"), certain subsidiaries of ManTech and any person or entity who has become a borrower party thereto pursuant to the Loan Agreement (collectively, the "Borrower"), ManTech, for itself and as attorney-in-fact for and on behalf of each Borrower, hereby delivers this Borrowing Base/Non-Default Certificate to the Administrative Agent to induce the Lenders to make Loan advances to the Borrower pursuant to the Loan Agreement. Capitalized terms used but not defined herein shall have the meanings attributed to such terms in the Loan Agreement.

Borrower: ManTech International Corporation and its Subsidiaries
Period Ending:
Number:

The Maximum Borrowing Base is computed as follows:

Table with 2 columns: Description and Amount. Rows include: 1. Value of 90% of Eligible Billed Government Accounts Receivable from Schedule A; 2. Value of 85% of Eligible Billed Commercial Accounts Receivable from Schedule B; 3. Value of 50% of Eligible Unbilled Government Accounts Receivable from Schedule C; 4. The Dollar Equivalent Amount of the Value of 60% of Eligible ARL Accounts Receivable from Schedule D; 5. The Borrowing Base (The sum of Lines 1, 2, 3 and 4); 6. Facility A Commitment Amount; 7. Facility A Loan Balance; 8. Aggregate Amount of Swing Line Outstandings; 9. Aggregate Face Amount of Outstanding Letters of Credit; 10. The Dollar Equivalent Amount of the Duty Deferment Bond; 11. Availability (The lesser of lines 5 or 6, minus the sum of lines 7,8, 9 and 10).

\*\* Subject to reduction pursuant to Section 1.5 of the Loan Agreement.

The undersigned certifies to the Administrative Agent, on behalf of each of the Borrowers and for the benefit of the Lenders, that (a) this report is true and correct in all respects, is in accordance with the books and records of the Borrowers and has been prepared in accordance with the terms of the Loan Agreement; (b) all of the representations and warranties of the Borrowers contained in the Loan Agreement are true and correct as of the date hereof, unless the Borrowers are unable to remake and redate any such representation or warranty, have previously disclosed same to the Administrative Agent

and the Lenders in writing, and such inability does not constitute or give rise to an Event of Default; and (c) except as previously disclosed to the Administrative Agent and the Lenders in writing, no default or Event of Default exists under the Loan Agreement, and no act, event or condition has occurred or exists which, with the giving of notice or the passage of time or both, would constitute a default or Event of Default under the Loan Agreement.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MANTECH INTERNATIONAL CORPORATION,  
acting on its own behalf and as  
attorney in-fact for and on behalf of  
each Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

{page 2 of Borrowing Base/Non-Default Certificate}

EXHIBIT 5  
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QUARTERLY COVENANT COMPLIANCE/NON-DEFAULT CERTIFICATE  
Citizens Bank of Pennsylvania, 8521 Leesburg Pike, Suite 405, Vienna,  
Virginia 22182

The undersigned, MANTECH INTERNATIONAL CORPORATION, a New Jersey corporation ("ManTech"), for itself and as attorney-in-fact for and on behalf of each Borrower (hereinafter defined) under that certain Business Loan and Security Agreement dated as of December 17, 2001 (as amended or modified from time to time, the "Loan Agreement"), by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its capacity as a Lender, as the Swing Line Lender and as Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its capacity as a Lender and as Documentation Agent for the Lenders, and (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank, and other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech, certain subsidiaries of ManTech and any other entity who becomes a Borrower party pursuant to the Loan Agreement (each, a "Borrower" and collectively, the "Borrower"), hereby delivers this Quarterly Covenant Compliance/Non-Default Certificate ("Certificate") pursuant to Section 6.3 of the Loan Agreement. Unless otherwise defined, capitalized terms used herein shall have the meanings attributed to such terms in the Loan Agreement.

The undersigned, on behalf of ManTech in its individual capacity and as attorney-in-fact for and on behalf of each Borrower, hereby certifies and warrants that:

- (a) He or she is the \_\_\_\_\_ of ManTech and that, as such, he or she is authorized to execute this certificate on behalf of ManTech and each Borrower.
- (b) At no time during the period \_\_\_\_\_ 1, \_\_\_\_\_ through \_\_\_\_\_, \_\_\_\_\_ (the "Certificate Period") did an Event of Default exist, and at no time during the Certificate Period did any act or event occur or fail to occur which with notice, or the lapse of time, or both, would constitute an Event of Default. [If unable to provide the foregoing required certification, fully describe the reasons therefor and circumstances thereof on a schedule attached hereto.]
- (c) The following represent true and accurate measures of the Borrowers' financial position (on a consolidated basis) as of the last day of the Certificate Period:
  - (i) Total Debt to EBITDA Ratio: \_\_\_\_ to 1.0.
  - (ii) Net Worth: \$\_\_\_\_\_.
  - (iii) Fixed Charge Coverage Ratio: \_\_\_\_ to 1.0.
  - (iv) EBITDA to Interest Expense Ratio: \_\_\_\_ to 1.0.
  - (v) The Borrower's aggregate annual (i.e., fiscal year) capital expenditures to date are in the amount of \$\_\_\_\_\_.
  - (vi) The aggregate amount of loans and advances to, and investments in, non-Borrower subsidiaries and affiliates to date is \$\_\_\_\_\_.
  - (vii) The aggregate amount of loans or advances to officers of the Borrowers is \$\_\_\_\_\_.
  - (viii) The aggregate outstanding principal amount of borrowings by Vobix is \$\_\_\_\_\_.

(ix) The aggregate outstanding principal amount of borrowings by ARL is \$\_\_\_\_\_.

(x) The Borrowers' annual (i.e., fiscal year) operating lease payments to date are in the aggregate amount of \$\_\_\_\_\_.

A calculation sheet reflecting the above-computations is attached hereto as Schedule 1.

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

MANTECH INTERNATIONAL CORPORATION, acting on its own behalf and as attorney-in-fact for and on behalf of each of the Borrowers

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

{page 2 of Quarterly Covenant Compliance/Non-Default Certificate}

EXHIBIT 6

FORM OF JOINDER AGREEMENT

Re: Business Loan and Security Agreement dated December 17, 2001 (as the same may be modified or amended from time to time, the "Loan Agreement") by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as the Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its individual capacity as a Lender and as the Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank and any other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech International Corporation, a New Jersey corporation ("ManTech"), certain subsidiaries of ManTech and any person or entity who has become a borrower party thereto pursuant to the Loan Agreement.

The undersigned hereby (i) agrees to become a "Borrower" under the Loan Agreement; (ii) joins in, becomes a party to, and agrees to comply with and be bound by the terms and conditions of the Loan Agreement and each and every other Loan Document, to the same extent as if the undersigned were an original signatory thereto; (iii) makes all of the representations and warranties set forth in the Loan Agreement and each other Loan Document to which more than one (1) Borrower is a party thereto; and (iv) grants to the Administrative Agent, for the ratable benefit of the Lenders, a valid and enforceable security interest in and to all of its assets constituting Collateral, free and clear of all liens, claims and encumbrances (other than Permitted Liens and any other liens expressly approved in writing by the Administrative Agent) subject to the provisions of the Loan Agreement. The undersigned shall hereafter be jointly and severally liable for the performance of any and all past, present and future obligations of any Borrower in connection with any of the Notes, the Loan Agreement and/or the other Loan Documents; it being understood and agreed that any and all references in the Notes, the Loan Agreement and/or the other Loan Documents to "the Borrower" shall mean the undersigned, individually and/or collectively with all other Borrowers.

The undersigned acknowledges that (i) the Lenders have agreed to extend credit to it and the other Borrower(s) on an integrated basis for the purposes set forth in the Loan Agreement; (ii) it is receiving direct and/or indirect benefits from each such extension of credit; and (iii) the obligations of the "Borrower" or "Borrowers" under the Loan Agreement are the joint and several obligations of each Borrower.

The undersigned hereby represents and warrants to the Administrative Agent and the Lenders that, in accordance with the terms of the Contribution Agreement, it has become a party

to the Contribution Agreement and that, except for the joining of the undersigned thereto, the Contribution Agreement remains unmodified and in full force and effect.

The undersigned further represents and warrants to the Administrative Agent and the Lenders that both prior to and after giving effect to the transactions contemplated by the terms and provisions of this Joinder Agreement, it (i) owned and owns property (including, without limitation, contribution rights against the other Borrower(s), evidence of which, if required by the Administrative Agent as a condition precedent to the transactions contemplated hereby, must be in form and substance reasonably satisfactory to the Administrative Agent) whose fair salable value is greater than the amount required to pay all of such undersigned's Indebtedness (including contingent debts), (ii) was and is able to pay all of its Indebtedness as such Indebtedness matures, and (iii) had and has capital sufficient to carry on its business and transactions and all business and transactions in which it is about to engage. For purpose hereof, "Indebtedness" means, without duplication (a) all items which in accordance with GAAP would be included in determining total liabilities as shown on the liability side of a balance sheet of the undersigned, as of the date on which Indebtedness is to be determined, (b) all obligations of any other person or entity which the undersigned has guaranteed, (c) reimbursement obligations in connection with letters of credit issued for the benefit of the undersigned, and (d) the Obligations.

Capitalized terms used and not defined herein shall have the meaning ascribed to such terms in the Loan Agreement.

IN WITNESS WHEREOF, each of the undersigned has executed this Joinder Agreement under seal as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Attest: \_\_\_\_\_ [NEW BORROWER NAME], a \_\_\_\_\_  
[Corporate Seal]

By: \_\_\_\_\_ By: \_\_\_\_\_  
Name: \_\_\_\_\_ Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_

EXHIBIT 7

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FINANCIAL STATEMENTS

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EXHIBIT 8

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ESCROW AGREEMENT

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EXHIBIT 9

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[Pricing Grid]

If the Total Debt to EBITDA Ratio is:	less than or equal to 2.0 to 1.0	greater than 2.0 to 1.0, but less than or equal to 2.50 to 1.0	greater than 2.50 to 1.0, but less than or equal to 3.25 to 1.0
then the Facility A LIBOR Margin shall be:	1.75%	2.00%	2.25%
then the Facility A Base Rate Margin shall be:	0.50%	0.75%	1.00%
then the Facility A Commitment Fee shall be:	0.325%	0.38%	0.38%
then the Letter of Credit Fee shall be:	1.75%	1.75%	1.75%
then the Facility B LIBOR Margin shall be:	2.25%	2.50%	2.75%
then the Facility B Base Rate Margin shall be:	1.00%	1.25%	1.50%

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FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

THIS ASSIGNMENT AND ACCEPTANCE (this "Assignment and Acceptance") is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (the "Assignor") and \_\_\_\_\_ (the "Assignee"). Reference is made to the Business Loan and Security Agreement, dated as of December 17, 2001 (as the same may be amended or modified from time to time, the "Loan Agreement"), by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as the Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its individual capacity as a Lender and as the Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank and any other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech International Corporation, a New Jersey corporation ("ManTech"), certain subsidiaries of ManTech and any person or entity who has become a borrower party thereto pursuant to the Loan Agreement (collectively, the "Borrowers"). Unless otherwise defined herein, capitalized terms used herein without definition shall have the meanings given to them in the Loan Agreement.

The Assignor and the Assignee hereby agree as follows:

4. Assignment and Assumption. Subject to the terms and conditions hereof,

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the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, without recourse to the Assignor and, except as expressly provided herein, without representation or warranty by the Assignor, the interest or interests as of the Effective Date (as hereinafter defined) in and to all of the Assignor's rights and obligations under the Loan Agreement and the other Loan Documents (in its capacity as a Lender thereunder) with respect to each of the Facilities represented by the Percentage(s) specified with regard to such Facilities under the heading "Assigned Share" in Item 4 of Annex I (each such assigned interest, an "Assigned Share"), including,

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without limitation, (i) in the case of the Loans made pursuant to Facility B, the relevant Assigned Share of all rights and obligations of the Assignor with respect to its "Commitments" under Facility B (unless terminated), Facility B Promissory Note(s), and the Loans outstanding under Facility B (as the case may be), and (ii) in the case of Loans made pursuant to Facility A, the relevant Assigned Share of all rights and obligations of the Assignor with respect to its Percentage of the Facility A Commitment Amount, Letter(s) of Credit, Swing Line Loan Facility, Facility A Promissory Note(s) and Loans outstanding under Facility A (as applicable). For purposes hereof, the "Commitments" shall mean, individually or collectively as the context may require, the Facility A Commitment Amount and/or the Facility "B" Commitment Amount.

5. The Assignor. The Assignor (i) represents and warrants that it is the

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legal and beneficial owner of each interest being assigned by it hereunder, that each such interest is free and clear of any adverse claim, and that as of the date hereof its Commitments and outstanding Loans of each of the Facilities with regard to which an interest is being assigned hereunder

(including any obligations with respect to Letter(s) of Credit, if applicable) is as set forth in Item 4 of Annex I, (ii) except as set forth in clause (i)

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above, makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto, and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrowers or the performance or observance by the Borrowers of any of their respective obligations under the Loan Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto.

6. The Assignee. The Assignee (i) represents and warrants that it is

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legally authorized to enter into this Assignment and Acceptance, (ii) confirms that it has received a copy of the Loan Agreement, together with copies of the financial statements most recently required to have been delivered under Section 6.3 of the Loan Agreement and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance, (iii) agrees that it will, independently and without reliance upon any Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Agreement, (iv) confirms that it is an Eligible Assignee, (v) appoints and authorizes the Administrative Agent to take such actions as agent on its behalf under the Loan Agreement and the other Loan Documents, and to exercise such powers and to perform such duties, as are specifically delegated to the Administrative Agent by the terms thereof, together with such other powers and duties as are reasonably incidental thereto, and (vi) agrees that it will perform in accordance with their respective terms all of the obligations that by the terms of the Loan Agreement are required to be performed by it as a Lender. [To the extent legally entitled to do so, the Assignee will deliver to the Agent, as and when required by the Administrative Agent, duly completed and executed originals of any and all applicable tax withholding forms]./1/

7. Effective Date. Following the execution of this Assignment and

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Acceptance by the Assignor and the Assignee, an executed original hereof, together with all attachments hereto, shall be delivered to each of the Administrative Agent and the Borrowers (and also to the Administrative Agent, the assignment fee referred to in Section 12.11(b) of the Loan Agreement, if applicable). The effective date of this Assignment and Acceptance (the "Effective Date") shall be the earlier of (i) the date of acceptance hereof by the Administrative Agent and the Borrowers or (ii) the date, if any, designated as the Effective Date in Item 5 of Annex I (which date shall be not less than

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five (5) Business Days after the date of execution hereof by the Assignor and the Assignee). As of the Effective Date, (y) the Assignee shall be a party to the Loan Agreement and, to the extent provided in this Assignment and Acceptance, shall have the rights and obligations of a Lender thereunder and under the other Loan Documents, and (z) the Assignor

/1/ Insert if the Assignee is organized under the laws of a jurisdiction outside the United States.

shall, to the extent provided in this Assignment and Acceptance, relinquish its rights (other than rights under the provisions of the Loan Agreement and the other Loan Documents relating to indemnification or payment of fees, costs and expenses, to the extent such rights relate to the time prior to the Effective Date) and be released from its obligations under the Loan Agreement and the other Loan Documents.

8. Payments; Settlement. On or prior to the Effective Date, in

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consideration of the sale and assignment provided for herein and as a condition to the effectiveness of this Assignment and Acceptance, the Assignee will pay to the Assignor an amount (to be confirmed between the Assignor and the Assignee) that represents the Assigned Share of the principal amount of the Loans of each relevant Facility made by the Assignor and outstanding on the Effective Date (together, if and to the extent the Assignor and the Assignee so elect, with the Assigned Share of any related accrued but unpaid interest, fees and other amounts). From and after the Effective Date, the Administrative Agent will make all payments required to be made by it under the Loan Agreement in respect of each interest assigned hereunder (including, without limitation, all payments of principal, interest and fees in respect of the Assigned Share of the Assignor's Commitments and Loans assigned hereunder) directly to the Assignee. The Assignor and the Assignee shall be responsible for making between themselves all appropriate adjustments in payments due under the Loan Agreement in respect of the period prior to the Effective Date. All payments required to be made hereunder or in connection herewith shall be made in Dollars by wire transfer of immediately available funds to the appropriate party at its address for payments designated in Annex I.  
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9. Governing Law. This Assignment and Acceptance shall be governed by, and

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construed in accordance with, the internal laws of the Commonwealth of Virginia (without regard to the conflicts of laws principles thereof).

10. Entire Credit Agreement. This Assignment and Acceptance, together with

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the Loan Agreement and the other Loan Documents, embody the entire agreement and understanding between the parties hereto and (except as otherwise expressly set forth in the Loan Agreement) supersede all prior agreements and understandings of the parties, verbal or written, relating to the subject matter hereof.

11. Successors and Assigns. This Assignment and Acceptance shall be binding

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upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

12. Counterparts. This Assignment and Acceptance may be executed in any

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number of counterparts and by different parties hereto on separate counterparts, each of which, when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Assignment and Acceptance to be executed by their duly authorized officers as of the date first above written.

ASSIGNOR:

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

ASSIGNEE:

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_:

CITIZENS BANK OF PENNSYLVANIA, as Administrative Agent

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Consented and agreed to (if applicable):

MANTECH INTERNATIONAL CORPORATION,  
acting on its own behalf and as attorney-in-fact  
for and on behalf of each Borrower

By: \_\_\_\_\_  
Title: \_\_\_\_\_

ANNEX I  
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1. Borrowers: ManTech International Corporation and its Subsidiaries

2. Name and Date of Loan Agreement:

Business Loan and Security Agreement, dated as of December 17, 2001, by and among (i) Citizens Bank of Pennsylvania, a Pennsylvania state chartered bank, acting in its individual capacity as a Lender, as the Swing Line Lender and as the Administrative Agent for the Lenders, (ii) PNC Bank, National Association, a national banking association, acting in its individual capacity as a Lender and as the Documentation Agent for the Lenders, (iii) Branch Banking and Trust Company of Virginia, a Virginia banking corporation, Chevy Chase Bank, F.S.B., a federal savings bank and any other Lender parties thereto from time to time and/or replacements thereof, and (iv) ManTech International Corporation, a New Jersey corporation ("ManTech"), certain subsidiaries of ManTech and any person or entity who has become a borrower party thereto pursuant to the Loan Agreement (collectively, the "Borrowers")

3. Date of Assignment and Acceptance: \_\_\_\_\_, \_\_\_\_\_.

4. Amounts:

	Aggregate for Assignor -----	Assigned Share/2/ -----	Amount of Assigned Share -----	Aggregate for Assignor (after assignment) -----
(a) Facility A Commitment Amount	\$ _____	____%	\$ _____	\$ _____
(b) Facility A Loans	\$ _____	____%	\$ _____	\$ _____
(c) Facility B Commitment Amount	\$ _____	____%	\$ _____	\$ _____
(d) Facility B Loans	\$ _____	____%	\$ _____	\$ _____

5. Effective Date: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
/2/ Percentage taken to up to ten decimal places, if necessary.

