

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2016
or

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

For the transition period from _____ to _____
Commission File No. 000-49604

ManTech International Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

22-1852179
(I.R.S. Employer
Identification No.)

12015 Lee Jackson Highway, Fairfax, VA
(Address of principal executive offices)

22033
(Zip Code)

(703) 218-6000
(Registrant's telephone number, including area code)

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

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

As of July 27, 2016 there were 25,043,888 shares outstanding of our Class A common stock and 13,191,845 shares outstanding of our Class B common stock.

MANTECH INTERNATIONAL CORPORATION
FORM 10-Q
FOR THE QUARTER ENDED June 30, 2016
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

MANTECH INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands Except Share and Per Share Amounts)

	(unaudited)	
	June 30, 2016	December 31, 2015
ASSETS		
Cash and cash equivalents	\$ 40,117	\$ 41,314
Receivables—net	299,090	304,253
Prepaid expenses and other	24,435	23,605
Total Current Assets	363,642	369,172
Goodwill	951,353	919,591
Other intangible assets—net	160,993	154,176
Employee supplemental savings plan assets	28,147	27,557
Property and equipment—net	21,935	22,439
Investments	11,008	10,853
Other assets	2,370	2,636
TOTAL ASSETS	\$ 1,539,448	\$ 1,506,424
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Accounts payable and accrued expenses	\$ 95,388	\$ 106,271
Accrued salaries and related expenses	65,384	60,940
Billings in excess of revenue earned	15,304	12,685
Total Current Liabilities	176,076	179,896
Deferred income taxes—non-current	112,759	102,035
Accrued retirement	28,260	29,877
Other long-term liabilities	11,361	10,879
TOTAL LIABILITIES	328,456	322,687
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Common stock, Class A—\$0.01 par value; 150,000,000 shares authorized; 25,270,296 and 24,731,584 shares issued at June 30, 2016 and December 31, 2015; 25,026,183 and 24,487,471 shares outstanding at June 30, 2016 and December 31, 2015	253	247
Common stock, Class B—\$0.01 par value; 50,000,000 shares authorized; 13,191,845 and 13,191,845 shares issued and outstanding at June 30, 2016 and December 31, 2015	132	132
Additional paid-in capital	453,332	438,168
Treasury stock, 244,113 and 244,113 shares at cost at June 30, 2016 and December 31, 2015	(9,158)	(9,158)
Retained earnings	766,538	754,457
Accumulated other comprehensive loss	(105)	(109)
TOTAL STOCKHOLDERS' EQUITY	1,210,992	1,183,737
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,539,448	\$ 1,506,424

See notes to condensed consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands Except Per Share Amounts)

	(unaudited) Three months ended June 30,		(unaudited) Six months ended June 30,	
	2016	2015	2016	2015
REVENUES	\$ 401,354	\$ 384,378	\$ 792,016	\$ 754,708
Cost of services	341,511	326,243	675,025	640,392
General and administrative expenses	35,629	37,023	70,832	73,358
OPERATING INCOME	24,214	21,112	46,159	40,958
Interest expense	(306)	(329)	(595)	(604)
Interest income	19	24	63	91
Other income (expense), net	45	72	53	(69)
INCOME FROM OPERATIONS BEFORE INCOME TAXES AND EQUITY METHOD INVESTMENTS	23,972	20,879	45,680	40,376
Provision for income taxes	(9,250)	(8,544)	(17,810)	(16,283)
Equity in gains of unconsolidated subsidiaries	60	115	128	115
NET INCOME	<u>\$ 14,782</u>	<u>\$ 12,450</u>	<u>\$ 27,998</u>	<u>\$ 24,208</u>
BASIC EARNINGS PER SHARE:				
Class A common stock	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.65
Class B common stock	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.65
DILUTED EARNINGS PER SHARE:				
Class A common stock	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.64
Class B common stock	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.64

See notes to condensed consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands)

	(unaudited) Three months ended June 30,		(unaudited) Six months ended June 30,	
	2016	2015	2016	2015
NET INCOME	\$ 14,782	\$ 12,450	\$ 27,998	\$ 24,208
OTHER COMPREHENSIVE INCOME (LOSS):				
Translation adjustments, net of tax	4	(8)	4	(33)
COMPREHENSIVE INCOME	<u>\$ 14,786</u>	<u>\$ 12,442</u>	<u>\$ 28,002</u>	<u>\$ 24,175</u>

See notes to condensed consolidated financial statements.

MANTECH INTERNATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	(unaudited)	
	Six months ended	
	June 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 27,998	\$ 24,208
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	15,150	14,547
Deferred income taxes	9,090	7,493
Stock-based compensation	1,291	2,697
Excess tax benefits from exercise of stock options	(421)	(58)
Equity in gains of unconsolidated subsidiaries	(128)	(115)
Gain on sale and retirement of property and equipment	—	(695)
Change in assets and liabilities—net of effects from acquired businesses:		
Receivables—net	5,149	32,105
Prepaid expenses and other	(830)	2,287
Employee supplemental savings plan asset	(590)	3,241
Accounts payable and accrued expenses	(10,679)	(37,375)
Accrued salaries and related expenses	3,724	(4,215)
Billings in excess of revenue earned	2,619	1,353
Accrued retirement	(1,617)	(2,193)
Other	430	686
Net cash flow from operating activities	51,186	43,966
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of businesses—net of cash acquired	(47,682)	(101,342)
Purchases of property and equipment	(3,346)	(2,240)
Investment in capitalized software for internal use	(740)	(359)
Payments to acquire investments	(201)	(750)
Net cash flow from investing activities	(51,969)	(104,691)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	(15,927)	(15,754)
Proceeds from exercise of stock options	15,092	4,352
Excess tax benefits from exercise of stock options	421	58
Borrowings under revolving credit facility	—	89,000
Repayments under revolving credit facility	—	(36,400)
Net cash flow from financing activities	(414)	41,256
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,197)	(19,469)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	41,314	23,781
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 40,117	\$ 4,312
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	\$ 490	\$ 537
Cash paid for income taxes, net	\$ 5,618	\$ 3,171

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2016
UNAUDITED

1. Description of the Business

ManTech International Corporation (depending on the circumstances, “ManTech,” “Company,” “we,” “our,” “ours” or “us”) provides innovative technologies and solutions for mission-critical national security programs for the intelligence community; the departments of Defense, State, Homeland Security, Health and Human Services, Veteran Affairs and Justice, including the Federal Bureau of Investigations (FBI); the space community; and other United States of America (U.S.) government customers. We provide support to critical national security programs for approximately 50 federal agencies through approximately 1,000 current contracts. Our expertise includes cybersecurity; software and systems development; enterprise information technology (IT); multi-disciplined intelligence; program protection and mission assurance; systems engineering; test and evaluation; command, control, communications, computers, intelligence, surveillance and reconnaissance; training; supply chain management and logistics; and management consulting. We support major national missions, such as military readiness and wellness, terrorist threat detection, information security and border protection. Our employees operate primarily in the U.S. as well as numerous locations internationally.

2. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and note disclosures normally included in the annual financial statements, prepared in accordance with accounting principles generally accepted in the U.S., have been condensed or omitted pursuant to those rules and regulations. The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We recommend that you read these unaudited condensed consolidated financial statements in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, previously filed with the SEC. We believe that the unaudited condensed consolidated financial statements in this Form 10-Q reflect all adjustments that are necessary to fairly present the financial position, results of operations and cash flows for the interim periods presented. The results of operations for such interim periods are not necessarily indicative of the results that can be expected for the full year.

We reclassified Employee supplemental savings plan asset from the Other line item in Cash Flows from Operating Activities of the Condensed Consolidated Statement of Cash Flows for the six months ended June 30, 2015 to conform to current period presentation.

3. Acquisitions

Oceans Edge, Inc, Cyber Division—On June 10, 2016, we completed the acquisition of certain assets of Oceans Edge, Inc., Cyber Division (OEC). The results of OEC's operations have been included in our condensed consolidated financial statements since that date. The acquisition was completed through an asset purchase agreement dated June 10, 2016, by and among Oceans Edge, Inc., Oceans Edge Cyber, LLC, certain owners of Ocean's Edge, Inc., and ManTech Advanced Systems International, Inc. OEC provides technical and professional services under government contracts in the defense and intelligence industries, including turnkey system solutions in cyber offense and defense, mission operations support and operations assessment and analysis. The OEC team of computer network operations (CNO) professionals will enhance our advanced CNO tools and research and development offerings with new business across the DoD landscape, including US CYBERCOM. The acquisition strategically strengthens our capabilities to support our federal agency customers and, specifically, to engineer and develop new, advanced solutions for wireless devices, networks, and infrastructures. We funded the acquisition with cash on hand. The asset purchase agreement did not contain provisions for contingent consideration.

For the six months ended June 30, 2016, we incurred approximately \$0.9 million of acquisition costs related to the OEC transaction, which are included in the general and administrative expenses in our condensed consolidated statement of income.

The purchase price of \$47.7 million was preliminarily allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. The goodwill recorded related to this transaction will be deductible for tax purposes over 15 years, assuming adequate levels of taxable income. Recognition of goodwill is largely attributed to the value paid for OEC's capabilities in adding additional vulnerability research, development, and analysis capabilities to our existing cyber intelligence business.

In preliminarily allocating the purchase price, we considered among other factors, analysis of historical financial performance and estimates of future performance of OEC's contracts. The components of other intangible assets associated with the acquisition were technology, customer relationships and backlog valued at \$4.5 million, \$11.3 million and \$0.8 million, respectively. Technology represents a suite of mobile analysis and exploitation offerings which is used by customers in support of their missions. Technology is amortized straight-line over its estimated useful life of 5 years. Customer contracts and related relationships represent the underlying relationships and agreements with OEC's existing customers. Customer relationships are amortized using the pattern of benefits method over their estimated useful lives of approximately 20 years. Backlog is amortized straight-line over its estimated useful life of 1 year. The weighted-average amortization period for the intangible assets is 15 years.

The following table represents the preliminary purchase price allocation for OEC, as we are still in the process of reviewing the fair value of the assets acquired and liabilities assumed (in thousands):

Goodwill	\$	31,762
Other intangible assets		16,600
Property and equipment		69
Accounts payable and accrued expenses		(29)
Accrued salaries and related expenses		(720)
Net assets acquired and liabilities assumed	\$	<u>47,682</u>

We have not disclosed current period, nor pro forma, revenues and earnings attributable to OEC as our integration of these operations post-acquisition and the entity's accounting methods pre-acquisition make it impracticable.

Knowledge Consulting Group, Inc.—On June 15, 2015, we completed the acquisition of Knowledge Consulting Group, Inc. (KCG). The results of KCG's operations have been included in our condensed consolidated financial statements since that date. The acquisition was completed through an agreement and plan of merger dated June 15, 2015, by and among ManTech Advanced Systems International, Inc., Knight Acquisitions Corporation and KCG. KCG provides comprehensive cyber security services including cloud security, certification and accreditation and various cyber defense solutions across federal and commercial markets. The acquisition strategically positions us to pursue additional cyber work in the Department of Homeland Security, FBI and the intelligence community by leveraging our enhanced cloud security expertise. We funded the acquisition through a combination of cash on hand and borrowings under our revolving credit facility. The agreement did not contain provisions for contingent consideration.

For the six months ended June 30, 2015, we incurred approximately \$0.3 million of acquisition costs related to the KCG transaction, which are included in the general and administrative expenses in our condensed consolidated statement of income.

The purchase price of \$68.2 million was allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. The goodwill recorded related to this transaction will be deductible for tax purposes over 15 years, assuming adequate levels of taxable income. Recognition of goodwill is largely attributed to the value paid for KCG's capabilities in providing comprehensive cyber security services throughout the Department of Defense (DoD) and intelligence community.

In allocating the purchase price, we considered among other factors analysis of historical financial performance and estimates of future performance of KCG's contracts. The components of other intangible assets associated with the acquisition were customer relationships and backlog valued at \$12.4 million and \$0.8 million, respectively. Customer contracts and related relationships represent the underlying relationships and agreements with KCG's existing customers. Customer relationships are amortized using the pattern of benefits method over their estimated useful lives of approximately 15 years. Backlog is amortized straight-line over its estimated useful life of 1 year. The weighted-average amortization period for the intangible assets is 14 years.

The following table represents the purchase price allocation for KCG (in thousands):

Cash and cash equivalents	\$	658
Receivables		6,532
Prepaid expenses and other		460
Goodwill		47,487
Other intangible assets		13,219
Property and equipment		1,419
Investments		15
Other assets		31
Accounts payable and accrued expenses		(1,269)
Accrued salaries and related expenses		(336)
Billings in excess of revenue earned		(2)
Net assets acquired and liabilities assumed	\$	<u>68,214</u>

We have not disclosed current period, nor pro forma, revenues and earnings attributable to KCG as our integration of these operations post-acquisition and the entity's accounting methods pre-acquisition make it impracticable.

Welkin Associates, Ltd.—On April 27, 2015, we completed the acquisition of Welkin Associates, Ltd. (Welkin), formerly a wholly-owned subsidiary of Computer Sciences Corporation (CSC). The results of Welkin's operations have been included in our condensed consolidated financial statements since that date. The acquisition was completed through a stock purchase agreement dated April 27, 2015, by and among ManTech International Corporation, CSC and Welkin. Welkin delivers mission-centric services in high-end systems engineering and advanced national security technology and business services. The acquisition strategically positions us to pursue large engineering and support opportunities throughout the intelligence community and DoD. We funded the acquisition with cash on hand. The stock purchase agreement did not contain provisions for contingent consideration.

For the six months ended June 30, 2015, we incurred approximately \$0.8 million of acquisition costs related to the Welkin transaction, which are included in the general and administrative expenses in our condensed consolidated statement of income.

The purchase price of \$34.0 million was allocated to the underlying assets and liabilities based on their estimated fair value at the date of acquisition. The goodwill recorded related to this transaction will be deductible for tax purposes over 15 years, assuming adequate levels of taxable income. Recognition of goodwill is largely attributed to the value paid for Welkin's capabilities in providing high-end systems engineering and support services throughout the intelligence community and DoD.

In allocating the purchase price, we considered among other factors, analysis of historical financial performance and estimates of future performance of Welkin's contracts. The components of other intangible assets associated with the acquisition were customer relationships and backlog valued at \$6.0 million and \$0.4 million, respectively. Customer contracts and related relationships represent the underlying relationships and agreements with Welkin's existing customers. Customer relationships are amortized using the pattern of benefits method over their estimated useful lives of approximately 15 years. Backlog is amortized straight-line over its estimated useful life of 1 year. The weighted-average amortization period for the intangible assets is 14 years.

The following table represents the purchase price allocation for Welkin (in thousands):

Receivables	\$	3,901
Prepaid expenses and other		141
Goodwill		24,436
Other intangible assets		6,350
Property and equipment		100
Accounts payable and accrued expenses		(436)
Accrued salaries and related expenses		(492)
Net assets acquired and liabilities assumed	\$	<u>34,000</u>

We have not disclosed current period, nor pro forma, revenues and earnings attributable to Welkin as our integration of these operations post-acquisition and the entity's accounting methods pre-acquisition make it impracticable.

4. Earnings Per Share

Under Accounting Standards Codification (ASC) 260, *Earnings per Share*, the two-class method is an earnings allocation formula that determines earnings per share for each class of common stock according to dividends declared (or accumulated) and participation rights in undistributed earnings. Under that method, basic and diluted earnings per share data are presented for each class of common stock.

In applying the two-class method, we determined that undistributed earnings should be allocated equally on a per share basis between Class A and Class B common stock. Under our Certificate of Incorporation, the holders of the common stock are 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 as may be declared by the Board of Directors. During each of the six months ended June 30, 2016 and 2015, we declared and paid two quarterly dividends, in the amount of \$0.21 per share, on both classes of common stock.

Basic earnings per share has been computed by dividing net income available to common stockholders by the weighted average number of shares of 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 in which the shares 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.