6. Addresses for Payments:

Assignor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopy: \_\_\_\_\_  
Reference: \_\_\_\_\_

Assignee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopy: \_\_\_\_\_  
Reference: \_\_\_\_\_

7. Addresses for Notices:

Assignor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopy: \_\_\_\_\_

Assignee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopy: \_\_\_\_\_

8. Lending Office of Assignee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopy: \_\_\_\_\_

EXHIBIT 11

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FIRST SOURCE SUBDEBT LETTER AGREEMENT

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SCHEDULE 1

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Lenders -----	Facility A		Facility B		Swing Line Facility	
	Percentage	/Commitment \$	Percentage	/Commitment \$	Percentage	/Commitment \$
-----	-----	-----	-----	-----	-----	-----
Citizens Bank	37.5%	\$24,375,000	37.5%	\$2,400,000	100%	\$10,000,000
PNC	25%	\$16,250,000	25%	\$1,600,000	0%	\$0
BB&T	19.257703%	\$12,517,507	19.257703%	\$1,232,493	0%	\$0
Chevy Chase	18.2422969%	\$11,857,493	18.2422969%	\$1,167,507	0%	\$0
TOTALS:	100%	\$65,000,000	100%	\$6,400,000	100%	\$10,000,000

Wiring Instructions: Citizens Bank of Pennsylvania  
Philadelphia, PA  
ABA #031 000 037  
Attn: Loan Administration  
Account #9908 73703  
Ref: ManTech International Corporation  
PAYDOWN/ADVANCE/ETC.  
Attn: Jeff Gillard

Wiring Instructions: PNC Bank, National Association  
ABA # 031207607  
For Credit to PNC Business Credit  
Account # 196039957830  
For the benefit of ManTech International Corporation  
Attn: Paul Raquepo

Wiring Instructions: Branch Banking and Trust Company of Virginia  
1909 K Street, N.W.  
Washington, D.C. 2006  
ABA # 054001547  
Ref: ManTech International Loan  
Account # 9560118500  
Notify: Denise Wright at 202-835-9208

Wiring Instructions: Chevy Chase Bank, F.S.B.  
ABA# 255071981  
Attention: CLS  
Account # 29050030 r/c 082  
Ref: ManTech  
Attention: Rick Buterbaugh

SCHEDULE 4.3

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1. FIELD SUPPORT SERVICES MUHENDISLIK LIMITED SIRKETI, a corporation organized and existing under the laws of Turkey;
2. MASI U.K. LIMITED, a corporation organized and existing under the laws of the united kingdom;
3. MANTECH ADVANCED RECOGNITION LIMITED, a private company registered in England under the number 885326 formerly known as Advanced Recognition Limited;
4. MANTECH DATABASE SERVICES EUROPE LIMITED, a corporation organized and existing under the laws of the United Kingdom; and
5. REDESMUNDIAL, S.A., a corporation organized and existing under the laws of the Republic of Panama formerly known as ManTech International Panama, Inc.

PROMISSORY NOTE

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\$100,000.00  
13 April 2001

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Fairfax, Virginia

FOR VALUE RECEIVED, the undersigned George J. Pedersen (the "Maker") an individual having an address at 700 Potomac Knolls Drive, McLean, VA 22101, promises to pay to the order of ManTech International Corporation (the "Holder"), the sum of One Hundred Thousand Dollars (\$100,000.00) together with interest at the rate of Eight Percent (8%) per year in equal monthly installments of \$667.67 commencing on May 11, 2001 and continuing on the same day of each succeeding month thereafter until paid in full.

This Note may be prepaid at any time or from time to time in whole or in part without penalty, premium or permission.

In the event of any default hereof, all remaining payments shall become due and payable at the option of the Holder and the Maker agrees to pay all costs of collection, including reasonable attorneys' fees if placed in the hands of an attorney for collection. Upon default, the Maker further authorizes any Clerk of any Court of Record in the Commonwealth of Virginia or elsewhere to enter judgment by confession against them in favor of the Holder hereof for the full amount appearing due and payable hereon, together with interest, charges, reasonable attorneys' fees and costs of suit, as above provided. Demand or presentment for payment, notice of dishonor, protest and notice of protest are hereby waived.

In the event any one or more of the provisions contained in this Note shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note, but this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

This Note may not be changed orally but only by an agreement in writing and signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought

This Note shall be interpreted in accordance with the laws of the Commonwealth of Virginia.

MAKER:

/s/ George J. Pedersen  
-----  
George J. Pedersen

WITNESS/ATTEST:

/s/ J. Jaye Free  
-----  
J. Jaye Free

PROMISSORY NOTE  
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\$16,795.93

June 12, 1996

FOR VALUE RECEIVED, George J. Pedersen, 700 Potomac Knolls Drive, McLean, VA 22101, promises to pay to order of ManTech International Corporation on demand as the holder of this note or at such other place as the holder of this note might from time to time designate in writing, the principal sum of Sixteen Thousand Seven Hundred Ninety Five Dollars and 93/100 (\$16,795.93), plus interest on the principal balance. Interest at the rate of eight (8) percent will be calculated on an annual basis and deducted from Pedersen paycheck each pay period. At present ManTech's systems provides for 26 paychecks per year. The interest rate may be adjusted from time to time by Phoenix Home Life Mutual Insurance Company and Pedersen note will be adjusted accordingly.

1. This note may be fully or partially prepaid at any time without penalty.

2. If the undersigned defaults in the payment of any installment due under this note and fails to cure such default within thirty (30) days after the holder of this note has sent written notice of default, then, at the option of the holder of this note, the entire principal balance of this note and all accrued and unpaid interest shall at once become due. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

3. The undersigned promises to pay all costs of collection, including reasonable attorney's fees, upon default in the payment of the principal or interest of this note when due, whether suit is brought or not.

4. In the event any one or more of the provisions contained in this note is held to be invalid, illegal or unenforceable for any reason, such invalidity, illegality or unenforceability is not to affect any other provision of the note; this note is to be construed as if such invalid, illegal or unenforceable provision had never been a part of it.

5. This note may not be changed orally but only by an agreement in writing and signed by the party against whom agreement enforcement of any change is sought.

6. The note is to be interpreted in accordance with the laws of the Commonwealth of Virginia.

ATTEST  
/s/ J. Jaye Free  
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NAME  
/s/ George J. Pedersen  
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George J. Pedersen  
Chairman of the Board

FROM CORPORATE OFFICE

PROMISSORY NOTE  
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\$52,360.00

23 June 1994

FOR VALUE RECEIVED, George J. Pedersen, 700 Potomac Knolls Drive, McLean, VA 22101, promises to pay to the order of ManTech International Corporation on demand as the holder of this note or at such other place as the holder of this note might from time to time designate in writing, the principal sum of Fifty Two Thousand Three Hundred Sixty Dollars (\$52,360.00), plus interest due on the principal balance. Interest at the rate of eight (8) percent will be calculated on an annual basis and deducted from Pedersen paycheck each pay period. At present ManTech's systems provides for 26 paychecks per year. The interest rate may be adjusted from time to time by Phoenix Home Life Mutual Insurance Company and Pedersen note will be adjusted accordingly.

1. This note may be fully or partially prepaid at any time without penalty.
2. If the undersigned defaults in the payment of any installment due under this note and fails to cure such default within thirty (30) days after the holder of this note has sent written notice of default, then, at the option of the holder of this note, the entire principal balance of this note and all accrued and unpaid interest shall at once become due. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.
3. The undersigned promises to pay all costs of collection, including reasonable attorney's fees, upon default in the payment of the principal or interest of this note when due, whether suit is brought or not.
4. In the event any one or more of the provisions contained in this note is held to be invalid, illegal or unenforceable for any reason, such invalidity, illegality or unenforceability is not to affect any other provision of the note; this note is to be construed as if such invalid, illegal or unenforceable provision had never been a part of it.
5. This note may not be changed orally but only by an agreement in writing and signed by the party against whom agreement enforcement of any change is sought.
6. This note is to be interpreted in accordance with the laws of the Commonwealth of Virginia.

/s/ George J. Pedersen  
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George J. Pedersen  
Chairman of the Board

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE Y	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. P00029	3. EFFECTIVE DATE 20 November 2001	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable) PM Support Services
6. ISSUED BY US Army CECOM Acquisition Center - Washington ATTN: AMSEL-AC-WB-B (Jeanine L. Lattin) 2461 Eisenhower Avenue, Hoffman I, Rm 1126 Alexandria, VA 22331-0700	CODE W909MY -----	7. ADMINISTERED BY (If other than Item 6) DCMC Baltimore - Manassas	CODE S2404A -----
8. NAME AND ADDRESS OF CONTRACTOR ManTech Telecommunications & Information Systems Corporation (MTISC) A subsidiary of ManTech ATTN: Mr. Robert F. Danzig, Director of Contracts 14119-A Sullyfield Circle, 1/st/ Floor Chantilly, VA 20151		(X) 9A. AMENDMENT OF SOLICITATION NO.	9B. DATED (SEE ITEM 11)
CODE 0D0S5	FACILITY CODE	10A. MODIFICATION OF CONTRACT/ORDER NO. DAAB07-98-A-6001	10B. DATED (SEE ITEM 13) 24 July 1998

=====

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

\_\_\_\_\_ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt Offers is  
 [ ] extended, [ ] is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning \_\_\_ copy of the amendment: (b) By acknowledging receipt of this amendment on each copy of the offer submitted: or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATA SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and data specified.

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12. ACCOUNTING AND APPROPRIATION DATA (If required)  
N/A

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13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS,  
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

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(X) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

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X B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

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C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

-----

D. OTHER (Specify type of modification and authority)

-----

E. IMPORTANT: Contractor X is not, is required to sign this document and return \_\_\_ copies to the issuing office.

-----

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

A. The purpose of this modification is to extend the term of the BPA (based on the extension provided by Mod #5 to ManTech's GSA Schedule Contract, dated 11/20/01); therefore the end date is changed from 14 July 2002 to 14 July 2003; in Terms and Conditions, paragraph 6(b) change the Contract Administration Office from Baltimore to Baltimore-Manassas and in paragraph 14, delete the draft AFARS provision "Reporting of Contract Manpower Data Elements" and add "Reserved."

B. Summary for the Payment Office: Funding is at the task order level.

Contract Specialist's Ph: (703) 325-4998; Fax: (703) 428-1649; E-mail: Jeanine.Lattin@cacw.army.mil

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

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15A. NAME AND TITLE OF SIGNER (Type of print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Peggy W. Butler, Contracting Officer, Ph 703 325-4994, Fax: 703 428-1697, E-mail: Peggy.Butler@cacw.army.mil
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED
(Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA BY [SIGNATURE ILLEGIBLE]
	16C. DATE SIGNED 11/27/01
	(Signature of Contracting Officer)

=====

NSN 7540-01-152-8070	30-105	STANDARD FORM 30 (REV. 10-83)
PREVIOUS EDITION UNUSABLE	Computer Generated	Prescribed by GSA
		FAR (48 CFR) 53.24

## PART C -- Terms &amp; Conditions

U.S. ARMY COMMUNICATIONS ELECTRONICS COMMAND  
 ACQUISITION CENTER-WASHINGTON  
 BLANKET PURCHASE AGREEMENT  
 MANTECH ADVANCED SYSTEMS INTERNATIONAL

The U.S. Army Communications Electronics Command, Acquisition Center-Washington has entered into a Blanket Purchase Agreement with ManTech Advanced Systems International to provide Program Management Support services. This agreement is under the terms and conditions of ManTech Advanced Systems International's GSA Federal Supply Schedule Contract (hereafter referred to as "Contract") and the following BPA terms and conditions.

1. Labor Categories Available under this BPA

See Section B and Attachment III.

2. Term of the BPA

The term of the resultant BPA is from 24 July 1998 through 14 July 2003.

3. Authorized BPA Users

This BPA is open to Product Manager Intelligence Fusion and other Army Program Offices worldwide.

4. Pricing

Under the terms of the resultant BPA, individual Government customers may request and negotiate additional discounts based upon their anticipated volume of services to be purchased under a specified Task Order. Pricing will be reviewed on an annual basis.

5. Inspection/Acceptance

Inspection and Acceptance of services shall be performed by a duly authorized representative of the Government upon completion of the effort.

6. Payment

(a) Payment shall be made for services accepted by the Government office specified in each individual task order. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Payments under this BPA may be made by the government either by check, electronic funds transfer, the Automated clearinghouse, or the IMPAC card, at the option of the Government. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing discounts earned, payment shall be considered to have been made on the date, which appears on the payment check, or the date on which an electronic funds transfer was made. The contractor shall prepare and distribute a

## PART C -- Terms &amp; Conditions

Standard Form 1034, "Public Vouchers for Purchases and Services Other Than Personal", to the responsible task order representative identified therein for acceptance of services. Each invoice shall be supported by an AMSEL-PC Form 5124, Statement of Services Rendered and accepted, executed by the Contractor for personnel who performed the services for which payment is requested and signed by the Contracting Officer's designated representative. The AMSEL-PC Form 5124 shall contain a listing of the work performed during the billing period by each individual, including labor category, hourly rates, hours worked, overtime and other direct reimbursable costs. Copies of the Standard Form 1034 and AMSEL-PC 5124 will then be forwarded to the Payment Office.

The DFAS Payment Office address is:

DFAS-Columbus Center HQ0338	Comm #: 1-800-832-9976
DFAS-CO/South Entitlement Operations	DSN FAX: 869-7910
P.O. Box 182264	Comm FAX: (614) 693-7910
Columbus, OH 43218-2264	

(b) DCMC Baltimore- Manassas is hereby assigned contract administration responsibilities on the subject BPA and all task orders issued thereto in order to consolidate and coordinate payments within (one) cognizant Defense Finance & Accounting Services (DFAS) Payment Office for any and all task orders issued. Pursuant to 42.302a (1) DCMC Baltimore-Manassas is hereby delegated the functions listed in FAR 42.302a (1) thru (69) as applicable.

The Contract Administration Office (CAO) address is:

DCMC Baltimore-Manassas S2404A	Comm #: 703-330-3202
10500 Battleview Way	Fax #: 703-330-3247
Suite 200	E-mail: MThomas@dcmde.dcma.mil
Manassas, VA 22110-2342	

## 7. Task Orders

Ordering will be centralized. Orders will be issued by the USA CECOM Acquisition Center-Washington. Any services to be furnished under this contract shall be ordered by issuance of a task order (SF 1449, Solicitation/Contract/Order for Commercial Items) or other authorized document as authorized by the warranted Contracting Officer. Any request for a deviation from the terms of this BPA shall be submitted to the Contracting Officer at the following address:

US Army Communication-Electronics Command  
Acquisition Center - Washington  
ATTN: AMSEL-AC-WB-B, Hoffman Bldg. I, Room 1126  
2461 Eisenhower Avenue  
Alexandria, Virginia 22331-0700

All task orders placed against this BPA are subject to the terms and conditions of the

applicable GSA Schedule contract and as supplemented in the resultant BPA.

A task order is considered "issued" when the contractor has received the order from the Contracting Office.

The Contracting Office will be responsible for the distribution of each task order to the BPA holder and the Contract Administration Office and the Payment Office as specified on the face page of the order. The remaining distribution shall be made by the ordering office and in accordance with their procedures after validation. Detailed issuing instructions shall be provided in the BPA holders ordering catalog, to include the Point of contact for the task order with respective Email address and telephone number. This shall be published on the BPA holder's www page. Authorization must be granted by the CECOM Acquisition Center-Washington, Contracting Officer for others to use Part 8. The CECOM Acquisition Center-Washington will make credit card purchases, unless otherwise authorized by the Contracting Officer.

#### 8. Government wide Commercial Credit Card - Visa Impact Card

The following describes the procedures to be used for ordering services from this BPA by using the Federal Government credit card. This option to order by use of the Government credit card is strictly an option method of ordering by the Government and may be used in place of ordering by the SF 1449. The Government does reserve the right to unilaterally terminate credit card ordering on this BPA at any time.

All ordering offices may use the Federal Government Credit Card (VISA) referred to as "Purchase Card" as an optional method of ordering and paying for purchases made under this contract.

The purchase card is specifically designed for use by the Federal Government. The purchase card is like a typical personal credit card. However, the authorization limits, certain categories of products or services, etc. The Purchase Card will be exclusively used for official Government purchases in accordance with the prices, terms, and conditions of this contract, the simplified acquisition limitation as stated in the Federal Acquisition Regulation (FAR) Part 13 is in effect on the date the order is placed and the cardholder's delegation of authority. With respect to ordering authority, any authorized user of this contract who is an appointed, recognized Government credit card holder is allowed to use the credit card as a means of purchasing items on this contract. For credit card holders only, this waives the requirement for submission of a SF 1449. All appointed, recognized Government credit card holders are subject to and responsible for complying with all rules, regulation, and limits that come with their credit card.

Credit limits for the purchase card are dictated by each of the using activities major commands. Knowledge of these credit limits for the purchase card is the responsibility of the credit card holder and the approving office. The contractor shall accept firm-fixed-price task orders under the contract made by use of an authorized purchasing card. The contractor shall bill the cardholder at the completion of the required services.

#### 9. FAR 52.252-2, Clauses Incorporated by Reference (Feb 1998)

(b) The contractor may have access to source selection sensitive information. Considering this, the contractor agrees, that in addition to the above established requirements and prohibitions he will:

(1) Indoctrinate its employees on established source selection security procedures. The indoctrination will ensure, as a minimum, the appropriate Army security requirements and the Standards of Conduct under DOD 5500.7-R.

(c) The contractor further agrees that it will:

(1) Assure formal company policies and procedures effectively address the philosophy of FAR 9.505, paragraph 4, and that all employees associated with this contract are fully aware of those specific policies and procedures; and

(2) "When the contractor obtains access to the proprietary information of other companies as a result of work under this PMSS contract, enter into agreements with those companies to protect the proprietary information from improper use and disclosure and submit copies of those agreements to the PCO: and"

(3) Obtain and furnish to the PCO from each employee, consultant and the like engaged in any effort connected with this contract a written agreement which shall in substance provide that such individual will not, during his employment by the contractor or thereafter, disclose to others or use for his own benefit information, trade secrets, confidential business information or acquisition sensitive information to which access is gained as a result of work this PMSS contract.

### 13. Time and Materials Task Orders

The labor categories and hours, materials and travel specified in each task order represent the current best estimate of the work to be performed. To enhance flexibility and to allow the contractor to determine the optimum labor mix for the Task Order, the Contractor may, with approval of the COR, increase or decrease the number of hours for each category specified in the individual task order within the negotiated ceiling price.

The Contractor will not be paid for expenditures above the total direct labor dollars/ceiling price of any individuals task order or the total task order estimated amount. Adjustments to the ceiling price of individual orders may only be accomplished by the execution of a bilateral modification.