The net income available to common stockholders and weighted average number of common shares outstanding used to compute basic and diluted earnings per share for each class of common stock are as follows (in thousands, except per share amounts):

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Distributed earnings	\$ 8,004	\$ 7,885	\$ 15,918	\$ 15,745
Undistributed earnings	6,778	4,565	12,080	8,463
Net income	\$ 14,782	\$ 12,450	\$ 27,998	\$ 24,208

Class A common stock:

Basic net income available to common stockholders	\$ 9,635	\$ 8,072	\$ 18,223	\$ 15,682
Basic weighted average common shares outstanding	24,707	24,325	24,591	24,266
Basic earnings per share	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.65
Diluted net income available to common stockholders	\$ 9,662	\$ 8,084	\$ 18,261	\$ 15,711
Effect of potential exercise of stock options	209	101	150	127
Diluted weighted average common shares outstanding	24,916	24,426	24,741	24,393
Diluted earnings per share	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.64

Class B common stock:

Basic net income available to common stockholders	\$ 5,147	\$ 4,378	\$ 9,775	\$ 8,526
Basic weighted average common shares outstanding	13,192	13,193	13,192	13,193
Basic earnings per share	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.65
Diluted net income available to common stockholders	\$ 5,120	\$ 4,366	\$ 9,737	\$ 8,497
Effect of potential exercise of stock options	—	—	—	—
Diluted weighted average common shares outstanding	13,192	13,193	13,192	13,193
Diluted earnings per share	\$ 0.39	\$ 0.33	\$ 0.74	\$ 0.64

For the three months ended June 30, 2016 and 2015, options to purchase 0.1 million and 1.8 million shares, respectively, were outstanding but not included in the computation of diluted earnings per share because the options' effect would have been anti-dilutive. For the six months ended June 30, 2016 and 2015, options to purchase 0.7 million and 1.9 million shares, respectively,

were outstanding but not included in the computation of diluted earnings per share because the options' effect would have been anti-dilutive. For the six months ended June 30, 2016 and 2015, there were 525,212 and 155,639 shares, respectively, issued from the exercise of stock options.

5. Receivables

We deliver a broad array of services and solutions under contracts with the U.S. government, state and local governments and commercial customers. The components of contract receivables are as follows (in thousands):

	June 30, 2016	December 31, 2015
Billed receivables	\$ 228,272	\$ 233,735
Unbilled receivables:		
Amounts billable	47,849	47,900
Revenues recorded in excess of funding	22,342	19,213
Retainage	10,235	11,878
Allowance for doubtful accounts	(9,608)	(8,473)
Receivables—net	<u>\$ 299,090</u>	<u>\$ 304,253</u>

Amounts billable consist principally of amounts to be billed within the next month. Revenues recorded in excess of funding are billable upon receipt of contractual amendments or other modifications. The retainage is billable upon completion of contract performance and approval of final indirect expense rates by the government. Accounts receivable at June 30, 2016 are expected to be substantially collected within one year except for approximately \$0.8 million, of which 91.7% is related to receivables from sales to the U.S. government. The remainder is related to receivables from contracts in which we acted as a subcontractor to other contractors.

The Company does not believe it has significant exposure to credit risk as accounts receivable and the related unbilled amounts are primarily due from the U.S. government. The allowance for doubtful accounts represents our estimate for exposure to compliance, contractual issues and bad debts related to prime contractors.

6. Property and Equipment

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

	June 30, 2016	December 31, 2015
Furniture and equipment	\$ 47,802	\$ 44,718
Leasehold improvements	35,971	35,733
Property and equipment—gross	83,773	80,451
Accumulated depreciation and amortization	(61,838)	(58,012)
Property and equipment—net	<u>\$ 21,935</u>	<u>\$ 22,439</u>

7. Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill during the year ended December 31, 2015 and the period ended June 30, 2016 are as follows (in thousands):

	Goodwill Balance
Goodwill at December 31, 2014	\$ 851,640
Acquisitions	71,922
Divestiture	(3,971)
Goodwill at December 31, 2015	\$ 919,591
Acquisitions	31,762
Goodwill at June 30, 2016	\$ 951,353

Other intangible assets consisted of the following (in thousands):

	June 30, 2016			December 31, 2015		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Other intangible assets:						
Contract and program intangible assets	\$ 298,282	\$ 148,922	\$ 149,360	\$ 281,682	\$ 140,163	\$ 141,519
Capitalized software cost for internal use	37,061	25,434	11,627	36,170	23,522	12,648
Other	58	52	6	58	49	9
Total other intangible assets—net	\$ 335,401	\$ 174,408	\$ 160,993	\$ 317,910	\$ 163,734	\$ 154,176

Amortization expense relating to intangible assets for the three months ended June 30, 2016 and 2015 was \$5.3 million and \$5.2 million, respectively. Amortization expense relating to intangible assets for the six months ended June 30, 2016 and 2015 was \$10.7 million and \$10.1 million, respectively. We estimate that we will have the following amortization expense for the future periods indicated below (in thousands):

For the remaining six months ending December 31, 2016	\$ 11,659
For the year ending:	
December 31, 2017	\$ 21,832
December 31, 2018	\$ 20,066
December 31, 2019	\$ 17,567
December 31, 2020	\$ 14,613
December 31, 2021	\$ 11,418

8. Debt

Revolving Credit Facility—We maintain a credit facility with a syndicate of lenders led by Bank of America, N.A, as sole administrative agent. The credit agreement provides for a \$500 million revolving credit facility, with a \$50 million letter of credit sublimit and a \$30 million swing line loan sublimit. The credit agreement also includes an accordion feature that permits the Company to arrange with the lenders for the provision of additional commitments. The maturity date is June 13, 2019. On May 17, 2016, we amended the credit agreement, which among other things increased the letter of credit sublimit from \$25 million to \$50 million. We deferred \$1.8 million in debt issuance costs, cumulatively over the agreement, which are amortized over the term of the credit agreement.

Borrowings under our revolving credit facility are collateralized by substantially all the assets of ManTech and its Material Subsidiaries (as defined in the credit agreement) and bear interest at one of the following variable rates as selected by the Company at the time of borrowing: a London Interbank Offer Rate based rate plus market-rate spreads (1.25% to 2.25% based on our

consolidated total leverage ratio) or Bank of America's base rate plus market spreads (0.25% to 1.25% based on our consolidated total leverage ratio).

The terms of the credit agreement permit prepayment and termination of the loan commitments at any time, subject to certain conditions. The credit agreement requires the Company to comply with specified financial covenants, including the maintenance of certain leverage ratios and a certain consolidated coverage ratio. The credit agreement also contains various covenants, including affirmative covenants with respect to certain reporting requirements and maintenance of certain business activities, and negative covenants that, among other things, may limit or impose restrictions on our ability to incur liens, incur additional indebtedness, make investments, make acquisitions and undertake certain other actions. As of June 30, 2016, we were in compliance with the financial covenants under the credit agreement.

There was no outstanding balance on our revolving credit facility at both June 30, 2016 and December 31, 2015. The maximum available borrowing under the revolving credit facility at June 30, 2016 was \$480.9 million. As of June 30, 2016, we were contingently liable under letters of credit totaling \$19.1 million, which reduced our availability to borrow under our revolving credit facility.

9. Commitments and Contingencies

Contracts with the U.S. government, including subcontracts, are subject to extensive legal and regulatory requirements and, from time-to-time, agencies of the U.S. government, in the ordinary course of business, investigate whether our operations are conducted in accordance with these requirements and the terms of the relevant contracts. U.S. government investigations of the Company, whether related to our U.S. government contracts or conducted for other reasons, could result in administrative, civil, or criminal liabilities, including repayments, fines or penalties being imposed upon the Company, or could lead to suspension or debarment from future U.S. government contracting activities. Management believes it has adequately reserved for any losses that may be experienced from any investigation of which it is aware. The Defense Contract Audit Agency has substantially completed our incurred cost audits through 2011 with no material adjustments. The remaining audits for 2012 through 2015 are not expected to have a material effect on our financial position, results of operations or cash flow and management believes it has adequately reserved for any losses.

In the normal course of business, we are involved in certain governmental and legal proceedings, claims and disputes and have litigation pending under several suits. We believe that the ultimate resolution of these matters will not have a material effect on our financial position, results of operations or cash flows.

We have an outstanding performance bond in the amount of \$19.0 million, which is in connection of a contract between ManTech MENA, LLC and Jadwalean International Operations and Management Company to fulfill technical support requirements for the Royal Saudi Air Force.

10. Stock-Based Compensation

Our 2016 Management Incentive Plan (the Plan) was designed to attract, retain and motivate key employees. The types of equity awards available under the Plan include stock options, restricted stock and restricted stock units (RSUs). Equity awards granted under the Plan are settled in shares of Class A common stock. At the beginning of each year, the Plan provides that the number of shares available for issuance automatically increases by an amount equal to 1.5% of the total number of shares of Class A and Class B common stock outstanding on December 31st of the previous year. On January 4, 2016, there were 565,190 additional shares made available for issuance under the Plan. Through June 30, 2016, the Board of Directors has authorized the issuance of up to 13,382,296 shares under this plan. Through June 30, 2016, the remaining aggregate number of shares of our common stock available for future grants under the Plan was 5,903,016. The Plan expires in March 2026.

The Plan is administered by the compensation committee of our Board of Directors, along with its delegates. Subject to the express provisions of the Plan, the committee has the Board of Directors' authority to administer and interpret the Plan, including the discretion to determine the exercise price, vesting schedule, contractual life and the number of shares to be issued.

Stock Compensation Expense—For the three months ended June 30, 2016 and 2015, we recorded \$0.2 million and \$1.5 million of stock-based compensation expense, respectively. For the six months ended June 30, 2016 and 2015, we recorded \$1.3 million and \$2.7 million of stock-based compensation expense, respectively. No compensation expense of employees with stock awards, including stock-based compensation expense, was capitalized during the periods. For the six months ended June 30, 2016 and 2015, the total recognized tax deficiency from the exercise of stock options, vested cancellations and the vesting of restricted stock was \$1.2 million and \$1.8 million, respectively.

Stock Options—Under the Plan, we have issued stock options. A stock option granted gives the holder the right, but not the obligation to purchase a certain number of shares at a predetermined price for a specific period of time. We typically issue options that vest over three years in equal installments beginning on the first anniversary of the date of grant. Under the terms of the Plan, the contractual life of the option grants may not exceed eight years. During the six months ended June 30, 2016 and 2015, we issued options that expire five years from the date of grant.

Fair Value Determination—We have used the Black-Scholes-Merton option pricing model to determine fair value of our awards on the date of grant. We will reconsider the use of the Black-Scholes-Merton model if additional information becomes available in the future that indicates another model would be more appropriate or if grants issued in future periods have characteristics that cannot be reasonably estimated under this model.

The following weighted-average assumptions were used for option grants during the six months ended June 30, 2016 and 2015:

Volatility—The expected volatility of the options granted was estimated based upon historical volatility of our share price through weekly observations of our trading history.

Expected Term—The expected term of options granted to employees during the six months ended June 30, 2016 and 2015 was determined from historical exercises of the grantee population. For all grants valued during the six months ended June 30, 2016 and 2015, the options had graded vesting over three years in equal installments beginning on the first anniversary of the date of grant and a contractual term of five years.

Risk-free Interest Rate—The yield on zero-coupon U.S. Treasury strips was used to extrapolate a forward-yield curve. This “term structure” of future interest rates was then input into a numeric model to provide the equivalent risk-free rate to be used in the Black-Scholes-Merton model based on the expected term of the underlying grants.

Dividend Yield—The Black-Scholes-Merton valuation model requires an expected dividend yield as an input. We have calculated our expected dividend yield based on an expected annual cash dividend of \$0.84 per share.

The following table summarizes weighted-average assumptions used in our calculations of fair value for the six months ended June 30, 2016 and 2015:

	Six months ended June 30,	
	2016	2015
Volatility	23.66%	27.16%
Expected life of options	3 years	3 years
Risk-free interest rate	1.20%	1.16%
Dividend yield	3.00%	3.00%

Stock Option Activity—The weighted-average fair value of options granted during the six months ended June 30, 2016 and 2015, as determined under the Black-Scholes-Merton valuation model, was \$3.99 and \$5.02, respectively. Option grants that vested during the six months ended June 30, 2016 and 2015 had a combined fair value of \$1.4 million and \$1.8 million, respectively.

The following table summarizes stock option activity for the year ended December 31, 2015 and the six months ended June 30, 2016:

	Number of Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value (in thousands)
Stock options at December 31, 2014	3,391,032	\$ 32.76	\$ 4,722
Granted	237,853	\$ 30.87	
Exercised	(284,320)	\$ 27.51	\$ 1,348
Cancelled and expired	(849,255)	\$ 39.56	
Stock options at December 31, 2015	2,495,310	\$ 30.86	\$ 3,583
Granted	89,217	\$ 30.03	
Exercised	(525,212)	\$ 29.02	\$ 3,050
Cancelled and expired	(385,091)	\$ 39.64	
Stock options at June 30, 2016	1,674,224	\$ 29.37	\$ 14,170

The following table summarizes non-vested stock options for the six months ended June 30, 2016:

	Number of Shares	Weighted Average Fair Value
Non-vested stock options at December 31, 2015	991,290	\$ 4.74
Granted	89,217	\$ 3.99
Vested	(278,457)	\$ 4.88
Cancelled	(35,592)	\$ 4.68
Non-vested stock options at June 30, 2016	766,458	\$ 4.60

The following table includes information concerning stock options exercisable and stock options expected to vest at June 30, 2016:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (in thousands)
Stock options vested and expected to vest	1,586,716	\$ 29.37	3 years	\$ 13,439
Stock options exercisable	907,766	\$ 29.37	2 years	\$ 7,698

Unrecognized compensation expense related to outstanding stock options expected to vest as of June 30, 2016 was \$2.1 million, which is expected to be recognized over a weighted-average period of 1 year and will be adjusted for any future changes in estimated forfeitures.

Restricted Stock—Under the Plan, we have issued restricted stock. A restricted stock award is an issuance of shares that cannot be sold or transferred by the recipient until the vesting period lapses. Restricted stock issued to members of our Board of Directors vests in one year. The related compensation expense is recognized over the service period and is based on the grant date fair value of the stock and the number of shares expected to vest. The grant date fair value of the restricted stock is equal to the closing market price of our common stock on the date of grant.

Restricted Stock Activity—The following table summarizes the restricted stock activity during the year ended December 31, 2015 and the six months ended June 30, 2016:

	Number of Shares	Weighted Average Fair Value
Non-vested restricted stock at December 31, 2014	21,000	\$ 30.61
Granted	21,000	\$ 28.98
Vested	(21,000)	\$ 30.61
Non-vested restricted stock at December 31, 2015	21,000	\$ 28.98
Granted	18,000	\$ 33.84
Vested	(21,000)	\$ 28.98
Non-vested restricted stock at June 30, 2016	18,000	\$ 33.84

RSUs—Under the Plan, we have issued RSUs. RSUs are not actual shares, but rather a right to receive shares in the future based on the level of achievement of performance criteria. The shares are not issued and the employee cannot sell or transfer shares prior to vesting and has no voting rights until the RSUs vest. Employees who are granted RSUs do not receive dividend payments during the service period. The employees' RSUs will result in the delivery of shares if (a) performance criteria is met and (b) the employee remains employed, in good standing, through the date of the performance period. The performance period is two years. The grant date fair value of the RSUs is equal to the closing market price of our common stock on the grant date less the present value of dividends expected to be awarded during the service period. We recognize the grant date fair value of RSUs of shares we expect to issue as compensation expense ratably over the requisite service period.

RSU Activity—The following table summarizes the nonvested RSU activity during the year ended December 31, 2015 and the six months ended June 30, 2016:

	Number of Units	Weighted Average Fair Value
Non-vested RSUs at December 31, 2014	—	\$ —
Granted	105,900	\$ 30.85
Forfeited	(12,450)	\$ 30.92
Non-vested RSUs at December 31, 2015	93,450	\$ 30.84
Granted	104,900	\$ 28.26
Forfeited	(9,950)	\$ 29.68
Non-vested RSUs at June 30, 2016	188,400	\$ 29.47

11. Business Segment and Geographic Area Information

We have one reportable segment. We deliver a broad array of IT and technical services solutions under contracts with the U.S. government. Our U.S. 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. Revenues from the U.S. government under prime contracts and subcontracts were approximately 97.6% and 99.0% of our revenues for the six months ended June 30, 2016 and 2015, respectively. We treat sales to U.S. government customers as sales within the U.S. regardless of where the services are performed. U.S. revenues are approximately 98.0% and 99.8% of our total revenues for the three months ended June 30, 2016 and 2015, respectively. U.S. revenues are approximately 98.5% and 99.8% of our total revenues for the six months ended June 30, 2016 and 2015, respectively. International revenues were approximately 2.0% and 0.2% of our total revenues for the three months ended June 30, 2016 and 2015, respectively. International revenues were approximately 1.5% and 0.2% of our total revenues for the six months ended June 30, 2016 and 2015, respectively. Furthermore, substantially all assets from continuing operations were held in the U.S. for the six months ended June 30, 2016 and year ended December 31, 2015.

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

Forward-Looking Statements

All statements and assumptions contained in this Quarterly Report on Form 10-Q that do not relate to historical facts constitute "forward-looking statements." These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often include the use of words such as "may," "will," "expect," "intend," "anticipate," "believe," "estimate," "plan" and words and terms of similar substance in connection with discussions of future events, situations or financial performance. While these statements represent our current expectations, no assurance can be given that the results or events described in such statements will be achieved.