### 14. Reserved.

OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24 & 30

PMINTE-LFUS-BPA2

2. CONTRACT NO.      3. AWARD EFFECTIVE DATE      4. ORDER NUMBER      5. SOLICITATION NUMBER      6. SOLICITATION ISSUE DATE

DAAB07-98-A-6001      07/24/98           DAAB07-98-Q-6025

7. FOR SOLICITATION INFORMATION CALL: a. NAME      b. TELEPHONE NUMBER (no collect calls)      8. OFFER DUE DATE/ LOCAL TIME

OLLIE L. JOHNSON      (703) 325-6805

9. ISSUED BY:      CODE W73QLH      10. THIS ACQUISITION IS      11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED      12. DISCOUNT TERMS

USA CECOM ACQUISITION CTR-WASHINGTON  
2461 EISENHOWER AVENUE (AMSEL-AC-WB-B)  
ALEXANDRIA VA 22331-0700  
FAX: 703-325-4995

UNRESTRICTED  
 SET ASIDE: % FOR

SMALL BUSINESS  
 SMALL DISADV. BUSINESS  
 8(A)

SEE SCHEDULE

13a. THIS CONTRACT IS RATED ORDER UNDER DPAS(15CFR 700)

00.000%  
DAYS 0  
NET 30

13b. RATING

S10

SIC:  
SIZE STANDARD:

14. METHOD OF SOLICITATION

RFQ     IFB     RFP

15. DELIVER TO      CODE SEETASK      18. ADMINISTERED BY      CODE W73QLH

SHALL BE SPECIFIED IN EACH TASK ORDER.

USA CECOM ACQUISITION CTR-WASHINGTON  
2461 EISENHOWER AVENUE (AMSEL-AC-WB-B)  
ALEXANDRIA VA 22331-0700  
FAX: 703-325-4995

17a. CONTRACTOR/ OFFEROR      CODE 5N741      FACILITY CODE      18a. PAYMENT WILL BE MADE BY      CODE SEETASK

MANTECH ADVANCED SYSTEMS INTERNATIONAL  
A MANTECH INTERNATIONAL COMPANY  
14119A SULLEYFIELD CIRCLE 2ND FLOOR  
CHANTILLY VA 20151

PHONE  
(703) 633-1300

SHALL BE SPECIFIED IN EACH TASK ORDER.

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER      18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a. UNLESS BLOCK BELOW IS CHECKED       SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
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CLINS AS SHOWN HEREIN PROVIDE HOURLY RATES FOR A VARIETY OF PROGRAM MANAGEMENT SUPPORT SERVICES.

PM INTEL FUSION

0001	PROJECT MANAGER	0.00	EA	73.88	0.00
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(Attach Additional Sheets as necessary)

25. ACCOUNTING AND APPROPRIATION DATA      Award Oblig Amt US\$      26. TOTAL AWARD AMOUNT (For Govt. Use Only)

TO BE PROVIDED WITH EACH TASK      0.00      \$      0.00

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA  ARE  ARE NOT ATTACHED

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED ADDENDA  ARE  ARE NOT ATTACHED.

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 02 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29. AWARD OF CONTRACT: REFERENCE MANTECH QUOTE  OFFER DATED 07/13/98, YOUR OFFER ON SOLICITATION (BLOCK INCLUDING ANY ADDITIONS OF CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR      31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

[ILLEGIBLE SIGNATURE]      [ILLEGIBLE SIGNATURE]

30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)      30c. DATE SIGNED      31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT)      31c. DATE SIGNED

/s/ Susan M. Siegel Vice President      7/24/98      Peggy w. Butler      m63      7/24/98

32a. QUANTITY IN COLUMN 21 HAS BEEN      33. SHIP NUMBER      34. VOUCHER NUMBER      35. AMOUNT VERIFIED CORRECT FOR

RECEIVED       INSPECTED       ACCEPTED AND CONFORMS TO THE      PARTIAL      FINAL



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Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (VRS), Office of Federal Acquisition Policy. GSA. Washington DC 20405  
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OMB No.: 9000-0136  
Expires: 09/30/98

ITEM	DESCRIPTION	QUANTITY	U/I	U/P	AMOUNT
0002	SENIOR GRAPHICS DESIGNER	0.00	EA	24.170000	0.00
0003	ADMINISTRATIVE SUPPORT TASK MANAGER	0.00	EA	30.210000	0.00
0004	SENIOR CLERICAL ASSISTANT	0.00	EA	23.390000	0.00
0005	RECORDS FILE MANAGER	0.00	EA	24.660000	0.00
0006	SYSTEM MAINTENANCE TECHNICIAN	0.00	EA	23.140000	0.00
0007	INTERMEDIATE INTELLIGENCE RESEARCH ANALYST	0.00	EA	42.690000	0.00
0008	PRINCIPAL INTELLIGENCE RESEARCH ANALYST	0.00	EA	71.040000	0.00
0009	SENIOR SOFTWARE ENGINEER	0.00	EA	70.630000	0.00
0010	SOFTWARE ENGINEER	0.00	EA	47.950000	0.00
0011	CONFIGURATION MANAGEMENT ENGINEER	0.00	EA	38.500000	0.00
0012	COMMUNICATIONS ENGINEER	0.00	EA	49.920000	0.00
0013	PRINCIPAL SYSTEMS ENGINEER	0.00	EA	77.620000	0.00
0014	SENIOR SYSTEMS ENGINEER	0.00	EA	67.040000	0.00
0015	ACQUISITION PROGRAM ANALYST	0.00	EA	57.450000	0.00
0016	SENIOR LOGISTICS MANAGEMENT SPECIALIST	0.00	EA	53.370000	0.00
0017	LOGISTICS MANAGEMENT SPECIALIST	0.00	EA	42.910000	0.00
0018	COST ANALYST	0.00	EA	62.000000	0.00
0019	OTHER DIRECT COSTS:				
0019AA	TRAVEL/PER DIEM				
0019AB	TRAINING				
0019AC	SUBCONTRACTING				
0019AD	HANDLING/PACKING/SHIPPING				
0019AE	INCIDENTAL/EMERGENCY PURCHASES				
0020	FIXED HANDLING RATE - 4.76%				

ITEM	DESCRIPTION	QUANTITY	U/I	U/P	AMOUNT
0020	(Continued)				
	OTHER PROGRAM MANAGEMENT OFFICES				
1001	PROJECT MANAGER	0.00	EA	73.880000	0.00
1002	ADMINISTRATIVE SUPPORT TASK MANAGER	0.00	EA	30.210000	0.00
1003	SENIOR CLERICAL ASSISTANT	0.00	EA	23.390000	0.00
1004	SYSTEM MAINTENANCE TECHNICIAN	0.00	EA	23.140000	0.00
1005	PRINCIPAL RESEARCH ANALYST	0.00	EA	71.040000	0.00
1006	SENIOR SOFTWARE ENGINEER	0.00	EA	70.630000	0.00
1007	CONFIGURATION MANAGEMENT ENGINEER	0.00	EA	38.500000	0.00
1008	COMMUNICATIONS ENGINEER	0.00	EA	49.920000	0.00
1009	PRINCIPAL SYSTEMS ENGINEER	0.00	EA	77.620000	0.00
1010	SENIOR SYSTEMS ENGINEER	0.00	EA	67.040000	0.00
1011	ACQUISITION PROGRAM ANALYST	0.00	EA	57.450000	0.00
1012	SENIOR LOGISTICS MANAGEMENT SPECIALIST	0.00	EA	53.370000	0.00
1013	COST ANALYST	0.00	EA	62.000000	0.00
1014	OTHER DIRECT COSTS:				
1014AA	TRAVEL/PERDIEM				
1014AB	TRAINING				
1014AC	SUBCONTRACTING				
1014AD	HANDLING/PACKING/SHIPPING				
1014AE	INCIDENTAL/EMERGENCY PURCHASES				
1015	FIXED HANDLING RATE - 4.76%				

U.S. ARMY COMMUNICATIONS ELECTRONICS COMMAND  
ACQUISITION CENTER-WASHINGTON  
BLANKET PURCHASE AGREEMENT  
MANTECH ADVANCED SYSTEMS INTERNATIONAL

The U.S. Army Communications Electronics Command, Acquisition Center-Washington has entered into a Blanket Purchase Agreement with ManTech Advanced Systems International to provide Program Management Support services. This agreement is under the terms and conditions of ManTech Advanced Systems International's GSA Federal Supply Schedule Contract (hereafter referred to as "Contract") and the following BPA terms and conditions.

1. Labor Categories Available under this BPA

See Section B

2. Term of the BPA

The term of the resultant BPA shall run concurrent with the vendors GSA Schedule Contract.

3. Authorized BPA Users

This BPA is open to Product Manager Intelligence Fusion and other Army Program Offices worldwide.

4. Pricing

Under the terms of the resultant BPA, individual Government customers may request and negotiate additional discounts based upon their anticipated volume of services to be purchased under a specified Task Order. Pricing will be reviewed on an annual basis.

5. Inspection/Acceptance

Inspection and Acceptance of services shall be performed by a duly authorized representative of the Government upon completion of the effort.

6. Payment

Payment shall be made for services accepted by the Government office specified in each individual task order. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Payments under this BPA may be made by the government either by check, electronic funds transfer, the Automated Clearinghouse, or

the IMPAC card, at the option of the Government. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing discounts earned, payment shall be considered to have been made on the date, which appears on the payment check, or the date on which an electronic funds transfer was made. The contractor shall prepare and distribute a DD Form 250, "Material Inspection and Receiving Report", in accordance with Department of Defense Federal Acquisition Regulation (DFARS) Supplement, Appendix F, to the responsible task order representative identified therein for acceptance of services. Copies of the DD 250 will then be forwarded to the Payment Office.

#### 7. Task Orders

Ordering will be centralized. Orders will be issued by the USA CECOM Acquisition Center-Washington. Any services to be furnished under this contract shall be ordered by issuance of a task order (SF 1449, Solicitation/Contract/Order for Commercial Items) or other authorized document as authorized by the warranted Contracting Officer. Any request for a deviation from the terms of this BPA shall be submitted to the Contracting Officer at the following address:

US Army Communication-Electronics Command  
Acquisition Center - Washington  
AMSEL-AC-WB-B, Hoffman Bldg. 1, Room 1126  
2461 Eisenhower Avenue  
Alexandria, Virginia 2233 1-0700

All task orders placed against this BPA are subject to the terms and conditions of the applicable GSA Schedule contract and as supplemented in the resultant BPA.

A task order is considered "issued" when the contractor has received the order from the Contracting Office.

The Contracting Office will be responsible for the distribution of each task order to the BPA holder and the Contract Administration Office and the Payment Office as specified on the face page of the order. The remaining distribution shall be made by the ordering office and in accordance with their procedures after validation. Detailed issuing instructions shall be provided in the BPA holders ordering catalog, to include the Point of contact for the task order with respective Email address and telephone number. This shall be published on the BPA holder's www page. Authorization must be granted by the CECOM Acquisition Center-Washington, Contracting Officer for others to use Part 8. The CECOM Acquisition Center-Washington will make credit card purchases, unless otherwise authorized by the Contracting Officer.

#### 8. Government wide Commercial Credit Card - Visa Impact Card.

The following describes the procedures to be used for ordering services from this BPA

by using the Federal Government credit card. This option to order by use of the Government credit card is strictly an option method of ordering by the Government and may be used in place of ordering by the SF 14409. The Government does reserve the right to unilaterally terminate credit card ordering on this BPA at any time.

All ordering offices may use the Federal Government Credit Card(VISA) referred to as "Purchase Card" as an optional method of ordering and paying for purchases made under this contract.

The purchase card is specifically designed for use by the Federal Government. The purchase card is like a typical personal credit card. However, the authorization limits, certain categories of products or services, etc. The Purchase Card will be exclusively used for official Government purchases in accordance with the prices, terms, and conditions of this contract, the simplified acquisition limitation as stated in the Federal Acquisition Regulation (FAR) Part 13 is in effect on the date the order is placed and the cardholder's delegation of authority. With respect to ordering authority, any authorized user of this contract who is an appointed, recognized Government credit card holder is allowed to use the credit card as a means of purchasing items on this contract. For credit card holders only, this waives the requirement for submission of a SF 1449. All appointed, recognized Government credit card holders are subject to and responsible for complying with all rules, regulation, and limits that come with their credit card.

Credit limits for the purchase card are dictated by each of the using activities major commands. Knowledge of these credit limits for the purchase card are the responsibility of the credit card holder and the approving office. The contractor shall accept firm-fixed-price task orders under the contract made by use of an authorized purchasing card. The contractor shall bill the cardholder at the completion of the required services.

#### 9. FAR 52.252-2, Clauses Incorporated by Reference (JUN 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

FAR 52.232-25 Prompt Payment (June 1997)  
 FAR 52.247-34 Free on Board-Destination (Nov 1991)  
 FAR 52.246-4 Inspection of Services Fixed Price (Aug 1996)  
 FAR 52.213-1 Fast Payment Procedure (Aug 1988)

#### 10. Emergency Items

If deemed necessary for the accomplishment of a specific task order non-GSA schedule incidental items, to include emergency items may be ordered up to 10% of the task order value.

#### 11. Other Direct Costs

Delivery orders issued will include estimates for cost of such efforts at paragraph D.2.3 and an estimate for the cost of handling. The estimated costs of handling will be computed by applying a fixed rate that reflects the cost of handling to the estimates for the effort. The Contractor will be reimbursed the actual cost of the efforts plus the amount of the handling charge estimated. The fixed handling rate will be allowed against charges for Incidental/Emergency purchases and Handling/Packaging and Shipping efforts only.

## 12. ORGANIZATION CONFLICT OF INTEREST

(a) The Contractor agrees that it or any of its affiliates, except as exempted below, shall be excluded from participation as a contractor or subcontractor for projects which shall be managed through this Projects Management Support Services (PMSS) contract. "Affiliates" as used herein means associated business concerns or individuals, if directly or indirectly either one controls or can control the other or a third party controls or can control both. This exclusion shall be for the period beginning with the date of award of this contract through completion (final payment) of the individual projects concerned, and for a period of two years thereafter. Further, the contractor agrees that it or any of its affiliates may have direct access to acquisition sensitive information shall be excluded from assisting in preparing a proposal, serving as a consultant, and/or providing information acquired while performing this contract to any firm participating either as a prime or subcontractor for the projects managed or to be managed hereunder. The contractor agrees not to use or disclose acquisition sensitive information or proprietary information to which it obtains access as a result of projects managed under the PMSS contract except as required for the performance of said work. This restriction applies to the contractor, any contractor employee, consultant, or the like who obtains access to such information.

If granted access to proprietary data of the company(s) participating in the projects managed under this PMSS contract, the contractor agrees not to disclose the information for as long as such data remains proprietary, or two years following completion of the contract, whichever is longer.

The provision of this clause shall not be interpreted as precluding the contractor from active participation in other on-going and future projects. As used herein, "contractor" refers to the prime contractor, a subcontractor whose assistance may be enlisted by the prime contractor (except as exempted above), wholly or partially owned subsidiaries of the prime and/or subcontractor(s), and any firm in which the prime and/or subcontractor(s) may have a vested interest. The prohibitions of this clause apply only to those tasks which the subcontractor accepts. The subcontractor shall not accept any task orders which would create a conflict of interest. However, this exception for the subcontractor does not absolve the prime contractor of full responsibility for performance of all requirements on this contract. This prohibition applies to the contractor under its current name, under any changed name, and to the principal individuals owning, controlling or managing the contractor. If merged with or acquired by any other entity, the prohibition applies to all contractor officers, owners, and the specific individuals

performing work on projects managed under this PMSS contract.

(b) The contractor may have access to source selection sensitive information. Considering this, the contractor agrees, that in addition to the above established requirements and prohibitions he will:

(1) Indoctrinate its employees on established source selection security procedures. The indoctrination will ensure, as a minimum, the appropriate Army security requirements and the Standards of Conduct under DOD 5500.7-R.

(c) The contractor further agrees that it will:

(1) Assure formal company policies and procedures effectively address the philosophy of FAR 9.505, paragraph 4, and that all employees associated with this contract are fully aware of those specific policies and procedures; and

(2) "When the contractor obtains access to the proprietary information of other companies as a result of work under this PMSS contract, enter into agreements with those companies to protect the proprietary information from improper use and disclosure and submit copies of those agreements to the PCO: and"

(3) Obtain and furnish to the PCO from each employee, consultant and the like engaged in any effort connected with this contract a written agreement which shall in substance provide that such individual will not, during his employment by the contractor or thereafter, disclose to others or use for his own benefit information, trade secrets, confidential business information or acquisition sensitive information to which access is gained as a result of work this PMSS contract.

## STATEMENT OF WORK

## D.I.0 INTRODUCTION AND GENERAL SCOPE

## PM INTEL FUSION

A. Since 1984, the Project Management Office has employed an integrated management approach to support all system acquisition functions. The goal has been to integrate and enhance productivity for the various PMO Intelligence Fusion sponsored programs, while integrating various management tools to optimize and support planning, budgeting, scheduling, and engineering initiatives.

The contractor will support the Project Management Office, Intelligence Fusion (PMO Intel Fusion) by providing System Engineering and Technical Assistance (SETA), Project Management, and Administrative Support Services in response to specific tasks. This procurement of services will be implemented as an indefinite delivery indefinite quantity (IDIQ) using task orders to react to the reality of reduced and changing defense funding levels. PMO Intel Fusion desires to have a support contractor offering reasonable continuity of existing services, and the flexibility to adjust to changing requirements and defense funding perturbations. Staffing levels on these efforts may vary from year to year, or even within a year.

The contractor shall provide non-personal support-services only at the government's facilities. These services are needed to accomplish tasks that cannot be accomplished by PMO Intel Fusion because of time constraints and/or expertise which is not available. The types of required services are: Project Management, System Engineering, Software Engineering, Administration, Quality Assurance, Integrated Logistics Support, Acquisition Management, and Information Technology support to the PMO Intel Fusion.

## OTHER ARMY PROGRAM OFFICES LOCATED WORLDWIDE

B. As required, the Contractor shall provide world-wide Program Management Support Services at Government facilities in these areas: Project Management, System Engineering, Software Engineering, Configuration Management, Training, Integration Support, Testing, Quality Assurance, Acquisition Management and Documentation Support.

## D.1.1 BACKGROUND

## D.1.1.1 ALL SOURCE ANALYSIS SYSTEM (ASAS)

It is the mission of the PMO Intel Fusion to develop, acquire, and field an automated, ruggedized, ASAS that fuses technical and intelligence data from multiple sources with a goal of providing Army commanders with a near real time view of the battlefield. The ASAS, comprised of the Analyst Control Element (ACE) and the Remote Workstation (RWS), is the tactical intelligence node of the Army Battlefield Command Systems (ABCS). Elements of ASAS will be located from Battalion through Echelons Above Corps.