Forward-looking statements may include, among other things, statements with respect to our financial condition, results of operations, prospects, business strategies, competitive position, growth opportunities, and plans and objectives of management. Such statements are subject to numerous assumptions, risks, uncertainties and other factors, many of which are outside of our control, and include, without limitations, the risks and uncertainties discussed in the section titled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Factors or risks that could cause our actual results to differ materially from the results we anticipate include, but are not limited to, the following:

- Failure to compete effectively for new contract awards or to retain existing U.S. government contracts;
- Delays in the competitive bidding process caused by competitors' protest of contract awards received by us;
- Inability to recruit and retain a sufficient number of employees with specialized skill sets who are in great demand and limited supply;
- Adverse changes or delays in U.S. government spending for programs we support, due to the failure to complete the budget and appropriations process in a timely manner, changing mission priorities, the implementation of cost reduction and efficiency initiatives by our customers, or federal budget contracts generally;
- Failure to obtain option awards, task orders or funding under contracts;
- Renegotiation, modification or termination of our contracts, or failure to perform in conformity with contract terms or our expectations;
- Increased exposure to risks associated with conducting business internationally;
- Failure to realize the full amount of our backlog, or adverse changes in the timing of receipt of revenues under contracts included in backlog;
- Failure to successfully integrate acquired companies or businesses into our operations or to realize any accretive or synergistic effects from such acquisitions;
- Adverse changes in business conditions that may cause our investments in recorded goodwill to become impaired;
- Non-compliance with, or adverse changes in, complex U.S. government procurement laws, regulations or processes;
- Disruption of our business or damage to our reputation resulting from security breaches in customer systems, internal systems or service failures (including as a result of cyber or other security threats), or employee or subcontractor misconduct; and
- Adverse results of U.S. government audits or other investigations of our government contracts.

We urge you not to place undue reliance on these forward-looking statements, which speak only as of the date of this Quarterly Report. We undertake no obligation to update any forward-looking statement made herein following the date of this Quarterly Report, whether as a result of new information, subsequent events or circumstances, changes in expectations or otherwise.

Overview

ManTech provides innovative technologies and solutions for mission-critical national security programs for the intelligence community; the departments of Defense, State, Homeland Security, Health and Human Services, Veterans Affairs and Justice, including the Federal Bureau of Investigations; the space community; and other U.S. government customers.

We derive revenues primarily from contracts with U.S. government agencies that are focused on national security and consequently our operational results are affected by U.S. government spending levels in the areas of defense, federal health IT, intelligence and homeland security. Over the last few years, financial performance in our industry has been adversely impacted by public and political pressure regarding government funding levels, uncertainty about the appropriations process and delays in contract awards and spending. The delays in awards and competitive pressures in 2014 and 2015 have impacted our historical financial results. Currently, industry conditions are improving and award activity is returning to a more normal pace. Our level of work under contracts in support of Overseas Contingency Operations leveled off in 2015 and we expect it to remain stable through 2016. We believe we are well positioned to meet our customers' needs and grow our business as we move through 2016 and beyond.

Our strategy includes a focus on business development and bid and proposal spending on larger contract award opportunities, many in excess of \$100 million. We believe our strong position as a prime contractor and our broad array of service offerings are a competitive advantage. We continue to focus on indirect spending levels to maintain competitively priced offerings. We have expanded our service offerings internationally, supporting allied governments with services similar to our federal government support. Additionally, leveraging our strong balance sheet, we will continue to pursue acquisitions that broaden our domain expertise and service offerings and/or establish relationships with new customers.

We recommend that you read this discussion and analysis in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, previously filed with the SEC.

Three Months Ended June 30, 2016 Compared to the Three Months Ended June 30, 2015

The following table sets forth certain items from our condensed consolidated statements of income and the relative percentage that certain items of expenses and earnings bear to revenues, as well as the period-to-period change from June 30, 2015 to June 30, 2016.

	Three months ended June 30,				Period-to-Period Change	
	2016		2015		2015 to 2016	
	Dollars		Percentage		Dollars	Percentage
	(dollars in thousands)					
REVENUES	\$ 401,354	\$ 384,378	100.0 %	100.0%	\$ 16,976	4.4 %
Cost of services	341,511	326,243	85.1 %	84.9%	15,268	4.7 %
General and administrative expenses	35,629	37,023	8.9 %	9.6%	(1,394)	(3.8)%
OPERATING INCOME	24,214	21,112	6.0 %	5.5%	3,102	14.7 %
Interest expense	(306)	(329)	— %	0.1%	(23)	(7.0)%
Interest income	19	24	— %	—%	(5)	(20.8)%
Other income (expense), net	45	72	— %	—%	(27)	(37.5)%
INCOME FROM OPERATIONS BEFORE INCOME TAXES AND EQUITY METHOD INVESTMENTS	23,972	20,879	6.0 %	5.4%	3,093	14.8 %
Provision for income taxes	(9,250)	(8,544)	2.3 %	2.2%	706	8.3 %
Equity in gains of unconsolidated subsidiaries	60	115	— %	—%	(55)	(47.8)%
NET INCOME	\$ 14,782	\$ 12,450	3.7 %	3.2%	\$ 2,332	18.7 %

Revenues

The primary driver of our increase in revenues during the three months ended June 30, 2016 as compared to the same period in 2015 relates to revenues from new contract awards, our acquisitions and growth on existing contracts. These increases were offset by contracts and tasks that ended.

Cost of services

The increase in cost of services was primarily due to increases in revenues. As a percentage of revenues, direct labor costs decreased to 47.6% for the three months ended June 30, 2016, compared to 49.1% for the same period in 2015. As a percentage of revenues, other direct costs, which include subcontractors and third party equipment and materials used in the performance of our contracts, increased to 37.5% for the three months ended June 30, 2016, compared to 35.8% for the same period in 2015, primarily due to the increased levels of materials and other direct costs.

General and administrative expenses

The decrease in general and administrative expenses was due to cost reduction measures. As a percentage of revenues, general and administrative expenses decreased for the three months ended June 30, 2016 when compared to the same period in 2015 due to the increase in revenues.

Provision for income taxes

Our effective tax rate is affected by recurring items, such as tax rates and the relative amount of income we earn in various taxing jurisdictions and their tax rates. It is also affected by discrete items that may occur in any given year, but are not consistent from year-to-year. Our effective income tax rates were 38.5% and 40.7% for the three months ended June 30, 2016 and 2015, respectively.

Six Months Ended June 30, 2016 Compared to the Six Months Ended June 30, 2015

The following table sets forth certain items from our consolidated statement of income and the relative percentage that certain items of expenses and earnings bear to revenues, as well as the period-to-period change from June 30, 2015 to June 30, 2016.

	Six months ended June 30,				Period-to-Period Change	
	2016	2015	2016	2015	2015 to 2016	
	Dollars		Percentage		Dollars	Percentage
	(dollars in thousands)					
REVENUES	\$ 792,016	\$ 754,708	100.0 %	100.0%	\$ 37,308	4.9 %
Cost of services	675,025	640,392	85.2 %	84.9%	34,633	5.4 %
General and administrative expenses	70,832	73,358	9.0 %	9.7%	(2,526)	(3.4)%
OPERATING INCOME	46,159	40,958	5.8 %	5.4%	5,201	12.7 %
Interest expense	(595)	(604)	— %	0.1%	(9)	(1.5)%
Interest income	63	91	— %	—%	(28)	(30.8)%
Other income (expense), net	53	(69)	— %	—%	122	176.8 %
INCOME FROM OPERATIONS BEFORE INCOME TAXES AND EQUITY METHOD INVESTMENTS	45,680	40,376	5.8 %	5.3%	5,304	13.1 %
Provision for income taxes	(17,810)	(16,283)	2.3 %	2.1%	1,527	9.4 %
Equity in gains of unconsolidated subsidiaries	128	115	— %	—%	13	11.3 %
NET INCOME	\$ 27,998	\$ 24,208	3.5 %	3.2%	\$ 3,790	15.7 %

Revenues

The primary driver of our increase in revenues during the six months ended June 30, 2016 as compared to the same period in 2015 relates to revenues from new contract awards, our acquisitions and growth on existing contracts. These increases were offset by contracts and tasks that ended during 2015.