## D.1.1.2 COUNTER INTELLIGENCE/HUMAN INTELLIGENCE MANAGEMENT SYSTEM (CHIMS)

The CHIMS product office is developing the ASAS CHIMS subsystem, which is the CI/HUMINT component of the Intelligence and Electronic Warfare (IEW) sub-element of the ABCS. It is a system that satisfies the Army's tactical CI/HUMINT automation requirements for information collection, investigation, interrogation, operation, document exploitation, and force protection.

## D.1.1.3 INTEGRATED METEOROLOGICAL SYSTEM (IMETS)

The Integrated Meteorological System (IMETS) is the meteorological component of the intelligence and Electronic Warfare sub-element of the ABCS. IMETS provides commanders, at all echelons, with an automated

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weather system to receive, process, and disseminate weather observations, forecasts, and weather and environmental effects decision aids to all Battlefield Operating Systems. IMETS is an automated system in one of three configurations, laptop, desktop or mounted in a heavy High Mobility Multi-Purpose Wheeled Vehicle (HMMWV). IMETS provides automation and communications support to staff weather teams assigned to from brigade through Echelons Above Corps (EAC) and to Army Special Operations Forces.

## D.1.1.4 JOINT COLLECTION MANAGEMENT TOOL (JCMT)

JCMT is the standard DoD Intelligence Information System (DODIS) migration system for all source collection management. It will be used by national, theater, and tactical organizations of all services. The key role of the system is to provide tools for gathering, organizing, and tracking intelligence collection requirements for all intelligence disciplines. Other essential functions include the automated identification of collection resources, collector feasibility, development of collection plans, and the correlation of intelligence reports and messages to requirements.

## D.1.1.5 OTHER INTELLIGENCE FUSION SPONSORED EFFORTS

As the Army's only intelligence fusion material developer the PM Intel Fusion will be assigned responsibility for other intelligence related actions when the PEO C3S determines it is in the best interest of the Army to do so.

## D.1.2 PMO INTELLIGENCE FUSION ORGANIZATION

The PMO Intel Fusion is organized into a number of Product Managers, Directorates, and various support offices. The contractor shall provide services as stated in para D.2 for the following organizational elements of the PMO Intel Fusion:

- a. Project Management Office, Intelligence Fusion,
- b. Technical Manager Directorate,
- c. Readiness Directorate,
- d. Business Management,
- e. Product Manager for ASAS Software,
- f. Product Manager for Joint Collection Management Tool,
- g. Product Director for Counter Intelligence and Human Intelligence, and
- h. Product Director for Integrated Meteorological System.

## D.2.0 GENERAL CONTRACTOR RESPONSIBILITIES

The specified tasks required of the contractor's personnel are defined below. As a means of focusing on quality personnel, we are providing equivalent government personnel standards and skill levels. Our tasking will specify minimum government equivalent skill levels. The Government shall retain the right to refuse any person who is bid that does not meet these minimum skill levels. Annex A contains a listing of descriptions of these government standards for labor categories and skill levels.

- a. Systems Engineering: These services include general systems engineering, systems implementation planning, and system test and evaluation. Products include various specifications, plans, analyses, modeling, simulations, and reports.
- b. General Support Engineering: Services include reviewing engineering output in the areas of systems level operation and maintenance procedures, performance improvements criteria, tools assessments, metrics management, quality assurance, configuration management, technical orders, maintenance practices, and technical orders. Assist the PM with the design, development, review, and analysis of

all scheduling and logistic activities. Monitor and review manuals, regulations, pamphlets, and various Army acquisition documentation for applicability to PMO Intel Fusion.

- c. General Test Engineering: Services include test planning, surveys, test monitoring, reports and recommendations.
- d. Technical Studies, Investigations or Analyses: Services include feasibility investigations, cost analyses, and analyses and evaluation of equipment, systems, and COTS or GOTS software products.
- e. Information Technology products include data automation requirements, specifications, plans, manuals, analyses, reports, system operations, installation, maintenance, enhancements, configuration management and training programs.
- f. PMO Administrative Support: Provide the following services: clerical, mail, message, and facsimile processing, reproduction services, graphics support, and a technical data library. Additionally in a facility coordinator role the contractor shall provide assistance with physical security, clearance verification, receptionist duties, and visitor control at the building entrance.
- g. Presentation Materials: In conjunction with the completion of tasks issued to accomplish the requirements of this SOW, the contractor may be required to prepare various presentation materials (e.g., viewgraph, slides, graphics, narratives). Types and quantities of the required materials will be specified in conjunction with the applicable CDRL. The intent here is to preclude the contractor from using engineering and technical man-hours (SETA portion of the SOW) on administrative tasks. It is expected that contractor technical personnel will frequently provide initial input to and review of presentation materials, providing a value added input in their capacity of technical assistance. It does not preclude the contractor from providing administrative support and graphics support as specified in paragraph D.3.8.5 of the SOW.
- h. Meeting Reports: The contractor may be required to prepare reports on selected meetings conducted exclusively between the contractor and the government. Task Orders will be issued to identify the requirement for any such reports and they will be tied to an existing CDRL. This is not to preclude the contractor from generating technical notes based upon the contractor's analysis of discussions or action items reviewed while participating in a technical capacity at meetings. The intent is preclude the contractor from performing clerical duties for the government.

#### D.2.1 APPLICABLE DOCUMENTS

Documents that are applicable to the effort associated with this Statement of Work (SOW) are listed in Part D-3. It should be noted that MIL-STDs referenced in Part D-3 are for information/guidance purposes only. These documents are in current usage by the PMO Intel Fusion and as such serve to define further typical DoD standards and parameters which must be considered by the contractor. The contractor shall include pertinent references to these documents in its final products. The PMO Intel Fusion is looking for a contractor with a working knowledge of relevant rules, regulations, and directions in order to eliminate a lengthy learning period. The government already has these documents on hand and does not want the contractor to supply them to us or to paraphrase them back to us. They are listed to see if the contractors' proposals will demonstrate an understanding of their interrelationships and relevance to what PM ASAS is doing.

Any assignments issued to the contractor which contain references to documents not listed in Part D-3 will have those documents attached as part of the tasking documentation or will have instructions as to how to obtain the required documents. PMO Intel Fusion has an excellent technical library that the winning contractor will be maintaining. When the requirements of the applicable documents conflict with the instructions set forth in the tasking document, the contractor should bring this to the attention of project office personnel.

#### D.2.2 CONCEPT FOR OPERATIONS

The contractor shall support those organizational elements specified in paragraph D.1.2. General

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contractor responsibilities that are specified in paragraph D.2. The basic concept for the relationship of organizational elements is that of the Project Manager and Product Managers or Product Directors will establish program objectives. The Directorates and Product Managers will, in coordination with these individuals, establish plans for achieving these objectives. Managers will evaluate performance of the activities to determine if objectives are being achieved in a timely, cost effective manner. Any necessary correction or redirection will be brought to the attention of the Contracting Officer's Representative (COR).

## D.2.3 MISCELLANEOUS

- a. General. On an as-needed basis there will be several categories of special taskings such as subcontracting, emergency purchases, TDY, per diem, inter-site travel, training, and quick reaction capabilities involving materiel packing, handling, and shipping. Such efforts will be allowed for on delivery orders and will be billed at actual costs.
- b. Travel will be conducted only at the direction of the government and will include frequent local area meetings and less frequent trips to field offices and contractor facilities at a variety of locations throughout the United States. Overseas travel also may be required. The airline and rental car portion of this travel will be handled by the government in order to insure government control and travel at the lowest possible government rates. Contractor per diem and reimbursement for local travel expenses will be billed to the government as other direct charges (ODCs). Details of estimated travel will be available when individual task orders are written.
- c. Contractor personnel may be required to attend training courses at the request of the government. These will be handled as ODCs for billing purposes. Training will include only those specialized courses necessary for the proper support to the project office and must have the approval of the Contracting Officer.
- d. Emergency purchases may be required, but only at the request of the Contracting Officer. These items would be in response to a quick reaction requirement and will be considered only after government purchase channels have been considered.
- e. Subcontracting may be utilized as a contingency in order to react to short term or special need requirements. With constrained funding, short term consultants may very well be in the best interest of the project office in order to satisfy those requirements that require expertise that is not part of the existing level of support.
- f. Contractor shall provide individuals with appropriate clearances, depending on need-to-know. These will range from Secret to TS/SCI.

## D.3.0 PERFORMANCE WORK STATEMENT

This SOW covers two distinctly different management efforts of the contractor. One of these is exclusively associated with the internal management of the contractor personnel provided under the terms of this contract. This effort is referred to as Project Management and is covered in paragraph D.3.1. The other management effort shall be exclusively associated with the management tasks necessary to support the PMO Intel Fusion, and other Army Project Offices. This effort is referred to as Program Management and is covered in paragraph D.3.2.

## D.3.1 PROJECT MANAGEMENT

The contractor shall designate one full-time, on-site individual who is responsible for the cost, schedule and technical performance described herein. The contractor shall determine the management, organization authority, responsibility, controls, and the extent to which they apply to this project. The contractor shall schedule work and staff in an optimum manner focusing on economies and efficiencies. The contractor must remain flexible and responsive to a changing acquisition management environment that often has new direction and revised priorities. The contractor shall plan, coordinate, and supervise all assigned tasks to insure accomplishment within

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the time required and in the quality expected. The contractor shall maintain an accurate, job time-cost accounting system that will permit the examination of government cost-effectiveness and manpower utilization.

## D.3.1.1 PROJECT SCHEDULE AND COST

The contractor project manager shall produce the schedule of work which allows his work force to meet the delivery of products as specified by the government. The contractor shall determine all major and minor problems associated with the areas of cost and scheduling techniques and shall recommend solution(s) to these problems and propose alternatives or solutions to all problems identified. The contractor shall notify the government of all revisions to the engineering and management methods and techniques utilized.

## D.3.1.2 PROJECT CONTROLS

The contractor shall establish control over the use of man-hours in delivering the products of this project. The contractor shall determine the control needed to prevent the use of work codes or project numbers by unauthorized personnel.

## D.3.1.2.1 PROJECT SCHEDULE AND COST TRACKING

The contractor shall determine the method for assessing the cost, schedule, and technical performance of the work of this project. The contractor shall determine the procedures for relating cost to schedule and technical performance to assess the logical relationship of these three factors as they apply to relevant tasks. Quarterly contract Funds Status Reports are required per CDRL item.

## D.3.1.2.2 MANAGEMENT REVIEWS

The contractor shall present and administratively support progress reviews. These reviews will be held at least quarterly at the PMO Intel Fusion or the contractor's facility. The topics of these reviews shall include staffing, management concerns, scheduling, costs, planned procurements, identification, and discussion of program issues, and status of resolved or unresolved action items from previous meetings. The contractor shall make input to the agenda.

## D.3.1.2.3 PROJECT STATUS REPORT COST AND PERFORMANCE

The contractor shall prepare and deliver a CDRL item entitled Project Status Report Cost and Performance. This report shall contain a summary of staffing by category and summary of work performed during the reporting period; updated milestones to reflect changes in the project schedule; a synopsis of all meetings and travel the contractor has conducted in performance of the contract; all approved government task revisions; a synopsis of contractor proposed contractual amendments; a detailed description of all problems, risks, or delays experienced during the reporting period, and a description of all planned activity during the next reporting period. These reports shall indicate performance in terms of predicted and planned progress against actual progress. Cost performance shall include budgeted versus actual expenditures.

## D.3.1.2.4 DELIVERABLE SUBMISSION

Individuals taskers will state deliverable requirements, but every effort will be made by the Government to provide a "paperless" environment. Whether the submission is electronic or paper the contractor shall be responsible for tracking deliverables.

## D.3.2 PROGRAM MANAGEMENT

A principal area of focus for the contractor work force shall be to provide management assistance for many of the functions assigned to the PMO Intel Fusion, and other Army Project Offices. These functions are divided among the organizational elements of the PMO Intel Fusion, and other Army Project Offices. The contractor shall provide support necessary to develop schedules, cost estimates, required documentation, and analyses of all aspects of acquisition management, business management and congressional liaison.

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## D.3.2.1 PROGRAM COST ESTIMATING AND ANALYSIS

## D.3.2.1.1 BASELINE COST ESTIMATE (BCE)

Because of the general nature of the DOD acquisition process and the dynamic nature of PMO Intel Fusion sponsored systems, it is imperative that a dependable, audible life cycle cost estimate be kept current. The product Baseline Cost Estimate (BCE) is one of the principal documents necessary to achieve an operational, integrated cost estimate for the acquisition program baseline. The cooperative exchange of estimating products tools and services is essential to the formulation of a valid Army Cost Position. In addition to maintaining a current BCE, it is necessary to frequently respond to "what if" type cost questions based on either technical or programmatic changes in the program. The government will oversee this work and prepare written task orders associated with this effort.

## D.3.2.1.2 COST ESTIMATING AND ANALYSIS

The contractor shall collect, review, and update cost data for Intelligence Fusion software and hardware products, and prepare other special cost estimates. Virtually all of this work is to be conducted on-site with limited travel involved. The contractor shall use spreadsheet models and other government provided tools. The Government will approve all the tools and the methodology used in cost estimating. All estimates are to be updated as required. The contractor shall provide personnel cognizant with applicable Army and DOD costing regulations. Most importantly, all products shall be documented in order to create an audit trail for the government cost representative and shall be subject to internal and external reviews.

## D.3.2.1.3 COST ESTIMATING

The contractor shall provide the services to update estimates for the PMO Intel Fusion products and other associated projects and programs based on data from PMO Intel Fusion and other activities which either define the system requirements in more detail or define alternate program acquisition strategies. In performing these tasks, the contractor shall prepare costs estimates for:

- a. Software,
- b. Hardware Production,
- c. Pre-planned, Product Improvement,
- d. Testing,
- e. Training,
- f. Research and Development,
- g. Military Construction, Fielding, Sustaining,
- h. Module and Unit Costs, and
- i. Miscellaneous Costs.

These estimates shall be developed in a timely manner and in accordance with the requirements for presentation of Life cycle cost estimates for Army systems. The contractor shall be able to update cost estimates to current-year dollars, then year dollars, project base year dollars, or any other base-year designated by PMO Intel Fusion personnel using the most current DOD inflation indices. The contractor shall develop estimates on a funding appropriation basis and on a logistics category basis for each program.

## D.3.2.2 ASSISTANCE IN DEVELOPING POSITIONS

The Contractor shall provide recommendations to program managers in areas such as:

- a. Architectural changes,

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- b. New or changed prototyping strategy,
- c. Incorporation (or deletion) of new (or existing) technical requirements,
- d. Changes in planned organizational usage and ILS concepts,
- e. Sizing of impact of hardware changes on software and vice-versa, and
- f. Funding justification and cost accounting.

## D.3.2.3 REVIEWS AND STUDIES

As required, the contractor shall provide reviews and/or studies of other program cost analyses, data base analyses, or other related activities. The contractor will assist with Integrated Product Team (IPT) meetings and shall record and publish minutes. The contractor will assist in preparing for Milestone/Program reviews and will record and publish the results. The contractor shall document findings, lessons learned, and report the same to the government in a timely manner.

## D.3.2.4 MASTER INTEGRATED SCHEDULE

The contractor shall assist in the maintenance of a Master Program Schedule. This schedule shall be integrated in such a manner as to account for significant dependencies.

## D.3.2.4.1 PROJECT SCHEDULE ADMINISTRATION

The contractor shall provide assistance and training to program office personnel in developing schedules for their offices and directorates. This assistance and training shall include direction in the use of MS Project 95 and methods for integrating proposed and "what-if" schedules into the project office master schedule and to outside schedules such as those of Army Tactical Command and Control System.

## D.3.2.4.2 MILESTONE TRACKING

When inputting proposed schedules as a subset of the Master Schedules, the contractor shall report schedule deviations for all milestones. For key milestone deviations reflecting slippage, the contractor shall identify the impact of the slippage and project office action necessary to support on-time completion of the end activity. The contractor shall assist in the importing of contractor schedules into the PMO Intel Fusion Master Schedule.

## D.3.3 PROGRAM MANAGEMENT DOCUMENTATION

The contractor shall provide recommendations to the program manager for developing and/or maintaining the acquisition management documentation required by DODI 5000.2, DODI 5000.2M, and AR 70-1. A primary function of the contractor is to review all documentation for continuity, compliance, and accuracy; making recommendations for corrections and improvements. This documentation includes, but is not limited to the following:

- a. Mission Need Statement,
- b. Operational Requirements Document (ORD),
- c. Program Life Cycle Cost Estimate,
- d. Acquisition Program Baseline (APB),
- e. Test and Evaluation Master Plan (TEMP),
- f. Modified Integrated Program Summary (MIPS) with all annexes,
- g. Integrated Support Plan (ISP),

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- h. Program Management Plan (PMP),
- i. Defense Acquisition Executive Summary (DAES),
- j. AAE/VCSA Data Book,
- k. System Threat Assessment Report (STAR),
- l. Critical Intelligence Parameters (CIP),
- m. Cost and Operational Effectiveness Analysis (COEA),
- n. Competitive Alternative Source Waiver,
- o. Memorandum of Agreement,
- p. Memorandum of Understanding,
- q. P-Forms, R-Forms and P18a Forms,
- r. Smart Charts,
- s. Congressional Briefing Books,
- t. Acquisition Strategy Reports (ASR),
- u. Milestone Read - Ahead Packages,
- v. Exit Criteria,
- w. Integrated Logistics Support Plans (ILSP),
- x. Material Fielding Plans (MFP),
- y. Material Fielding Agreements (MFA), and
- z. Risk Assessments.
- aa. Army Acquisition Program Executive Reporting System (AAPERS)
- bb. Selected Acquisition Report (SAR)

## D.3.4 ENGINEERING SUPPORT OF PMO INTEL FUSION PRODUCTS

The contractor shall have a working knowledge on DODI 5000.2, Defense Acquisition Management Policies and Procedures; DIA Regulation 55-3, Intelligence Support of Major Defense Acquisition Systems, and Army Regulation 381-11, Military Intelligence, Threat Support to U.S. Army Force, Combat, and Material Development. Also, the contractor shall have working knowledge of industry and government standards on the implementation of information and communications networks and systems.

System, hardware, and software engineering input required on engineering changes and upgrades of PMO Intel Fusion products is to be compatible the common hardware/software (CHS) within the Army Battlefield Command Systems. The contractor shall have a working knowledge of UNIX based operating systems, ORACLE database management system, LAN (dual fiber optic), data communications, interfaces, and intelligence data processing. The contractor shall also have a working knowledge of rugged automatic data processing (ADP) equipment meeting engineering specifications and standards of military intelligence operations and to be in compliance with the Army Acquisition Executive (AAE) Policy Memorandum 91-3, Army Electromagnetic Environmental Effects (E3) Program Implementation. The contractor shall also configure hardware, software and communication systems for demonstration and fielding and will install systems both at the PMO and at other sites designated by the Government.

- a. The contractor shall provide engineering input to system Product Managers, Product Directors, and Action Officers in engineering analysis of computer-assisted technologies employed. For these engineering analyses, the contractor shall have working knowledge of system threat assessments pertaining to survivability in electromagnetic, ADP (data corruption), and chemical contaminated

environments. The engineering analyses shall consider, but not be limited to, life cycle costs (5-10 years), value engineering, and engineering changes submitted to the Project Management Office for approval. The analyses shall also consider engineering alternatives in computer-assisted technologies such as data processing architectures/configuration for intelligence operations at Echelon Above Corps (EAC), Corps, Heavy/Light Division, and special intelligence operations ranging from sensitive compartmented information (SCI) to unclassified security levels.

The contractor shall evaluate design approaches to system interfaces and develop the documentation, including Interface Control Documents, to ensure interface requirements are achieved. The contractor shall report problem areas and make specific recommendations to the program office to resolve problems or issues. The contractor shall conduct the day-to-day operations of the Interface Control Working Group.

- b. The contractor shall evaluate design approaches to hardware use (COTS, GOTS and Development), design and architectures, system interfaces, and develop the appropriate documentation. The contractor shall report problem areas and make specific recommendations to the program office to resolve problems or issues. The contractor will evaluate RAM as well as EMI/EMC implications. Engineering analyses shall consider the cost-effectiveness in military intelligence operations of utilizing evolving technology such as RISC, CISC, and hybrid technologies; implementation of high-speed, large capacity storage and retrieval technologies for highly active, moderate, and archival transaction processing; graphical/lexical processing with high-resolution, color, flat panel displays/monitors; and the implementation of wireless LANs to enhance mobility/flexibility and to reduce setup and tear-down times. The contractor will configure systems for demonstrations, tests and fieldings.
- c. The contractor shall investigate and analyze the user requirements and computer resource requirements as they relate to design issues, resource limitations, and requirements allocation. All evaluations shall include recommendations and proposed solutions. The scope of this requirements analysis work shall encompass, as a minimum, the following:
  1. Pertinent Army and System Requirements,
  2. Engineering Change Proposals/Requests,
  3. Deviations,
  4. Test Plans, Descriptions and Reports,
  5. Requirements Reviews,
  6. System Developer Deliverables,
  7. Metrics,
  8. COE,
  9. PEO generated requirements,
  10. ABCS Implied Requirements, and
  11. Performance analysis.
- d. The contractor shall provide the Communications Engineering support required to acquire and field communications products under the responsibility of the Intelligence Fusion Project Management Office, such as the upgrade of the Block I ASAS Communications Control Set (CCS), the Deployable Intelligence Data Handling System (DIDHS-Lite), and the Compartmented All-Source Analysis System (ASAS) Message Processing System (CAMPS). This support shall encompass all phases of the acquisition process, and include the evaluation and specification of communications architectures and operational requirements, as well as the assessment of design approaches for interfacing Intelligence Fusion communications products with other Army and DoD systems. This support shall also include

participation in communications product planning, reviews, and evaluations; and, evaluating and participating in the final test accreditation.

#### D.3.4.1 REQUIREMENTS ANALYSIS AND VALIDATION

Using the government approved Operational Requirements Document and the User Functional Description Document the contractor shall investigate and analyze the user requirements and computer resource requirements as they relate to design issues, resource limitations, and requirements allocation. All evaluations shall include recommendations and proposed solutions. The scope of this requirements analysis work shall encompass, as a minimum, the following:

- a. Pertinent Army and System Requirements,
- b. Engineering Change Proposals/Requests,
- c. Deviations,
- d. Test Plans, Descriptions and Reports,
- e. Requirements Reviews,
- f. System Developer Deliverables,
- g. Metrics, and
- h. Requirements Verification and Validation.

#### D.3.4.2 DESIGN SUPPORT

The contractor shall prepare evaluations of specifications and drawings, including revisions; and participate in design reviews and audits of those documents. The contractor shall prepare for and attend meetings, requirements reviews, design reviews, working groups, and briefings related to system and software development, and security accreditation and certification assess progress against the requirements. The contractor shall report issues and/or problems and recommend to the PM specific actions to resolve them. The contractor shall evaluate and recommend solutions to security issues and problems; and will review PMO Intel Fusion actions items and problem or discrepancy reports.

The contractor shall investigate and analyze the developer's design approach, methodology, processes, and ability to efficiently and effectively meet system requirements. All evaluations shall include recommendations and proposed solutions. The scope of this work shall encompass, at a minimum, supporting the following:

- a. All aspects of the system design,
- b. Formal and Informal Design Reviews,
- c. System Developer Deliverables,
- d. Metrics,
- e. Test Plans, Descriptions and Reports,
- f. Code Analysis/Inspection,
- g. Human Factors Engineering,
- h. Prototyping,
- i. Access COTS and GOTS,
- j. Develop Algorithms, and
- k. Define Data Flow Processes.

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## D.3.4.3 DEVELOPMENT

The SETA contractor shall assist the Government in the oversight of primary contractors and their development of PMO Intel Fusion sponsored products. Additionally, the SETA contractor, at the direction of PMO Intel Fusion's Product Managers, shall evaluate COTS and GOTS products, prototype system capabilities, assess the prime contractor's development processes for compliance with government approved guidelines, and evaluate contractor developed products.

## D.3.4.3.1 DOCUMENT REVIEWS

The contractor shall review all development contractor produced documentation, as well as other Army and DoD documentation, considering at least the following factors as appropriate:

- a. Compliance with contract standards/requirements;
- b. Compliance with PMO directives;
- c. Adequacy in supporting system development, quality, test, delivery, and field support;
- d. Changes/modifications; and
- e. Impact on other systems and/or subsystems

All reviews shall in the submission of technical reports which shall include, as appropriate, recommendations and proposed solutions.

## D.3.4.3.2 QA AND CM

The contractor shall assist in the evaluation of and participate in software-related QA and CM processes and products. All reports shall include recommendations and proposed solutions. These processes and activities are discussed in detail in C.3.5 shall include, but not be limited to the following:

- a. FCA/PCA,
- b. Software Management and Change Processes,
- c. Configuration Control Boards,
- d. Developer QA and CM Procedures, and
- e. Developer QA and CM Results,

## D.3.4.3.3 TEST WITNESSING

The contractor shall attend system and software testing, and assist in the evaluation of the developer's associated test processes, organization, test plans and procedures, and test results. All evaluations shall include recommendations and proposed solutions. (See C.3.8 for more detailed discussion)

## D.3.4.3.4 SOFTWARE METRICS

The contractor shall collect, analyze, and report metrics for at least the following areas:

- a. Software Faults,
- b. Requirements Validation, and
- c. Computer Resource Utilization.

Contractor evaluations of metrics data shall provide a risk assessment and include recommendations and proposed solutions for minimizing risk.

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## D.3.4.4 TEST AND EVALUATION

Test and evaluation of PM Intel Fusion systems is an integral and high visibility facet of the development effort. Just as the traditional systems development arena is becoming evolutionary, so must the test and evaluation activities. Because new regulations and guidance now permit combining types of tests and stresses the concept of continuous evaluation, for the purposes of this SOW, test and evaluation includes the following activities:

- a. Developmental or Technical Tests,
- b. Operational Tests,
- c. Government Acceptance Tests,
- d. Contractor Tests,
- e. Qualification Testing,
- f. Regression Testing,
- g. Accreditation and Certification Testing,
- h. Security Testing,
- i. Interoperability and Joint Interoperability Testing,
- j. PM Intel Fusion systems participation in other BFA systems test activities, and
- k. Exercise/Demonstration activity in support of continuous evaluation.

## D.3.4.4.1 SUPPORT TEST PLANNING

The contractor shall review and analyze existing test planning documentation and procedures to ensure their correctness and adequacy. The contractor will update existing documentation or draft and publish the necessary plans and procedures that document the PM Intel Fusion testing program, incorporating command direction, and regulatory and statutory guidelines. The contractor will assist in the development and maintenance of integrated test schedules. As these documents and schedules impact on all PM Intel Fusion directorates and many external elements, the contractor shall assist in ensuring that proper coordination is effected throughout the development process.

## D.3.4.4.2 SUPPORT TEST RELATED MEETINGS AND CONFERENCES

The contractor shall assist in the coordination of test events with other government agencies. Additionally, the contractor shall assist in the preparation, coordination, and conduct of test related meetings sponsored by the Project Office. The contractor shall attend both contractor and government operational and technical meetings, design reviews, working groups, and briefings related to testing. When directed, the contractor shall prepare, coordinate, and publish minutes documenting these meetings. For meetings outside of the Project Office, where minutes are not appropriate, significant test related issues discussed shall be documented in trip reports. The contractor shall also make recommendations to the government based on topics and issues addressed at these meetings.

## D.3.4.4.3 REVIEW TEST RELATED DOCUMENTATION

The contractor shall review all contractor and government test related documentation. These reviews shall be accomplished in a timely and accurate fashion. Particular attention must be paid to information presented, such as system details, capability statements, numerical data, and schedules, to ensure they are properly stated. Inaccurate data in these documents could cause serious problems during test and evaluation activities. Comments based on reviews of these documents shall be prepared accurately and constructively and forwarded to the originator in a timely manner.

#### D.3.4.4.4 DEVELOP TEST RELATED DOCUMENTATION

The contractor shall develop, coordinate, and publish test related documentation, specifically the Test and Evaluation Master Plan (TEMP). The TEMP must accurately describe the systems under development, the requirements that will be satisfied by this development, the test events, and the integrated schedule. The TEMP must be periodically reviewed to ensure it accurately reflects all current aspects of PM Intel Fusion systems development. The contractor shall also, as required, prepare other test related documentation either separately or as part of documentation prepared by other PM Intel Fusion or test community elements to include test plans, test procedures, and test reports.

#### D.3.4.4.5 SUPPORT CONDUCT OF TESTS

The contractor shall provide support to the government during the conduct of tests. While Federal Regulations prohibit contractor participation in technical and operational test activities, it has proven beneficial to have contractor support on site during test conduct to assist with test related activities and to serve as a liaison with the Project Office. Further, the contractor shall support unit and system, integration, and formal acceptance testing. Due to the rapid pace and short duration of test events, quick resolution to problem situations is essential. The contractor shall provide the support required to assist in the resolution of these situations. During the conduct of the test, periodic status reports shall be provided to the Project Office by the contractor, preferably by e-mail or voice mail.

#### D.3.4.5 INSTALLATION AND CHECKOUT

The Contractor shall assist the PMO Intelligence Product Managers with the installation and checkout of Government sponsored products. Once a product baseline has been established and approved by the Government, the contractor shall coordinate between PMO Intel Fusion Product Managers and the host site to facilitate the installation of designated products. The contractor, as a minimum, shall accomplish the following activities:

- a. Coordinate and Schedule product installation,
- b. Conduct site surveys,
- c. Submit Site survey reports,
- d. Install product at Government designated site,
- e. Test and validate system operations, and
- f. Submit site installation report.

#### D.3.4.6 PROTOTYPING ENGINEERING AND SOFTWARE EVALUATION FACILITY (SWEF)

The contractor shall provide engineering support to develop, build, and test prototype hardware and software integration efforts in support of developmental efforts outlined in paragraphs C.1.1.1 through C.1.1.5. Additionally, the contractor personnel will perform equipment/hardware configuration tasks which support prototyping activities, demonstrations, systems configuration and test activities. Related to this task, the contractor shall manage the day-to-day operations of the Software Evaluation Facility (SWEF). Support to the SWEF shall include systems design and development, configuration management, property accountability, and access control.

#### D.3.4.10 DEMONSTRATIONS AND EXERCISES

Because of the evolutionary methods being employed for system development, PMO Intel Fusion will be deploying various products to field units in support of demonstrations and exercises. The objective is to provide timely feedback to the product developer. To this end, the contractor shall support the Government in the conduct of demonstrations and exercises by facilitating system configuration, defining interoperability requirements, establishing communications, coordinating events, and providing technical assistance to organizations and end users. At the conclusion of each demonstration or exercise, the contractor shall submit a technical assessment citing both positive and negative aspects of the product being deployed.

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## D.3.5 QUALITY ASSURANCE, SOFTWARE QUALITY ASSURANCE AND CONFIGURATION MANAGEMENT

The services to be provided by the SETA contractor encompass Systems Quality Assurance (QA), Software Engineering Quality Assurance (SQA), and administration of the Configuration Management (CM) program for the PMO INTEL FUSION. The SETA quality assurance and configuration management team shall assist in achieving the PMO INTEL FUSION quality goals and productivity objectives for each PMO INTEL FUSION sponsored system (currently includes ASAS Block II, CI/HUMINT, JCMT, ACT/WRAP, and IMETS). The contractor QA and CM staff shall support:

- a. Systems quality assurance (QA) -- for hardware processes,
- b. Software quality assurance (SQA), and
- c. Configuration management (CM) -- for hardware/software

The SETA team shall exploit appropriate PMO INTEL FUSION management information system tools, including the PMO INTEL FUSION Intranet resources, in support of these efforts. The goal is to minimize the effort spent in technical review and audit fact-gathering and report writing, and to maximize the time available for analyzing and reacting on the review/audit output results and conclusions.

## D.3.5.1 GENERAL QA/SQA AND CM RESPONSIBILITIES

The following are tasks required of the SETA team QA/SQA/CM staff. The SETA team shall have knowledge and skills equivalent to government personnel normally assigned to this labor area. (See Annex A)

- a. QA/SQA/CM Technical Plans and Documents: The PMO INTEL FUSION will employ -----  
the standard configuration management practices and procedures identified in Mil-Std-973, as tailored for ASAS Block II, and the legacy configuration planning procedures adapted from ASAS Block I.
- b. QA/SQA/CM Support Engineering The SETA staff shall review and audit -----  
specifications, plans, engineering studies and analyses, and general contract data requirement deliverables. Review/audit products also include reviewing prime contract engineering output in the areas of systems level operation and maintenance procedures, performance improvements criteria, tools assessments, metrics management, configuration management, technical orders, maintenance practices, and technical orders.
- c. Software QA And CM Processes: These processes and activities include, -----  
but are not limited to the following:
  1. Functional Configuration Audit/Physical Configuration Audit (FCA/PCA),
  2. Software management and change processes,
  3. PMO INTEL FUSION, designated CECOM, designated PEO C3S, and designated associate contractor Configuration Control Boards (as technical advisor),
  4. Develop QA and CM procedures, and
  5. Preparer of QA and CM activity results (Delivered reports include recommendations and proposed solutions).
- d. Independent Verification and Validation (IV&V) Support: An IV&V team (PMO -----  
INTEL FUSION specified) shall ensure via testing and validation procedures that the fielded system meets requirements and objectives, and shall help to reduce total system life cycle cost by promoting the discovery of design errors early in the system development (when such errors are easier and less expensive to fix). Products include reports, assessments, analyses, reviews, and independent tests.

## D.3.5.2 QA/SQA/CM PROGRAM MANAGEMENT

The SETA team shall schedule work and staff in an optimum manner focusing on economies and efficiencies. The SETA team must remain flexible and responsive to a changing acquisition baseline management environment that often has new direction and revised priorities.

## D.3.5.3 CONFIGURATION MANAGEMENT

The SETA contractor shall provide configuration management assistance for hardware and software to the PMO INTEL FUSION. These efforts shall include but not necessarily be limited to baseline management, configuration management and configuration control audits.

The SETA contractor shall define a standard for "configuration management status accounting" record-keeping for the PMO INTEL FUSION. The administration of these records will be retained by each of the PMO INTEL FUSION product offices; however, the SETA CM team shall assure the validity of the baseline configuration control documentation through periodic audits, and assistance to the Product Managers in protecting their account status.

## D.3.5.3.1 BASELINE MANAGEMENT

The SETA contractor shall maintain an active baseline file, updating the baselines as new items are approved. The SETA contractor shall assist PMO INTEL FUSION in monitoring the hardware and software contractors' configuration management efforts and make recommendations for correcting deficiencies and making improvements. The SETA contractor shall assist in the conduct of Physical Configuration Audit (PCA) and Functional Configuration Audit (FCA) of hardware and software.

## D.3.5.3.2 CONFIGURATION CONTROL

The SETA team shall review and analyze proposed technical changes to the PMO INTEL FUSION functional, allocated, and product baselines, including new interfaces, draft impact assessments, and prepare recommendations from other PMO INTEL FUSION contractors for presentation to the appropriate PMO INTEL FUSION Configuration Control Board (CCB).

The SETA CM team shall prepare recommendations for proposed upgrades and required documentation for the appropriate PMO INTEL FUSION CCB, receive and process these potential baseline changes, place them under configuration control, and submit these to the Product Managers, or the appropriate PMO INTEL FUSION Configuration Control Board (CCB), for consideration/approval.

The SETA CM team shall review, evaluate, and maintain Configuration Management Plans (CMP) submitted to PMO INTEL FUSION by contractors for control of hardware and software, and make recommendations for change as required. The review shall be conducted by the SETA contractor using Mil-Std-973 as a guide. Reports of findings shall be submitted in a CMP Evaluation Report. The SETA contractor shall prepare and revise hardware and software CMPs as requested by PMO INTEL FUSION.

## D.3.5.3.3. ENGINEERING CHANGES AND VALUE ENGINEERING

The SETA team shall provide engineering input to Product Managers as value engineering changes (VECP), and proposed engineering changes (P/ECP). The SETA submitted analyses may consider engineering alternatives in computer-assisted technologies, such as data processing architectures or configurations for intelligence operations at Echelon Above Corps (EAC), Corps, Heavy/Light Division(s), and special intelligence operations ranging from sensitive compartmented information (SCI) to unclassified security levels.

## D.3.5.4 QUALITY ASSURANCE MANAGEMENT

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The SETA QA/SQA team shall manage the PMO INTEL FUSION quality assurance program to be in consonance with the directed "(Software) Quality Assurance Plan(s)", or Contract Statements of Work (SOW), of the various contractors designated by the PMO INTEL FUSION Product Managers. Default quality assurance methods, practices and procedures shall be derived from ISO 9000-1 and 9003, and IEEE software planning standards.

## D.3.5.4.1 QUALITY ASSURANCE METRICS

## D.3.5.4.1.1 SOFTWARE QUALITY METRICS

The SETA QA team shall coordinate with each of the PMO INTEL FUSION Product Managers to assist them in developing a "best practices" quality metrics process. A key emphasis of the "best practices" will be the identification of initiatives for product, progress and process improvements, and the control mitigation of technical/performance risks. The SETA QA team shall receive Product Manager development contractor software and technical metric reports periodically (via deliverable contract data), and evaluate these for product, progress and process improvement. Software metrics shall comply with the guidelines established in DA Pamphlet 73-1, Test and Evaluation Procedures and Guidelines.