Cost of services

The increase in cost of services was primarily due to increases in revenues. As a percentage of revenues, direct labor and related costs increased to 49.1% for the six months ended June 30, 2016, compared to 48.8% for the same period in 2015 due to improved contract activity resulting in the higher labor content on our contracts. As a percentage of revenues, other direct costs, which include subcontractors and third party equipment and materials used in the performance of our contracts, remained consistent at 36.1% for the six months ended June 30, 2016 and 2015. We expect cost of services as a percentage of revenues to remain relatively stable for the remainder of 2016.

General and administrative expenses

The decrease in general and administrative expenses was due to cost reduction measures. As a percentage of revenues, general and administrative expenses decreased for the six months ended June 30, 2016 when compared to the same period in 2015 due to the increase in revenues and reduced spending. We expect general and administrative expenses as a percentage of revenues to remain relatively stable through 2016.

Provision for income taxes

Our effective tax rate is affected by recurring items, such as tax rates and the relative amount of income we earn in various taxing jurisdictions and their tax rates. It is also affected by discrete items that may occur in any given year, but are not consistent from year-to-year. Our effective income tax rates were 38.9% and 40.2% for the six months ended June 30, 2016 and 2015, respectively. We expect our effective tax rate to remain relatively consistent for the remainder of 2016.

Backlog

At June 30, 2016 and December 31, 2015, our backlog was \$4.3 billion and \$4.1 billion, respectively, of which \$0.9 billion and \$1.0 billion, respectively, was funded backlog. The increase in our backlog is due to our receipt of new awards. Backlog represents estimates that we calculate on a consistent basis. For additional information on how we compute backlog, see our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, previously filed with the SEC.

Liquidity and Capital Resources

Historically, our primary liquidity needs have been the financing of acquisitions, working capital, payment under our cash dividend program and capital expenditures. Our primary sources of liquidity are cash provided by operations and our revolving credit facility.

On June 30, 2016, our cash and cash equivalents balance was \$40.1 million. There were no outstanding borrowings under our revolving credit facility at June 30, 2016. At June 30, 2016, we were contingently liable under letters of credit totaling \$19.1 million, which reduced our ability to borrow under our revolving credit facility by that amount. The maximum available borrowings under our revolving credit facility at June 30, 2016 were \$480.9 million.

Generally, cash provided by operating activities is adequate to fund our operations, including payments under our regular cash dividend program. Due to fluctuations in our cash flows and level of operations, it may become necessary from time-to-time to increase borrowings under our revolving credit facility to meet cash demands.

Cash Flows from Operating Activities

Our operating cash flows are primarily affected by our ability to invoice and collect from our clients in a timely manner, our ability to manage our vendor payments and the overall profitability of our contracts. We bill most of our customers monthly after services are rendered. Our accounts receivable days sales outstanding (DSO) were 67 and 83 as of June 30, 2016 and 2015, respectively. This improvement is due to efficiencies made in our billing processes and a greater focus on collections. We expect DSO levels to remain in the upper 60's and mid-70's throughout 2016. For the six months ended June 30, 2016 and 2015, our net cash flows from operating activities were \$51.2 million and \$44.0 million, respectively. The increase in net cash flows from

operating activities during the six months ended June 30, 2016 when compared to the same period in 2015 was primarily due to our ability to manage vendor payments, the timing of accrued salaries and related expenses and an increase in net income, offset by the timing of accounts receivables and an increase in employee supplemental savings plan assets.

Cash Flows from Investing Activities

Our cash flows from investing activities consist primarily of business acquisitions, purchases of property and equipment and investments in capitalized software for internal use. For the six months ended June 30, 2016 and 2015, our net cash outflows from investing activities were \$52.0 million and \$104.7 million, respectively. During the six months ended June 30, 2016, our net cash outflows from investing activities were primarily due to the acquisition of OEC. During the six months ended June 30, 2015, our net cash outflows from investing activities were primarily due to the acquisitions of KCG and Welkin and purchases of property and equipment.

Cash Flows from Financing Activities

Our cash flows from financing activities consist primarily of dividends paid, proceeds from the exercise of stock options as well as borrowings and repayments under our revolving credit facility. For the six months ended June 30, 2016, our net cash outflows from financing activities were \$0.4 million and for the six months ended June 30, 2015, net cash inflows from financing activities were \$41.3 million. During the six months ended June 30, 2016, net cash outflows from financing activities were primarily due to dividends paid offset by the proceeds from the exercise of stock options and the excess tax benefits from exercise of stock options. During the six months ended June 30, 2015, net cash inflows from financing activities were primarily from net borrowings under our revolving credit facility to finance the acquisition of KCG, partially offset by our quarterly dividend payments.

Capital Resources

We believe the capital resources available to us from cash on hand of \$40.1 million at June 30, 2016, our \$500.0 million revolving credit facility and cash from our operations are adequate to fund our anticipated cash requirements for at least the next year, including payments under our regular cash dividend program. We anticipate financing our external growth from acquisitions and our longer-term internal growth through one or more of the following sources: cash from operations, use of our revolving credit facility; and additional borrowings of debt or issuance of equity.

Short-term Borrowings

From time-to-time, we borrow funds against our revolving credit facility for working capital requirements and funding of operations, as well as acquisitions. Borrowings bear interest at one of the following variable rates as selected by the Company at the time of borrowing: a London Interbank Offer Rate based rate plus market spreads (1.25% to 2.25% based on our consolidated total leverage ratio) or Bank of America's base rate plus market spreads (0.25% to 1.25% based on our consolidated total leverage ratio). In the next year we may use, as needed, our revolving credit facility or additional sources of borrowings in order to fund our anticipated cash requirements.

Cash Management

To the extent possible, we invest our available cash in short-term, investment grade securities in accordance with our investment policy. Under our investment policy, we manage our investments in accordance with the priorities of maintaining the safety of our principal, maintaining the liquidity of our investments, maximizing the yield on our investments and investing our cash to the fullest extent possible. Our investment policy provides that no investment security can have a final maturity that exceeds six months and that the weighted average maturity of the portfolio cannot exceed 60 days. 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.

Dividend

During each of the six months ended June 30, 2016 and 2015, we declared and paid quarterly dividends in the amount of \$0.21 per share on both classes of our common stock. While we expect to continue the regular cash dividend program, any future dividends declared will be at the discretion of our Board of Directors and will depend, among other factors, upon our results of operations, financial condition and cash requirements, as well as such other factors that our Board of Directors deems relevant.

Off-Balance Sheet Arrangements

In the ordinary course of business, we use letters of credit issued to satisfy certain contractual terms with our customers. As of June 30, 2016, \$19.1 million in letters of credit were issued but undrawn. We have an outstanding performance bond in connection with a contract between ManTech MENA, LLC and Jadwalean International Operations and Management Company to fulfill technical support requirements for the Royal Saudi Air Force. This performance bond is guaranteed by a letter of credit in the amount of \$19.0 million. We have off-balance sheet arrangements related to operating leases. For a description of our operating leases, see Note 9 to our consolidated financial statements for the fiscal year 2015 included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, filed with the SEC on February 19, 2016.

Critical Accounting Estimates and Policies

Critical accounting policies are defined as those that are reflective of significant judgments and uncertainties, and potentially result in materially different results under different assumptions and conditions. Application of these policies is particularly important to the portrayal of our financial condition and results of operations. The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles (GAAP) in the U.S. The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates under different assumptions or conditions. Our significant accounting policies, including the critical policies listed below, are more fully described in the notes to our consolidated financial statements for the fiscal year 2015 included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, filed with the SEC on February 19, 2016.

Revenue Recognition and Cost Estimation

We recognize revenues when persuasive evidence of an arrangement exists, services have been rendered, the contract price is fixed or determinable and collectability is reasonably assured. We have a standard internal process that we use to determine whether all required criteria for revenue recognition have been met.

Our revenues consist primarily of services provided by our employees and the pass through of costs for materials and subcontract efforts under contracts with our customers. Cost of services consists primarily of compensation expenses for program personnel, the fringe benefits associated with this compensation and other direct expenses incurred to complete programs, including cost of materials and subcontract efforts.

We derive the majority of our revenues from cost-plus-fixed-fee, cost-plus-award-fee, firm-fixed-price and time-and-materials contracts. Revenues for cost-reimbursable contracts are recorded as reimbursable costs are incurred, including an estimated share of the applicable contractual fees earned. For performance-based fees under cost-reimbursable contracts, we recognize the relevant portion of the expected fee to be awarded by the customer at the time such fee can be reasonably estimated, based on factors such as our prior award experience and communications with the customer regarding performance, or upon approval by the customer. For time-and-materials contracts, revenues are recognized to the extent of billable rates times hours delivered plus materials and other reimbursable costs incurred. For long-term fixed-price production contracts, revenues are recognized at a rate per unit as the units are delivered or by other methods to measure services provided. Revenues from other long-term fixed-price contracts are recognized ratably over the contract period or by other appropriate methods to measure services provided. Contract costs are expensed as incurred except for certain limited long-term contracts noted below. For long-term contracts specifically described in the scope section of ASC 605-35, *Revenue Recognition - Construction-Type and Production-Type Contracts*, we apply the percentage of completion method. Under the percentage of completion method, income is recognized at a consistent profit margin over the period of performance based on estimated profit margins at completion of the contract. This method of accounting requires estimating the total revenues and total contract cost at completion of the contract. During the performance of long-term contracts, these estimates are periodically reviewed and revisions are made as required using the cumulative catch-up method of accounting. The impact on revenues and contract profit as a result of these revisions is included in the periods in which the revisions are made. This method can result in the deferral of costs or the deferral of profit on these contracts. Because we assume the risk of performing a fixed-price contract at a set price, the failure to accurately estimate ultimate costs or to control costs during performance of the work could result, and in some instances has resulted, in reduced profits or losses for such contracts. Estimated losses on contracts at completion are recognized when identified. In certain circumstances, revenues are recognized when contract amendments have not been finalized.

Accounting for Business Combinations and Goodwill and Other Intangible Assets

The purchase price of an acquired business is allocated to the tangible assets, financial assets and separately recognized intangible assets acquired less liabilities assumed based upon their respective fair values, with the excess recorded as goodwill.

Such fair value assessments require judgments and estimates that can be affected by contract performance and other factors over time, which may cause final amounts to differ materially from original estimates.

We review goodwill at least annually for impairment, or whenever events or circumstances indicate that the carrying value of long-lived assets may not be fully recoverable. We perform this review at the reporting unit level, which is one level below our reportable segment.

In reviewing goodwill for impairment, we have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If we elect to perform a qualitative assessment and determine that an impairment is more likely than not, the entity is then required to perform the existing two-step quantitative impairment test (described below), otherwise no further analysis is required. We also may elect not to perform the qualitative assessment and, instead, proceed directly to the two-step quantitative impairment test.

The goodwill impairment test is a two-step process performed at the reporting unit level. The first step of the goodwill impairment test compares the fair value of a reporting unit with its carrying value (including goodwill). If the reporting unit's fair value exceeds its carrying value, no further procedures are required. However, if the reporting unit's fair value is less than its carrying value, an impairment of goodwill may exist, requiring a second step to be performed. Step two of this test measures the amount of the impairment loss, if any. Step two of this test requires the allocation of the reporting unit's value to its assets and liabilities, including any unrecognized intangible assets in a hypothetical analysis that calculates the implied fair value of goodwill as if the reporting unit were being acquired in a business combination. If the implied fair value of goodwill is less than the carrying value, the difference is recorded as a goodwill impairment charge in operations.

The fair values of the reporting units are determined based on a weighting of the income approach, market approach and market transaction approach. The income approach is a valuation technique in which fair value is calculated based on forecasted future cash flow discounted at the appropriate rate of return commensurate with the risk as well as current rates of return for equity and debt capital as of the valuation date. The forecast used in our estimation of fair value was developed by management based on a contract basis, incorporating adjustments to reflect known contract and market considerations (such as reductions and uncertainty in government spending, pricing pressure and opportunities). The discount rate utilizes a risk adjusted weighted average cost of capital. The market approach is a valuation technique in which the fair value is calculated based on market prices realized in an actual arm's length transaction. The technique consists of undertaking a detailed market analysis of publicly traded companies that provides a reasonable basis for comparison to the Company. Valuation ratios, which relate market prices to selected financial statistics derived from comparable companies, are selected and applied to the Company after consideration of adjustments for financial position, growth, market, profitability and other factors. The market transaction approach is a valuation technique in which the fair value is calculated based on market prices realized in actual arm's length transactions. The technique consists of undertaking a detailed market analysis of merged and acquired companies that provides a reasonable basis for comparison to the Company. Valuation ratios, which relate market prices to selected financial statistics derived from comparable companies, are selected and applied to the Company after consideration of adjustments for financial position, growth, market, profitability and other factors. To assess the reasonableness of the calculated reporting unit fair values, we compare the sum of the reporting units' fair values to the Company's market capitalization (per share stock price times the number of shares outstanding) and calculate an implied control premium (the excess of the sum of the reporting units' fair values over the market capitalization), and then assess the reasonableness of our implied control premium.

We have elected to perform our annual review during the fourth quarter of each calendar year. In addition, management monitors events and circumstances that could result in an impairment. A significant amount of judgment is involved in determining if an indicator of impairment has occurred between annual testing dates. Events that could cause the fair value of our long-lived assets to decrease include: changes in our business environment or market conditions, a material change in our financial outlook, including declines in expected revenue growth rates and operating margins, or a material decline in the market price for our stock. If any impairment were indicated as a result of a review, we would recognize a loss based on the amount by which the carrying amount exceeds the estimated fair value.

Due to the many variables inherent in the estimation of a reporting unit's fair value and the relative size of our recorded goodwill, differences in assumptions may have a material effect on the results of our goodwill impairment analysis.

Accounting Standards Updates

On May 9, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-12, *Revenue From Contracts With Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients*, to provide a limited number of changes to its revenue recognition standard. The amendments clarify the assessment of the likelihood that revenue

will be collected from a contract, the guidance for presenting sales taxes and similar taxes and the timing for measuring customer payments that are not in cash. The amendments provide what the FASB calls a practical expedient for recognizing revenue from contracts that have been modified prior to the transition period to the new standard. ASU 2016-12 also says that a contract should be considered complete if all, or substantially all, of its revenue has been collected prior to making the transition to the new standard. In addition, this Update clarifies the disclosure requirements for businesses and other organizations that make the transition to the new standard by adjusting amounts from prior reporting periods via what is called retrospective application by the accounting board. The amendments in ASU 2016-12 become effective for fiscal years that start after December 15, 2017. We are currently evaluating the effect of adoption on our consolidated financial statements.

On April 14, 2016, the FASB issued ASU 2016-10—*Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*. This Update finalizes Proposed ASU 2015-250 and suggests guidance for stakeholders on identifying performance obligations and licenses in customer contracts. The amendments in this Update impact entities with transactions that include contracts with customers to transfer goods or services (that are an output of the entity's ordinary activities) in exchange for consideration. They require entities to recognize revenue by following certain steps including (1) identifying the contract(s) with a customer; (2) identifying the performance obligations in a contract; (3) determining the transaction price; (4) allocating the transaction price to performance obligations in the contract and (5) recognizing revenue when, or as, the entity satisfies a performance obligation. This Update does not impact the core revenue recognition principles in Topic 606, but clarifies the following two aspects of Topic 606—the identification of performance obligations and the licensing implementation guidance—while retaining the related principles for those areas. With respect to the identification of performance obligations, the amendments in this Update are expected to (1) reduce the cost and complexity of applying the guidance on identifying promised goods or services and (2) provide guidance on assessing whether promises to transfer goods or services are distinct by evaluating the separately-identifiable-promises criterion. As for the licensing guidance, the amendments seek to improve its operability and understandability with respect to determining whether an entity's promise to grant a license provides a customer with either a right to use the entity's intellectual property or a right to access the entity's intellectual property. For public entities, the amendments are effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. We do not plan on early adopting this Update. We are currently evaluating the effect of adoption on our consolidated financial statements.

On March 30, 2016, the FASB issued ASU 2016-09—*Compensation-Stock Compensation (Topic 718)*. The FASB is issuing this Update as part of its Simplification Initiative. The amendments in this Update affect all entities that issue share-based payment awards to their employees. The areas for simplification in this Update involve several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liability and classification on the statement of cash flows. Specifically, all excess tax benefits and tax deficiencies should be recognized as income tax expense or benefit in the income statement. The tax effects of exercised or vested awards should be treated as discrete items in the reporting period in which they occur. An entity also should recognize excess tax benefits regardless of whether the benefit reduces taxes payable in the current period. Excess tax benefits should be classified along with other income tax cash flows as an operating activity. An entity can make an entity-wide accounting policy election to either estimate the number of awards that are expected to vest or account for forfeitures when they occur. The threshold to qualify for equity classifications permits withholding up to the maximum statutory tax rates in the applicable jurisdiction. Cash paid by an employer when directly withholding shares for tax-withholding purposes should be classified as a financing activity. For public business entities, the amendments in this Update are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for any entity in any interim or annual period. We do not plan on early adopting this Update. Amendments related to the timing of when excess tax benefits are recognized, minimum statutory withholding requirements, forfeitures and intrinsic value should be applied using a modified retrospective transition method by means of a cumulative-effect adjustment to equity as of the beginning of the period in which the guidance is adopted. Amendments related to the presentation of employee taxes paid on the statement of cash flows when an employer withholds shares to meet the minimum statutory withholding requirement should be applied retrospectively. Amendments requiring recognition of excess tax benefits and tax deficiencies in the income statement and the practical expedient for estimating expected term should be applied prospectively. An entity may elect to apply the amendments related to the presentation of excess tax benefits on the statement of cash flows using either a prospective transition method or a retrospective transition method. We are currently evaluating the effect of adoption on our consolidated financial statements.