## D.3.9.4.1.2 RELIABILITY, AVAILABILITY AND MAINTAINABILITY METRICS

The SETA QA team shall assist the government with the maintenance and operation of trade-off model.

The SETA contractor shall interface with the prime contractor in collecting technical performance measures (TPM) data and analyses from predicted data and test data, evaluate allocated RAM requirements and system design to assess the ramifications to operational requirements and mission effectiveness, and recommend to the PMO INTEL FUSION specific changes to satisfy ABCS and SSS requirements.

## D.3.5.4.1.3 TEST SUPPORT

The SETA contractor shall attend QA related testing, analyze test anomalies, recommend corrective action, witness "tear down" actions, report results and recommend actions to the appropriate PMO INTEL FUSION Product Manager office to resolve non-compliance with requirements.

## D.3.5.4.2 QUALITY ASSURANCE ANALYSES

The SETA contractor shall perform analyses of hardware and software, with emphasis on process control, in order to determine whether the nominal process control and software assurance requirements are being satisfied. The SETA contractor shall report development progress, problems, and recommend actions to the appropriate PMO INTEL FUSION Product Managers to improve QA performance.

The SETA contractor shall assist the Readiness Management Division Logistics Supportability functions by ensuring that PMO INTEL FUSION quality assurance plans meet information collection and delivery requirements needed for Material Release; further, that these provide input to Materiel Release actions and all other Product Assurance activity related to Type Classification.

## D.3.5.4.3 QUALITY ENGINEERING

The SETA contractor shall perform quality engineering analyses and review environmental testing and qualification acceptance testing, review Software Anomaly Reports (SAR), Software Problem Reports (SPR), Test Incident Reports (TIR), Quality Discrepancy Reports (QDR), and provide analysis and recommendations where appropriate. Analyses shall include development of solutions where quality, or reliability deficiencies exist.

## D.3.5.4.4 TECHNICAL REVIEWS AND AUDITS

The SETA team shall participate in design reviews and audits at the prime contractors' facilities, at the PMO INTEL FUSION, and other locations, as necessary to assess progress against QA/SQA requirements.

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The SETA team shall review and evaluate engineering, technical, and planning documentation for current and advanced systems. The documentation reviews may include: system specifications, design specifications, technical support documents, operational documents, test documents, and maintenance documents. As a minimum, the SETA contractor shall provide identification of technical deficiencies, inconsistencies and obsolete methodology and data in documentation review.

## D.3.5.4.5 DOCUMENT REVIEWS

The SETA contractor shall review all contractor produced documentation, as well as other Army and DoD documentation for compliance with contract standards/requirements and adequacy in supporting system development, quality, test, delivery, and field support.

All reviews shall include recommendations for improvement and proposed solutions. The following list of characterizes the type of documents to be reviewed:

- a. System Specifications,
- b. Interface Requirements Specifications, or, Interface Control Documents,
- c. Prime Item Design or Product Specifications,
- d. Software and Hardware Requirements Traceability Reports,
- e. Software Requirements Specifications,
- f. Software Development Plan,
- g. Software Metrics and Anomaly Reports,
- h. Software Quality Program Plans, and Reports,
- i. Software User Manuals,
- j. Computer Software Operator Manuals,
- k. Software and System Test Plans, Procedures, and Reports,
- l. Version Description Documents,
- m. Configuration Management Plans,
- n. Risk Management Plans, and Reports.
- o. Software Development Folders, and
- p. Requirements Trace Matrix.

## D.3.5.5 DIRECTED INDEPENDENCE VERIFICATION AND VALIDATION (IV&amp;V)

## D.3.5.5.1 DEVELOP SOFTWARE IV&amp;V AUDIT/CHECKLIST FORMS

The SETA contractor shall develop forms, based upon applicable project standards and procedures, which will be used to assess prime contractor work in the areas of software product development, quality assurance, configuration management, and test and evaluation.

## D.3.5.5.2 AUDIT DEVELOPMENT CONTRACTOR SOFTWARE QUALITY ASSURANCE AND CONFIGURATION MANAGEMENT (SQA/CM)

The SETA contractor shall audit SQA/CM participation in developer activities. SQA/CM effectiveness and compliance with project standards shall be evaluated. Technical reports shall be to document areas of concerns and recommendations for improving the evaluated contractor's SQA/CM effectiveness.

## D.3.5.5.3 CONDUCT INDEPENDENT TESTING

When requested by the Product Manager, the SETA contractor shall test the ASAS software against test issues and criteria established by government technical and operational test organizations. The objective of this testing shall be to identify functional, performance, or security deficiencies which could impact on the ability of the system to perform to government standards.

The SETA contractor shall develop and maintain independent test plans and procedures. The test planning shall include:

- a. Equipment requirements and configuration for test,
- b. Deviations from target hardware and software configurations,
- c. Test structure,
- d. Test schedule,
- e. Test limitations,
- f. Test dependencies,
- g. Data collection,
- h. Operations/processes required to evaluate data,
- i. Reporting of results,
- j. Failure reporting, and
- k. Maintenance of test and system logs.

## D.3.6 INTEGRATED LOGISTICS SUPPORT

## D.3.6.1 INTEGRATED LOGISTICS SUPPORT MANAGEMENT

The contractor shall maintain ILS management documentation to support type classification, material release, Integrated Logistic Support Plan (ILSP), and other long range plans and studies as necessary in accordance with the appropriate regulations for PMO Intel Fusion sponsored systems. In support of these initiatives, the contractor shall develop milestone schedules and maintain continuity of all ILS deliverables.

## D.3.6.2 LOGISTICS SUPPORT ANALYSIS (LSA)

The contractor shall provide technical assistance to ensure LSA and its reports are used in the development of PMO Intel Fusion sponsored systems. The contractor shall review, analyze, assess, and report on the prime contractors' LSA documentation being developed for PMO Intel Fusion sponsored systems. LSAR Master Files will be available.

## D.3.6.3 MAINTENANCE PLANNING

The contractor shall assist in the development of maintenance concepts and plans which will describe the levels of maintenance to be used in fielding. The Contractor shall review all related system hardware contracts and all other Government provided planning ensure that all maintenance requirements and factors are captured and documented for PMO Intel Fusion sponsored systems. The contractor shall participate in all Logistics and Maintenance demonstrations, as well as ILS Management Team meetings and submit appropriate technical reports when requested by the Government.

## D.3.6.4 TECHNICAL PUBLICATIONS

The contractor shall assist the Government in the compilation, review, and verification and validation;

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and, as directed by the Government, develop Technical Manuals and Documentation for PMO Intel Fusion sponsored systems. Assist the government in verification and if required with contractor validation.

## D.3.6.5 LOGISTIC DEMONSTRATION/MAINTAINABILITY DEMONSTRATION

The contractor shall provide Subject Matter Expertise (SME) input to various logistics test and evaluation documents for PMO Intel Fusion sponsored systems. These include the logistics demonstration and the maintainability demonstration and various technical tests. The contractor shall assist in the development and confirmation of the adequacy of the system support package. The contractor shall: develop fault insertion lists, red-line technical documentation, and develop ILSP.

## D.3.6.6 PACKAGING, HANDLING, STORAGE TRANSPORTATION PLAN (PHST)

The contractor shall provide inputs to the PHST requirements for PMO Intel Fusion sponsored systems.

## D.3.6.7 MATERIAL FIELDING

The contractor shall provide input in creating and updating the material fielding, delivery plans, and associated documents for PMO Intel Fusion sponsored systems. These actions shall include the necessary letters of notification, MOAs, conducting of site surveys, and assistance to the receiving units to provide the appropriate planning for facility requirements.

## D.3.6.8 SUPPLY SUPPORT

The contractor Shall provide assistance in the provisioning process and support in evaluating (1) the spares requirements and parts standardization and (2) the range and quantity of support items necessary to operate and maintain a system for the first year fielded. The contractor shall participate in all phases of the development of the sparing concepts through SSP and SSPCL development and validation to sustainment. The contractor shall support ILSMT meetings, participate in provisioning conferences, provide input to the sparing concept, ensure provisioning is accomplished during material fieldings and participate in demonstrations and tests. The contractor shall prepare and evaluate lessons learned based on fielded systems and post-production support.

## D.3.6.9 TEST, MEASUREMENT, AND DIAGNOSTIC EQUIPMENT (TMDE)

The contractor shall provide input to the development and assistance with the evaluation of TMDE requirements for Intelligence Fusion sponsored products. Test Requirements Documents will be provided.

## D.3.6.10 TRAINING OF INTELLIGENCE FUSION SPONSORED PRODUCTS

The contractor shall provide training support for PMO INTEL FUSION sponsored products. Training initiatives shall address the development, implementation, and conduct of training for operators, supervisors, maintenance, and managers; evaluation of contractor developed training products; development of the Qualitative and Quantitative Personnel Requirements Base of Issue Plan; the Outline Individual; and Collection Training Plan, and New Equipment Training Plans. All training shall be developed in accordance with and evaluated against the tenets of Instructional Systems Development (DA Pamphlet 350-30) and MIL-STD-1379D, Contractor Training Programs. The contractor shall assist in coordination and scheduling of all training activities to ensure responsiveness to PMO INTEL FUSION requirements. The contractor shall investigate and develop alternatives to the standard classroom methodology, i.e., distance learning and virtual classroom. As a minimum, when directed by the Product Manager, the contractor shall develop the following courseware:

- a. Task and Skills Analyses,
- b. Training Plans,
- c. Instructor Lesson Plans,
- d. Student Guides,

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- e. Audio/Visual Aids,
- f. Computer Supported Learning Activities (Training Scenarios), and
- g. Student Course Evaluation Forms.

## D.3.6.11 DESIGN INFLUENCE AND INTEGRATION OF LOGISTICS

The contractor shall provide technical advice as it pertains to design reviews (IPRs, PDRs, CDRs, Monthly, and Quarterly reviews, etc.) for PMO Intel Fusion sponsored systems to insure that all logistical aspects have received appropriate consideration, advise the government of the full range of logistic impacts of system Training Software from requirements definition through acquisition and evaluation, and perform Logistics Engineering design trade-off analysis and support the evaluation of Operations and Support cost impacts on design changes. The contractor shall develop program test plans and procedures for an integrated diagnostics assessment of program support. The contractor shall provide reports of its evaluations of the prime contractor's efforts in achieving objectives in the above areas of ILS.

## D.3.6.12 PROVISIONING

The contractor shall report on its technical analysis of provisioning requirements for PMO Intel Fusion sponsored systems. (See Supply Support C.3.10.8)

## D.3.6.13 STANDARDIZATION AND INTEROPERABILITY

The contractor shall evaluate and identify actions necessary ensure standardization and interoperability of the system within Army, DoD and NATO and other allied countries for PMO Intel Fusion sponsored systems.

## D.3.6.14 TRANSPORTABILITY PLANNING AND DOCUMENTATION

The contractor shall provide input to the transportability planning and the development of documentation under the DoD Engineering for Transportability for Intelligence Fusion sponsored products. The contractor will participate in pre-material release activities and will coordinate with MTMC/TEA for releases and approvals.

## D.3.6.15 MANPOWER AND PERSONNEL INTEGRATION

The contractor shall assist the government in monitoring the development and evaluation of the MANPRINT aspects of the Intelligence Fusion sponsored products. The contractor will human factor recommendations and participate in field surveys and design reviews.

## D.3.7 INFORMATION TECHNOLOGY

The Information Technology team shall support all computer-related PMIF management activities. The team's duties will include hardware research, specification, and installation. They will also include software research, installation, and training of users. The team shall maintain a Help Desk facility to resolve users' problems and to track such activities. They shall work towards minimizing redundant and paper-intensive tasks by implementing computer-based solutions where appropriate. Also, given the growing usefulness of the Internet in general and the World-Wide Web in particular, the team will facilitate access to Internet-based resources, and work to provide information to others -- remote members of the Program Office as well as the general public -- using this medium.

## D.3.7.1 SYSTEMS MANAGEMENT

The contractor Information Technology (IT) team shall ensure that systems be available 95% of the time. The systems shall be available twenty-four hours a day, seven days a week. The contractor IT team shall provide notification to the PMIF Technical Representative in the event that a system or systems will be unavailable for any period of time greater than 15 minutes. The contractor IT Manager or his representative shall attend all meetings

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related to the PMIF LAN. All contractor IT managed systems shall conform to security guidelines described below under Information Security (para #). When enhancements, upgrades or additional systems are required the contractor IT team shall work with the PMO Technical Management representative to clearly identify the requirements. The contractor IT team shall then develop enhancements, upgrades or additional systems according to Government approved design plans.

## D.3.7.2 LAN ADMINISTRATION/MAINTENANCE

The contractor IT team shall provide a PC-based workstation to each employee assigned to the PMO. The workstations shall be configured to access the LAN and software packages for office productivity (spreadsheet, word processor, scheduling), electronic mail and internet web-browsing shall be provided and configured. The contractor IT team shall provide remote access to the PMO LAN for authorized personnel. The remote access shall allow users to access electronic mail, shared files on the LAN and internet connectivity.

## D.3.7.3 SUPPORTING SERVICES

The contractor shall provide the following LAN support services:

- a. Provide the capability to print documents from any LAN workstation to a network printer.
- b. Provide public hard disk space on the network servers for commonly used file access.
- c. Provide individual hard disk space on the network servers enabling users to backup workstation data and providing supplemental hard disk space.
- d. Maintain PMO databases. Database maintenance shall include access maintenance, database backups and modifications as required.
- e. Develop and maintain a PMO intranet for simple and efficient file management and sharing within the PMO.
- f. Maintain a PMO LAN configuration database.

## D.3.7.4 INTERNET SERVICES

The contractor IT team shall coordinate with POCs from Fort Belvoir to ensure connectivity to the Internet. This connectivity will allow basic TCP/IP services to be used between PMIF and hosts on the Internet. These include Telnet, FTP, and HTTP protocols. The contractor IT team shall maintain a Firewall between the PMO LAN and the Internet to prevent unauthorized access to local machines. The Firewall allows several basic TCP/IP services to pass through it after authorization and packet analysis, but the Contractor IT team shall create additional proxy services to allow other TCP/IP protocols to pass through it for mission-related activities. Maintenance of the Firewall necessitates the maintenance of local a Domain Name Service, which shall be run on two different servers. The contractor IT team shall provide Simple Mail Transfer Protocol (SMTP) connectivity between PMIF and the Internet via the connection through Fort Belvoir.

## D.3.7.5 WEBSITE MAINTENANCE AND DEVELOPMENT

The contractor IT team will maintain a web server for the hosting of PMIF World-Wide Web pages for the public. They shall update existing Web pages and create new ones as needed. They shall track website usage statistics and present reports based on those numbers.

## D.3.7.6 INFORMATION SECURITY

The contractor IT team shall be responsible for information security on the PMO LAN and shall ensure that all systems are current and any security patches or fixes are applied. The contractor IT team shall follow security guidelines as provided by the Army Computer Emergency Response Team (ACERT). The contractor IT team shall follow security directives from the PMO SSO.

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## D.3.7.7 HARDWARE MAINTENANCE

The contractor IT team shall perform hardware maintenance for all contractor IT managed systems and shall determine whether the most cost effective method of repair is off-site or on-site. The contractor IT team shall coordinate with the PMO Property Book Officer on all off-site repairs and equipment replacement. All off-site repairs and replacements shall follow Government purchasing procedures.

## D.3.7.8 USER TRAINING

The contractor IT team shall provide familiarization computer training. The primary emphasis will be on desktop operating system, word processing, spreadsheet, graphics, electronic mail and scheduling packages. The contractor IT team shall design training programs on the approved commercial or agency supplied software packages. This training shall be of sufficient length and detail to allow the user to acquire different levels of expertise as desired.

## D.3.7.9 HELPDESK SUPPORT

The contractor IT team shall provide Helpdesk support during the core hours of 7:30AM to 4:30PM and maintain a service call database that tracks all IT related service calls. Contractor Helpdesk personnel shall be available by phone and electronic mail during core hours and shall enter all service calls into the service call database and notify other members of the contractor IT team of the call. The contractor IT team shall respond to all service calls within one hour and resolve all service issues.

## D.3.8 PROJECT ADMINISTRATIVE SUPPORT SERVICES

## D.3.8.1 GENERAL ADMINISTRATIVE REQUIREMENTS

The contractor shall perform the following administrative services in support of the PMO Intel Fusion Office. The contractor's employees shall remain under the contractor's direct supervision at all times. This administrative support pool shall be segregated physically from the government work space. Although the Government will coordinate directions and tasks within the scope of the contract, detailed instructions for contractor employees shall remain the responsibility of the contractor. Additionally, a detailed set of PMO Intel Fusion SOPs has been developed that delineates how the Government personnel use task request forms to obtain contractor services.

## D.3.8.1.1 CLERICAL ADMINISTRATIVE SUPPORT

The contractor shall support the project office with an administrative support pool for typing, word processing, and data entry tasks. This support pool will involve no more than one or two personnel and will be physically separated from the government personnel. The supervision and direction of the personnel in that pool shall remain the responsibility of the contractor. All word processing tasks requested by PMO Intel Fusion must be accompanied by a task order form available at the service desk. The requester's government supervisor will establish a priority, sign the work order, and leave it with the service desk. Completed work is passed back to the government through the service desk operated the contractor. This individual is not to perform any of the typical secretarial functions such as filing, telephone answering, travel coordination, or any other task in support of any specific government worker.

## D.3.8.1.2 DELIVERABLE MANAGEMENT

Individual taskers shall be maintained in an electronic form and backed-up to ensure immediate availability should a "hard-copy" (paper) version be required. Every effort will be made to provide a "paperless" environment. The contractor shall maintain a data base to track the status of taskers, deliverables/CDRLs.

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## D.3.8.1.3 MAIL RECEIPT AND DISTRIBUTION

The contractor shall process all official incoming and outgoing mail, documentation and packages, sort and provide for appropriate distribution, collect all official outgoing mail and packages, and deliver to mail room or to appropriate personnel in the PMO Intel Fusion. In addition, the contractor shall operate a full service distribution center.

## D.3.8.1.4 REPRODUCTION AND EXPENDABLE SUPPLIES

The contractor shall provide central reproduction service and maintain no fewer than two satellite copier stations. The contractor shall manage all reproduction activities for office personnel, and maintain and operate reproduction machines. In addition, the contractor shall order, control, and maintain adequate stock levels issue; and account for consumable supplies.

## D.3.8.1.5 SECURITY SUPPORT

The contractor shall provide support for the following tasks:

- a. Maintaining the incoming visitor database;
- b. Identification Badges for incoming visitors;
- c. Maintaining PMO Intel Fusion personnel clearance database to include outgoing collateral clearances;
- d. Preparing civilian Ids, requesting Pentagon Passes, and fingerprinting;
- e. Logging in of Collateral Classified documents,
- f. Maintaining SCI clearance database for incoming SCI clearances; and
- g. Physical security of the building and parking areas by monitoring OCTV system.

## D.3.8.2 RECEPTIONIST, VISITOR CONTROL, AND SECURITY

## D.3.8.2.1 RECEPTIONIST

The contractor shall provide a receptionist (with a secret clearance) to monitor access of personnel during scheduled PMO Intel Fusion operating hours (700AM-6:00PM M-F).

## D.3.8.2.2 VISITOR CONTROL

The contractor, shall control visitor access to the facility by use of a government furnished, computerized data base, which shall be maintained by entering and deleting clearance data. Additionally, hardcopy clearance status shall be maintained in alphabetized files by individual name. By means of a badge or ID exchange, cleared individuals shall be issued non-escort badges upon providing approved identification and admitted to the facility. Uncleared individuals shall be admitted only after exchanging an ID and being assigned a cleared escort is provided. Visitor badges shall be collected when the visitor leaves the facility. Any visitor remaining in the facility after 1630 shall have one's ID returned and instructed to leave the PMO Intel Fusion badge in the "badge box" inside the lobby entrance door. The contractor shall inventory all PMO Intel Fusion badges at the start and end of the day. Missing badges shall be reported to the security officer immediately.

## D.3.8.3 FACILITIES MANAGEMENT

The contractor shall provide facility coordination to oversee the typical house keeping services such as janitorial, refuse removal, preventive maintenance, minor repair, painting, office re-locations, and furniture moves. This is intended to be only a point of contact type service and not necessarily to provide these services.

## Attachment I

## D.3.8.4 SOFTWARE EVALUATION FACILITY

The contractor shall provide facility support to oversee the day-to-day operations of the SWEF. In addition to technical engineering and development taskers, the support contractor shall assist the government in property accountability, configuration management, hardware configuration, execution of demonstrations and access control.

## D.3.8.5 GRAPHICS SUPPORT

The contractor shall prepare artwork, charts, viewgraphs, and graphs and convert them into 35m, color slides, if needed, for meetings and briefings using Government-owned computers with government owned software. This includes periodic support to PMO Intel Fusion field locations and remote sites. This graphics support pool is physically separated from government personnel and the supervision of graphics personnel is the responsibility of the contractor.

The contractor shall update and maintain a graphics database of all artwork, charts, viewgraphs, slides etc. that were developed in the past, as well as all future work. The contractor shall provide artwork and layouts for advertisements, award certificates and plaques.

D.3.8.6 The contractor shall provide as specified by individual task orders any and all Program Management Support Services identified within this document for other Army Program Offices worldwide.

## Attachment II

## D.1.0.A Labor Categories and Job Descriptions - PM Intel Fusion

## 1. Program Manager

## Job Description

Function as the primary interface with the client to ensure compliance with the contract and the statement-of-work. Responsible for providing cost and schedule analysis and reporting on the status of the contract. Plan, coordinate, and supervise all allocated tasks. Develop, implement, and maintain a task management approach for all work accomplished within the statement-of-work. Provide accurate control and accountability of hours and work codes allocated to tasks. Present quarterly program status reviews to the Contracting Officer Representative. Submit semi-monthly cost status reports. Attend periodic staff meeting and program review addressing staffing, management concerns, schedule and costs issues, and planned procurements. Advise the client Program Manager and his staff on all matters relating to workforce task allocations. Make recommendations for realignment of workforce with manpower requirements to ensure accomplishment of all tasks.

## Qualifications

Master of Science degree in Computer Science, Systems Engineering, Business Administration, or related field and a minimum of five years experience in Program Management. The Master of Science degree may be substituted with a Bachelor of Science Degree in Computer Science, Systems Engineering, Business Administration, or related field and ten years of Program Management experience. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 2. Senior Graphics Designer

## Job Description

The Senior Graphics Designer shall prepare artwork, charts, and viewgraphs in support of the Program Management Office, Intelligence Fusion. These products may be used for briefings, documents, staff meetings, training, or other related items. The Senior Graphics Designer shall maintain a graphics database and repository for all previously developed graphic work. Accesses the Internet and other sources to obtain, extract, and use authorized graphic materials.

## Qualifications

High School diploma and three years recent experience as a graphics illustrator. Be proficient in the use of PC graphic tools such as PowerPoint and other Microsoft Office products. Individuals performing under this labor category must possess a security

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clearance up to and including secret.

### 3. Administrative Support Task Manager

#### Job Description

The Administrative Support Task Manager shall supervise and oversee activities of the reception desk, personnel security, and help desk; document reproduction; mail (incoming/outgoing); CDRL accountability; contract files; and coordination of building maintenance issues. Maintains accountability of all System Engineering and Technical (SETA) taskers, establishing suspense dates and coordinating outstanding tasks. Provide clerical support (typing, filing, security inventory, etc.) in response to client tasking.

#### Qualifications

High School diploma and ten years experience supervising an office administrative support staff. Proficient in the use of Microsoft Office products. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

### 4. Records File Manager

#### Job Description

Provide assistance to the client in records maintenance. Ensure records and files are maintained IAW established Army regulations. Prepare records for retirement and store in appropriate containers to include handling of classified documents. Train new personnel in files maintenance and management.

#### Qualifications

High School Diploma and two years experience as a file clerk supporting a DoD organization. Must have a working knowledge of Government record and file policies and procedures. Individuals performing under this labor category must possess a security clearance up to and including secret.

### 5. Senior Clerical Assistant

#### Job Description

The Senior Clerical Assistant shall provide clerical support to PMO Intelligence Fusion to include: manning the reception desk, visitor control, documentation reproduction, mail (incoming/outgoing), word processing, and records filing and maintenance.

#### Qualifications

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High School diploma and two years clerical experience. Proficient in the use of MS Word, Excel and other Microsoft Office products. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 6. System Maintenance Technician

## Job Description

Perform hardware installation, integration, and maintenance to include all PCs and peripheral equipment. Install and maintain software packages. Coordinate with the vendor for maintenance and parts procurement. Maintain a minimum stock level of ADPE repair parts for normal operations. Assist the Principal System Engineer in providing technical assistance and support to PMO Intelligence Fusion staff.

## Qualifications

Associate of Science degree in related discipline and two years experience. Degree requirements may be substituted with five years experience. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 7. Sr. Software Engineer

## Job Description

The Sr. Software Engineer provides technical expertise to PMO Intelligence Fusion on information system architectures, implementation methodologies, and test strategies. Provide quality assurance oversight of prime contractor developed products. Evaluates prime contractor development of Contract Data Requirements Lists (CDRLs). Evaluates the impact of emerging Government and Information system standards (DoD Joint Technical Architecture, DII COE, and Windows NT). Evaluate COTS and GOTS products for responsiveness to Government requirements. Assess system interfaces and interoperability with other Army Battlefield Command System (ABCS) nodes. Evaluate Software Implementation Plans. Participate in periodic requirements and design reviews. Assist in defining the evolving product baseline. Support the conduct of Government test and evaluation. Evaluate system design and implementation for human factors engineering issues.

## Qualifications

Bachelor of Science degree in Computer Science, Systems Engineering, or related discipline and five years experience. Bachelor of Science degree may be substituted with ten years experience. Knowledgeable of Military Intelligence operations and handling of related intelligence information. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented

## Attachment II

Information (SCI).

## 8. Software Engineer

## Job Description

The Software Engineer provides technical expertise to PMO Intelligence Fusion on information system architectures, implementation methodologies, and test strategies. Evaluates the impact of emerging Government and Information system standards (DoD Joint Technical Architecture, DII COE, and Windows NT). Evaluate COTS and GOTS products for responsiveness to Government requirements. Evaluate Software Implementation Plans. Participate in periodic requirements and design reviews. Assist in defining the evolving product baseline. Support the conduct of Government test and evaluation. Evaluate system design and implementation for human factors engineering issues.

## Qualifications

Bachelor of Science degree in Computer Science, Systems Engineering, or related discipline and three years experience. Bachelor of Science degree may be substituted with eight years experience. Knowledgeable of Military Intelligence operations and handling of related intelligence information. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 9. Configuration Management Engineer

## Job Description

The Configuration Management Engineer shall assist the PMO Intelligence Fusion in the maintenance and accountability of both the hardware and software product baselines and the disposition of end product items. Develop and maintain an active requirements database for the functional, allocated, and product baselines. Shall assist in the preparation for and conduct of Configuration Control Board (CCB) meetings, and prepare and submit CCB meeting minutes. Conduct periodic review and update of the PMO Intelligence Fusion Configuration Management Plan. Assist the client in the preparation for and conduct of both the Functional and Physical Configuration Audits and submit after action reports as appropriate.

## Qualifications

Bachelor of Science degree in Systems or Electronic Engineering, Computer Science, or Management information Systems and five years experience. The Bachelor of Science degree may be substituted with ten years experience. Individuals performing under this

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labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 10. Communications Engineer

## Job Description

Provide technical support in the area of communications systems engineering. Track evolving interoperability requirements for Intelligence and Electronic Warfare, Command and Control Systems, and Signal Corps infrastructure systems, develop and/or modify PM Intel Fusion architectures as required. Perform system designs, prepare Specifications, Memoranda of Agreement, Statements of Work, and Contract Data Requirements Lists (CDRLs) for hardware, software, and integration contractors/agencies. Provide oversight support of all contractors'/agencies' implementations. Ensure that system designs and implementations comply with all Department of Defense Procurement Policies and Directives, Training and Doctrine Command System Manager requirements, the Rainbow series of documents, Defense Information System Agency Directives, and other pertinent procurement, Test and Evaluation Command, and Safety requirements to achieve fully Materiel Releasable products, which are supportable, multi-level secure accreditable, certifiable, and meet or exceed all physical workmanship standards. Support all program phases from concept to test, fielding, training, and maintenance. Prepare and deliver/present White Papers, position papers, New Materiel Information Briefings, In-Process Review Briefings, Acquisition Decision Memoranda Briefings, and other documentation as required.

## Qualifications

Master of Science degree in Communications Engineering or related discipline and ten years experience. The Master of Science degree may be substituted with a Bachelor of Science degree in Communications Engineering or related discipline and fifteen years experience. Have a thorough knowledge of communications systems supporting a Military Intelligence environment. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 11. Sr. Systems Engineer

## Job Description

Provide technical support in the area of system engineering. Conduct hardware and software trade-offs and prepare technical reports on the assessments. Participate in system requirements analyses, design reviews to optimize operating system and software architectures. Support system test to include EMI/RFI and shock vibration testing, as well as system interoperability testing. Review and evaluate proposed system interoperability from both data exchange and communications support capabilities.

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Assist the Government in the conduct of Reliability, Availability, and Maintainability (RAM) analyses and submit appropriate post test reports. Assist the client in the establishment and conduct of quality assurance analysis and engineering to include periodic reviews and audits. Participate in contractor site testing, security accreditation, and formal acceptance testing of all PMO Intelligence Fusion products. Provide technical support for programmatic reviews and meetings.

## Qualifications

Master of Science in Systems Engineering, Computer Engineering or related discipline and ten years experience. The Masters of Science in Systems Engineering, Computer Engineering or related discipline may be substituted with a Bachelor of Science Degree in Systems Engineering, Computer Engineering or related field and fifteen years experience. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 12. Acquisition Program Analyst

## Job Description

Manage System Engineering/Technical Assistance (SETA) and Program Management support activities for development of automated intelligence and intelligence support systems. Task Order initiated responsibilities include but are not necessarily limit to: program/project management; requirements analysis; research and studies; systems tradeoff; functional and system architecture design; software system engineering management support; system functional and performance analysis; test planning and evaluation; user documentation; acquisition management support; cost estimates and analysis; and program administrative assistance support.

## Qualifications

Master of Science in Business Administration or related discipline and five years of acquisition management experience under the DOD 5000 series. The Master of Science in Business Administration or related discipline may be substituted with a Bachelor of Science in Business Administration or related discipline and ten years experience under the DOD 5000 series. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 13. Sr. Logistic Management Specialist

## Job Description

Provide direct technical and administrative support to the Chief, Readiness Management Support Division for Program Management, Intelligence Fusion products (PM Intel Fusion) to include: development of all required technical documentation and all fielding

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support documents LAW the provisions of pertinent regulatory guidelines. In addition, provide guidance and expertise in the establishment of executable Materiel Fielding Plans and Materiel Fielding Agreements. Oversee supply and maintenance management to include unit and depot levels. Assist the client in the conduct of product fieldings. Coordinate with the client and other agencies to ensure conduct of New Equipment Training.

## Qualifications

Bachelor of Science degree in Logistics Management, or a logistics discipline, and ten years Integrated Logistic Support experience. Bachelor of Science degree may be substituted with fifteen years Integrated Logistic Support experience. Possess expertise in the Total Package Fielding process. Experience in both wholesale and retail logistical management, including depot maintenance scheduling and resource programming is essential. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 14. Logistic Management Specialist

## Job Description

Provides logistics support under the Project Manager (PM), Intelligence Fusion (Intel Fusion) Systems Engineering/Technical Assistance (SETA) contract. Requires knowledge of the Defense Acquisition Strategy and Procedure and various regulations and policies with respect to materiel acquisition, integrated logistics, and logistic supportability. Assists in developing Integrated Logistics Support (ILS) functions contained in All Source Analysis System (ASAS) Blocks I and II, e.g., system planning, Logistics Support Analysis (LSA) documentation, fielding, and systems replacement/retirement. Develops, maintains, reviews, and analyzes logistics program documentation such as the Integrated Logistics Support Plan (ILSP), and Materiel Fielding Plan (MFP). Develops logistics support concepts, maintenance plans and concepts. Develops and maintains Master Project Schedule tracking ongoing programs within Intel Fusion.

## Qualifications

Bachelor of Science in Logistics Management or a related logistical discipline and five years experience in distribution and supply management. The Bachelor of Science degree may be substituted with ten years experience in distribution and supply management. Must possess expertise in the Total Package Fielding process. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 15. Cost Analyst

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## Job Description

Prepares ACAT I program standard reports (AAPERS, DAES, SAR). As a Beta site for Consolidated Acquisition Reporting Software (CARS), identify problems that result in patches to the software. Submit SARs to the SARDA program analyst responsible for review. Resolve software issues surrounding the preparation of the SAR. Resolves sensitive program costing issues. Defends PMO positions before OSD SAR review panels. Establish and maintain an accurate Acquisition Program Baseline (APB) at the PMO, within SARDA, and within OSD. Review and analyze cost/schedule data submitted in monthly Contractor Performance Reports.

## Qualifications

Master of Business Administration and three years experience in cost performance analysis for the Army Acquisition Community. The Master of Business Administration may be substituted with a Bachelor of Science in Business Administration or related discipline and eight years experience. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 16. Principal Intelligence Research Analyst

## Job Description

Principal Intelligence Analyst shall provide technical support and supervision of analytic functions related to the broad spectrum of intelligence functions (SIGINT, IMINT, HUMINT, etc.) to include subject matter expertise, working knowledge of system interoperability requirements and solutions, computer-user interface, definition and implementation of concepts of operation. Provide expertise in defining system applications to meet user intelligence functionality requirements, participate in system design reviews, system characterization and testing, and system demonstrations and exercises.

## Qualifications

Master of Arts degree in related discipline (Political Science, International Relations, etc.) and ten years experience in Military Intelligence. Masters degree may be substituted with a Bachelor of Science degree in related discipline (Political Science, International Relations, etc.) and fifteen years experience in Military Intelligence. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

## 17. Intermediate Intelligence Research Analyst

## Job Description

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The Intermediate Intelligence Analyst shall provide subject matter expertise (SME) to support the development of intelligence automated data processing system addressing the SIGINT, IMINT, HUMINT and other intelligence disciplines to include Collection Management. Shall assess message and data interoperability in response to user requirements to ensure optimizations of data exchanges. Participate in requirements analyses, design reviews, and system characterization and testing. Prepare and submit scientific and technical reports. Provide SME support to exercises and demonstrations. Provide technical and functional recommendations as appropriate.

## Qualifications

Bachelor of Arts degree in related discipline (Political Science, International Relations, etc.) and ten years experience in Military Intelligence. Bachelor of Arts degree may be substituted with fifteen years experience in Military Intelligence. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (S CI).

## 18. Principal System Engineer Job Description

The Principal System Engineer shall perform research on current information systems technology in response to All Source Analysis System (ASAS) system requirements. Provide recommendations as to system architecture and coordinate with the Prime Contractor to ensure optimization of system performance. Assess COTS and GOTS products (imagery, mapping, graphics, information handling, etc.) for their responsiveness to military intelligence operations. Evaluate and recommend design approaches to satisfy system architecture and required interfaces and provide recommendations to resolve problems/issues. Participate in requirements and design reviews, Configuration Control Board meetings, and Integrated Product Team planning meetings. Prepare and submit Scientific and Technical Reports based of client tasking.

## Qualifications

Doctorate in related discipline (Systems Engineering, Computer Science, Management Information Systems, etc.) and ten years experience in technology and intelligence related discipline. A Master of Science in a related discipline (Systems Engineering, Computer Science, Management Information Systems, etc.) and fifteen years experience in technology and intelligence related discipline or a Bachelor of Science in a related discipline (Systems Engineering, Computer Science, Management Information Systems, etc) and twenty years experience in technology and intelligence related discipline is an acceptable substitute. Individuals performing under this labor category must possess a security clearance up to and including Sensitive Compartmented Information (SCI).

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## D.1.0.B Labor Categories and Job Descriptions - Other PMS

## 1. Program Manager

## Job Description

Function as the primary interface with the client to ensure compliance with the contract and the statement-of-work. Responsible for providing cost and schedule analysis and reporting on the status of the contract. Plan, coordinate, and supervise all allocated tasks. Develop, implement, and maintain a task management approach for all work accomplished within the statement-of-work. Provide accurate control and accountability of hours and work codes allocated to tasks. Present quarterly program status reviews to the Contracting Officer Representative. Submit semi-monthly cost status reports. Attend periodic staff meeting and program review addressing staffing, management concerns, schedule and costs issues, and planned procurements. Advise the client Program Manager and his staff on all matters relating to workforce task allocations. Make recommendations for realignment of workforce with manpower requirements to ensure accomplishment of all tasks.

## Qualifications

Master of Science degree in Computer Science, Systems Engineering, Business Administration, or related field and a minimum of five years experience in Program Management. The Master of Science degree may be substituted by a Bachelor of Science Degree in Computer Science, Systems Engineering, Business Administration, or related field and ten years of Program Management experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 2. Administrative Support Task Manager

## Job Description

The Administrative Support Task Manager shall supervise and oversee activities of the reception desk, personnel security, and help desk; document reproduction; mail (incoming/outgoing); CDRL accountability; contract files; and coordination of building maintenance issues. Maintains accountability of all System Engineering and Technical taskers, establishing suspense dates and coordinating outstanding tasks. Provide clerical support (typing, filing, security inventory, etc.) in response to client tasking.

## Qualifications

High School diploma and ten years experience supervising an office administrative support staff. Proficient in the use of Microsoft Office products. Individuals performing under this labor category must possess a security clearance up to and including secret.

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## 3. Senior Clerical Assistant

## Job Description

The Senior Clerical Assistant shall provide clerical support to include: manning the reception desk, visitor control, documentation reproduction, mail (incoming/outgoing), word processing, and records filing and maintenance.

## Qualifications

High School diploma and two years clerical experience. Proficient in the use of MS Word, Excel and other Microsoft Office products. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 4. System Maintenance Technician

## Job Description

Perform hardware installation, integration, and maintenance to include all PCs and peripheral equipment. Install and maintain software packages. Coordinate with the vendor for maintenance and parts procurement. Maintain a minimum stock level of ADPE repair parts for normal operations.

## Qualifications

Associate of Science degree in related discipline and two years experience. Degree requirements may be substituted with five years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 5. Sr. Software Engineer

## Job Description

The Sr. Software Engineer provides technical expertise on information system architectures, implementation methodologies, and test strategies. Provide quality assurance oversight of prime contractor developed products. Evaluates prime contractor development of Contract Data Requirements Lists (CDRLs). Evaluates the impact of emerging Government and Information system standards (DoD Joint Technical Architecture, DII COE, and Windows NT). Evaluate COTS and GOTS products for responsiveness to Government requirements. Assess system interfaces and interoperability with other Army Battlefield Command System (ABCS) nodes. Evaluate Software Implementation Plans. Participate in periodic requirements and design reviews. Assist in defining the evolving product baseline. Support the conduct of Government test and evaluation. Evaluate system design and implementation for human factors engineering issues.

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## Qualifications

Bachelor of Science degree in Computer Science, Systems Engineering, or related discipline and five years experience. Bachelor of Science degree may be substituted with ten years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 6. Configuration Management Engineer

## Job Description

The Configuration Management Engineer shall assist in the maintenance and accountability of both the hardware and software product baselines and the disposition of end product items. Develop and maintain an active requirements database for the functional, allocated, and product baselines. Shall assist in the preparation for and conduct of Configuration Control Board (CCB) meetings, and prepare and submit CCB meeting minutes. Conduct periodic review and update of the PMO Configuration Management Plan. Assist the client in the preparation for and conduct of both the Functional and Physical Configuration Audits and submit after action reports as appropriate.

## Qualifications

Bachelor of Science degree in Systems or Electronic Engineering, Computer Science, or Management Information Systems and five years experience. The Bachelor of Science degree may be substituted with ten years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 7. Communications Engineer

## Job Description

Provide technical support in the area of communications systems engineering. Perform system designs, prepare Specifications, Memoranda of Agreement, Statements of Work, and Contract Data Requirements Lists (CDRLs) for hardware, software, and integration contractors/agencies. Provide oversight support of all contractors'/agencies' implementations. Ensure that system designs and implementations comply with all Department of Defense Procurement Policies and Directives, Training and Doctrine Command System Manager requirements, the Rainbow series of documents, Defense Information System Agency Directives, and other pertinent procurement, Test and Evaluation Command, and Safety requirements to achieve fully Materiel Releasable products, which are supportable, multi-level secure, accreditable, certifiable, and meet or exceed all physical workmanship-standards. Support all program phases from concept to test, fielding, training, and maintenance. Prepare and deliver/present White Papers,

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position papers. New Materiel Information Briefings, In-Process Review Briefings, Acquisition Decision Memoranda Briefings, and other documentation as required.

## Qualifications

Master of Science degree in Communications Engineering or related discipline and ten years experience. The Master of Science degree may be substituted with a Bachelor of Science degree in Communications Engineering or related discipline and fifteen years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 8. Sr. Systems Engineer

## Job Description

Provide technical support in the area of system engineering. Conduct hardware and software trade-offs and prepare technical reports on the assessments. Participate in system requirements analyses, design reviews to optimize operating system and software architectures. Support system test to include EMI/RFI and shock vibration testing, as well as system interoperability testing. Review and evaluate proposed system interoperability from both data exchange and communications support capabilities. Assist the Government in the conduct of Reliability, Availability, and Maintainability (RAM) analyses and submit appropriate post test reports. Assist the client in the establishment and conduct of quality assurance analysis and engineering to include periodic reviews and audits. Participate in contractor site testing, security accreditation, and formal acceptance testing of all products. Provide technical support for programmatic reviews and meetings.

## Qualifications

Master of Science in Systems Engineering, Computer Engineering or related discipline and ten years experience. The Masters of Science in Systems Engineering, Computer Engineering or related discipline may be substituted with a Bachelor of Science Degree in Systems Engineering, Computer Engineering or related field and fifteen years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 9. Acquisition Program Analyst

## Job Description

Manage System Engineering, Technical Assistance and Program Management support activities for development of automated support systems. Task Order initiated responsibilities include but are not necessarily limited to: program/project management; requirements analysis; research and studies; systems tradeoff functional and system

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architecture design; software system engineering management support; system functional and performance analysis; test planning and evaluation; user documentation; acquisition management support; cost estimates and analysis; and program administrative assistance support.

## Qualifications

Master of Science in Business Administration or related discipline and five years of acquisition management experience under the DOD 5000 series. The Master of Science in Business Administration or related discipline may be substituted with a Bachelor of Science in Business Administration or related discipline and ten years experience under the DOD 5000 series. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 10. Sr. Logistic Management Specialist

## Job Description

Provide direct technical and administrative support to include: development of all required technical documentation and all fielding support documents IAW the provisions of pertinent regulatory guidelines. In addition, provide guidance and expertise in the establishment of executable Materiel Fielding Plans and Materiel Fielding Agreements. Oversee supply and maintenance management to include unit and depot levels. Assist the client in the conduct of product fieldings. Coordinate with the client and other agencies to ensure conduct of New Equipment Training.

## Qualifications

Bachelor of Science degree in Logistics Management, or a logistics discipline, and ten years Integrated Logistic Support experience. Bachelor of Science degree may be substituted with fifteen years Integrated Logistic Support experience. Possess expertise in the Total Package Fielding process. Experience in both wholesale and retail logistical management, including depot maintenance scheduling and resource programming is essential. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 11. Cost Analyst

## Job Description

Prepares ACAT I program standard reports (AAPERS, DAES, SAR). As a Beta site for Consolidated Acquisition Reporting Software (CARS), identify problems that result in patches to the software. Submit SARS to the SARDA program analyst responsible for review. Resolve software issues surrounding the preparation of the SAR. Resolves sensitive program costing issues. Defends PMO positions before OSD SAR review

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panels. Establish and maintain an accurate Acquisition Program Baseline (APB) at the PMO, within SARDA, and within OSD. Review and analyze cost/schedule data submitted in monthly Contractor Performance Reports.

## Qualifications

Master of Business Administration and three years experience in cost performance analysis for the Army Acquisition Community. The Master of Business Administration may be substituted with a Bachelor of Science in Business Administration or related discipline and eight years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 12. Principal Research Analyst

## Job Description

Principal Research Analyst shall provide technical support and supervision of analytic functions related to program specific functions to include subject matter expertise, working knowledge of system interoperability requirements and solutions, computer-user interface, definition and implementation of concepts of operation. Provide expertise in defining system applications to meet user functionality requirements, participate in system design reviews, system characterization and testing, and system demonstrations and exercises.

## Qualifications

Master of Arts degree in related discipline (Political Science, International Relations, etc.) and ten years experience. Masters degree may be substituted with a Bachelor of Science degree in related discipline (Political Science, International Relations, etc.) and fifteen years experience. Individuals performing under this labor category must possess a security clearance up to and including secret.

## 13. Principal System Engineer

## Job Description

The Principal System Engineer shall perform research on current information systems technology in response to PMO system requirements. Provide recommendations as to system architecture and coordination to ensure optimization of system performance. Assess COTS and GOTS products. Evaluate and recommend design approaches to satisfy system architecture and required interfaces and provide recommendations to resolve problems/issues. Participate in requirements and design reviews, Configuration Control Board meetings, and Integrated Product Team planning meetings. Prepare and submit Scientific and Technical Reports based of client tasking.

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## Qualifications

Doctorate in related discipline (Systems Engineering, Computer Science, Management Information Systems, etc.) and ten years experience in related discipline. A Master of Science in a related discipline (Systems Engineering, Computer Science, Management Information Systems, etc.) and fifteen years experience in related discipline or a Bachelor of Science in a related discipline (Systems Engineering, Computer Science, Management Information Systems, etc.) and twenty years experience in related discipline is an acceptable substitute. Individuals performing under this labor category must possess a security clearance up to and including secret.

Attachment IV

## APPLICABLE DOCUMENTS

DA PAMPHLET 73-1	Quality Program Requirements, 08 March 85
DAPAMPHLET 350-30	Instructional System Development Methodology
MIL-STD-480B	Configuration Control - Engineering Changes, Deviations, and Waivers, 15 Jul 88
MIL-STD-481B	Configuration Control - (Short Form) Deviations and Waivers, 15 Jul 88
MIL-STD-482A	Configuration Status Accounting Data Elements and Related Features, 01 Apr 84
MIL-STD-483A	Configuration Management Practices for Systems, Equipment, Munitions, and Computer Programs, 04 Jun 85
MIL-STD-490A	Specification Practices, 04 Jun 85
MIL-STD-498	Software Development and Documentation, 5 Dec 94
MIL-STD-785B Notice 2	Reliability Program for Systems and Equipment Development and Production, 05 Aug 88
MIL-STD-88 1A	Work Breakdown Structure for Defense Material Items, 25 Apr 75
MIL-STD-882B Notice 1	System Safety Program Requirements, 01 Jul 87
MIL-STD-973	Configuration Management, 22 Apr 91
MIL-STD-1379D	Contractor Training Programs, 3 May 76
MIL-STD-1521B Notice 1	Technical Reviews and Audits for Systems, Equipment and Computer Software, 19 Dec 85
DODD 5000.1	Defense Acquisition, 23 Feb 91
DODI 5000.2	Defense Acquisition Management Policies and Procedures, 23 Feb 91
DOD 5000.2-M	Defense Acquisition Management Documentation and Reports, 23 Feb 91
DODD 5000.49	Defense Acquisition Board (DAB)
DOD-STD-7935A	DoD Automated Information System (AIS) Documentation Standards, 31 Oct 88



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SCIENTIFIC AND TECHNICAL 3. SUBTITLE MASTER INTEGRATED  
004 REPORTS SCHEDULE

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711 SOW C.3.3.4 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
LT REQUIRED SEE BLOCK 16

b. COPIES

8. APP CODE 11. AS OF DATE 13. DATE OF SUBSEQUENT SUBMISSION a. ADDRESSEE  
AS REQUIRED SEE BLOCK 16 Draft Final  
Reg Repro

16. REMARKS INT-B 1  
AS REQUESTED BY THE GOVERNMENT. AVAILABLE VIA E-MAIL.

15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 008 2. TITLE OF DATA ITEM SYSTEM ENGINEERING ANALYSIS REPORT 3. SUBTITLE

4. AUTHORITY (Data Acquisition Document No.) DI-S-21433B 5. CONTRACT REFERENCE SOW C.3.4.2 6. REQUIRING OFFICE SFAE-CC-INT-B

7. DD 250 REQ LT 9. DIST STATEMENT REQUIRED 10. FREQUENCY 12. DATE OF FIRST SUBMISSION SEE BLOCK 16 14. DISTRIBUTION

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16. REMARKS AS REQUEST BY THE GOVERNMENT. AVAILABLE VIA E-MAIL. INT-B 1

15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM TEST PLAN 3. SUBTITLE  
012

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-IPSC-81438 SOW C.3.4.4.4 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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8. APP CODE 11. AS OF DATE 13. DATE OF SUBSEQUENT SUBMISSION a. ADDRESSEE  
AS REQUIRED SEE BLOCK 16 Draft Final  
Reg Repro

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INT-B 1

15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM INSTALLATION AND 3. SUBTITLE  
016 ACCEPTANCE PLAN

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-QCIC-80154A SOW C.3.4.5 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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INT-B 1

15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM CONFIGURATION AUDIT PLAN 3. SUBTITLE  
020

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-CMAN-80556A C.3.5.3.1 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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8. APP CODE 11. AS OF DATE 13. DATE OF SUBSEQUENT SUBMISSION a. ADDRESSEE  
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Reg Repro

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INT-B 1

15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE



15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SOFTWARE QUALITY METRICS 3. SUBTITLE  
024

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711A SOW C.3.5.4.1 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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15. TOTAL ----- 1

17. PRICE GROUP

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TOTAL PRICE

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CONTRACT DATA REQUIREMENTS LIST

Form Approved  
OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 440 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503. Please DO NOT RETURN your form to either of these addresses. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.

A. CONTRACT LINE ITEM NO.		B. EXHIBIT A		C. CATEGORY: TDP _____ TM _____ OTHER _____	
D. SYSTEM/ITEM SETA SUPPORT		E. CONTRACT/PR NO. DAAB07-98-A-6001		F. CONTRACTOR ManTech Advanced Systems, Int'l	
1. DATA ITEM NO. 025	2. TITLE OF DATA ITEM LSA-058			3. SUBTITLE Reliability and Maintainability Analysis and Documentation	
4. AUTHORITY (Data Acquisition Document No.) DI-ILSS-81164		5. CONTRACT REFERENCE SOW C.3.5.4.1.2		6. REQUIRING OFFICE SFAE-CC-INT-B	
7. DD 250 REQ LT	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION SEE BLOCK 16	14. DISTRIBUTION	
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16. REMARKS AS REQUESTED BY THE GOVERNMENT. AVAILABLE VIA E-MAIL.				INT-B	1
				15. TOTAL -----	1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 026	2. TITLE OF DATA ITEM QUALITY ASSESSMENT REPORT		3. SUBTITLE		
4. AUTHORITY (Data Acquisition Document No.) DI-QCIC-81187		5. CONTRACT REFERENCE SOW C.3.5.4.4		6. REQUIRING OFFICE SFAE-CC-INT-B	
7. DD 250 REQ LT	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION SEE BLOCK 16	14. DISTRIBUTION	
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16. REMARKS AS REQUESTED BY THE GOVERNMENT. AVAILABLE VIA E-MAIL.				INT-B	
				15. TOTAL -----	

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 027	2. TITLE OF DATA ITEM DOCUMENT REVIEWS		3. SUBTITLE		
4. AUTHORITY (Data Acquisition Document No.) DD 2028		5. CONTRACT REFERENCE SOW C.3.5.4.5		6. REQUIRING OFFICE SFAE-CC-INT-B	
7. DD 250 REQ LT	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION SEE BLOCK 16	14. DISTRIBUTION	
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8. APP CODE	11. AS OF DATE AS REQUIRED	13. DATE OF SUBSEQUENT SUBMISSION SEE BLOCK 16	a. ADDRESSEE	Final Draft ----- Reg      Repro	
16. REMARKS AS REQUESTED BY THE GOVERNMENT. AVAILABLE VIA E-MAIL.				INT-B	

15. TOTAL -----

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SCIENTIFIC AND TECHNICAL 3. SUBTITLE AUDIT CHECKLISTS/FORMS  
028 REPORTS

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711 SOW C.3.5.5.1 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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16. REMARKS  
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INT-B 1

15. TOTAL ----- 1

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TOTAL PRICE

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15. TOTAL -----

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM TEST REPORT 3. SUBTITLE IV & V TESTING  
032

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-IPSC-81440 SOW C.3.5.5.3 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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Reg Repro

16. REMARKS INT-B  
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17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

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15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SCIENTIFIC AND TECHNICAL 3. SUBTITLE LOGISTICS MAINTENANCE DEMONSTRATIONS  
036 REPORT

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711 SOW C.3.6.5 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SCIENTIFIC AND TECHNICAL 3. SUBTITLE TMDE EVALUATIONS  
040 REPORT

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711 SOW C.3.6.9 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM SCIENTIFIC AND TECHNICAL 3. SUBTITLE DESIGN INFLUENCE  
044 REPORT INTEGRATION & STANDARDIZATION

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-MISC-80711 SOW C.3.6.11 SFAE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

1. DATA ITEM NO. 2. TITLE OF DATA ITEM CONTRACT SUMMARY 3. SUBTITLE PMO INTEL FUSION  
048 NEWSLETTER

4. AUTHORITY (Data Acquisition Document No.) 5. CONTRACT REFERENCE 6. REQUIRING OFFICE  
DI-ADMIN-80447 SOW C.3.8.1 SFE-CC-INT-B

7. DD 250 REQ 9. DIST STATEMENT 10. FREQUENCY 12. DATE OF FIRST SUBMISSION 14. DISTRIBUTION  
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15. TOTAL ----- 1

17. PRICE GROUP

18. ESTIMATED  
TOTAL PRICE

G. PREPARED BY H. DATE I. APPROVED BY J. DATE





December 31, 2001

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Commissioners:

We have read the statements under the caption "Change in Independent Auditors" made by ManTech International Corporation (the Company) (copy attached), which we understand will be filed with the Commission, pursuant to Item 304 of Regulation S-K, as part of the Company's Registration Statement on Form S-1 dated December 31, 2001. We agree with the statements concerning our Firm under such caption in the Form S-1.

Very truly yours,

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

#### Change in Independent Auditors

In July 1999, we determined to change our independent auditors from PricewaterhouseCoopers LLP, to Deloitte & Touche LLP. In connection with PricewaterhouseCoopers LLP's audits of our financial statements for the years ended December 31, 1997 and 1998 and through July 1999, there were no disagreements with PricewaterhouseCoopers LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, nor any reportable events. The reports of PricewaterhouseCoopers LLP on the financial statements for the years ended December 31, 1997 and 1998 contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle. The decision to change auditors was approved by our board of directors. We have provided PricewaterhouseCoopers LLP with a copy of the disclosure contained in this section of this prospectus.

INDEPENDENT AUDITORS' CONSENT

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-73946 of ManTech International Corporation of our report dated November 16, 2001, except for Note 8, as to which the date is December 17, 2001, appearing in the Prospectus, which is part of this Registration Statement, and of our report dated November 16, 2001, relating to the financial statement schedule appearing elsewhere in this Registration Statement.

We also consent to the reference to us under the heading "Experts" in such Prospectus.

DELOITTE & TOUCHE LLP  
McLean, Virginia

December 31, 2001

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the use in this Registration Statement on Form S-1 of our reports dated April 26, 1999, except for Note 16, as to which the date is June 7, 1999 and Note 15, as to which the date is November 15, 2001, relating to the consolidated financial statements and financial statement schedule of ManTech International Corporation, which appear in such Registration Statement. We also consent to the reference to us under the heading ''Experts'' in such Registration Statement.

PricewaterhouseCoopers LLP

McLean, Virginia

December 31, 2001