On March 17, 2016, the FASB issued ASU 2016-08—*Revenue from Contracts with Customers (Topic 606)—Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*, which finalizes Proposed ASU 2015-290 of the same name, and clarifies the implementation guidance on principal versus agent considerations. In particular, ASU 2016-08 requires an entity to determine whether the nature of its promise is to provide the specified good or service itself (i.e., the entity is a principal) or to arrange for that good or service to be provided by the other party (i.e., the entity is an agent) when another party is involved in providing goods or services to a customer. Additionally, the amendments in this ASU require an entity that is a principal to

recognize revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred to the customer, and require an entity that is an agent to recognize revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified good or service to be provided by the other party. Notably, an entity is a principal if it controls the specified good or service before that good or service is transferred to a customer. The guidance includes indicators to assist in determining whether an entity controls a specified good or service before it is transferred to the customer, but the indicators do not override the assessment of control, should not be viewed in isolation, do not constitute a separate or additional evaluation, and should not be considered a checklist of criteria to be met in all scenarios. Because the amendments in this ASU affect the guidance in ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is not yet effective, ASU 2016-08 will become effective when the guidance in ASU 2014-09 becomes effective. Public business entities should apply the guidance in ASU 2016-08 to annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. We are currently evaluating the effect of adoption on our consolidated financial statements.

On March 15, 2016, the FASB issued ASU 2016-07—*Investments—Equity Method and Joint Ventures (Topic 323)*. The Update simplifies the accounting for equity method investments. The amendments in the Update eliminate the requirement in Topic 323 that an entity retroactively adopt the equity method of accounting if an investment qualifies for use of the equity method as a result of an increase in the level of ownership or degree of influence. The amendments require that the equity method investor add the cost of acquiring the additional interest in the investee to the current basis of the investor's previously held interest and adopt the equity method of accounting as of the date the investment becomes qualified for equity method accounting. The amendments in this Update affect all entities that have an investment that becomes qualified for the equity method of accounting as a result of an increase in the level of ownership interest or degree of influence. The amendments in this Update are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments should be applied prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the adoption of the equity method. Earlier application is permitted. No additional disclosures are required at transition. We are currently evaluating the effect of adoption on our consolidated financial statements.

On February 25, 2016, the FASB issued ASU 2016-02—*Leases (Topic 842)*. The amendments in this Update create Topic 842, *Leases*, and supersede the leases requirements in Topic 840, *Leases*. Topic 842 specifies the accounting for leases. The objective of Topic 842 is to establish the principles that lessees and lessors shall apply to report useful information to users of financial statements about the amount, timing and uncertainty of cash flows arising from a lease. This ASU is the final version of Proposed ASU (Revised) 2013-270—*Leases (Topic 842)*, which has been deleted. ASU 2016-02 includes Section A—Summary and Amendments to the ASC, Section B—Conforming Amendments to Other Topics and Subtopics in the Codification and Status Tables and Section C—Background Information and Basis for Conclusions. This ASU is effective for public entities for annual periods after December 15, 2018, and interim periods therein. Early adoption is permitted for all entities. We are currently evaluating methods of adoption as well as the effect on our consolidated financial statements.

On May 28, 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. ASU 2014-09 supersedes existing revenue recognition guidance, including ASC 605-35, *Revenue Recognition - Construction-Type and Production-Type Contracts*. ASU 2014-09 outlines a single set of comprehensive principles for recognizing revenue under GAAP. Among other things, it requires companies to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time. These concepts, as well as other aspects of ASU 2014-09, may change the method and/or timing of revenue recognition for certain of our contracts. ASU 2014-09 may be applied either retrospectively or through the use of a modified-retrospective method. In August 2015, the FASB issued ASU 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*. The amendments in ASU 2015-14 defer the effective date of ASU 2014-09 for all entities by one year. Public business entities should apply the guidance in ASU 2014-09 to annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. We are currently evaluating methods of adoption as well as the effect on our consolidated financial statements.

Other ASUs effective after June 30, 2016, are not expected to have a material effect on our condensed consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our exposure to market risk relates to changes in interest rates for borrowing under our revolving credit facility. At June 30, 2016, there was no outstanding balance on our revolving credit facility. Borrowings under our revolving credit facility bear interest at variable rates. A hypothetical 10% increase in interest rates would have no effect on our interest expense for the six months ended June 30, 2016.

We do not use derivative financial instruments for speculative or trading purposes. When we have excess cash, we invest in short-term, investment grade, interest-bearing securities. Our investments are made in accordance with an investment policy. Under this policy, no investment securities can have maturities exceeding six months and the weighted average maturity of the portfolio cannot exceed 60 days.

Item 4. Controls and Procedures

Management is responsible for establishing and maintaining adequate disclosure controls and procedures. Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act, such as this Quarterly Report on Form 10-Q, is accurately recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are also designed to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

It should be noted that a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. As a result, our disclosure controls and procedures are designed to provide reasonable assurance that such disclosure controls and procedures will meet their objectives.

As of June 30, 2016, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer (our principal executive officer and principal financial officer, respectively), management evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level described above.

There were no changes in our internal control over financial reporting during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to certain legal proceedings, government audits, investigations, claims and disputes that arise in the ordinary course of our business. 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 Audit Agency. In addition to these routine audits, we are subject from time-to-time to audits and investigations by other agencies of the United States of America (U.S.) government. These audits and investigations are conducted to determine if our performance and administration of our government contracts are compliant with contractual requirements and applicable federal statutes and regulations. An audit or investigation may result in a finding that our performance, systems and administration are 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 U.S. government or a particular agency or civil or criminal proceedings seeking penalties and/or fines. Audits and investigations conducted by the U.S. government frequently span several years.

Although we cannot predict the outcome of these and other legal proceedings, investigations, claims and disputes, based on the information now available to us, we do not believe 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.

Item 1A. Risk Factors

There have been no material changes from the risk factors described in the “Risk Factors” section of our Annual Report on the Form 10-K for the year ended December 31, 2015.

Item 6. Exhibits

Exhibits required by Item 601 of Regulation S-K:

Exhibit	Description of Exhibit
10.1‡	Amendment No. 1 to Amended and Restated Credit Agreement, dated May 17, 2016, by and among the registrant and a syndicate of lenders, including Bank of America, N.A., acting as administrative agent for the lenders.
10.2‡*	Management Incentive Plan of ManTech International Corporation - 2016 Restatement
31.1‡	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
31.2‡	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
32‡	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended.
101	The following materials from the ManTech International Corporation Quarterly Report on Form 10-Q for the quarter ended June 30, 2016, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at June 30, 2016 and December 31, 2015; (ii) Condensed Consolidated Statements of Income for the Three and Six Months Ended June 30, 2016 and 2015; (iii) Condensed Consolidated Statements of Comprehensive Income for the Three and Six Months Ended June 30, 2016 and 2015; (iv) Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2016 and 2015; and (v) Notes to Condensed Consolidated Financial Statements.

‡ Filed herewith.

* Management contract or compensatory plan or arrangement required to be filed as an Exhibit to this report pursuant to item 15(a)(3).

SIGNATURES

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

MANTECH INTERNATIONAL CORPORATION

Date: July 29, 2016

By: _____ /s/ GEORGE J. PEDERSEN
Name: **George J. Pedersen**
Title: **Chairman of the Board of Directors and
Chief Executive Officer**

Date: July 29, 2016

By: _____ /s/ KEVIN M. PHILLIPS
Name: **Kevin M. Phillips**
Title: **Chief Financial Officer**

AMENDMENT NO. 1 TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED CREDIT AGREEMENT dated as of May 17, 2016 (this "Amendment") is entered into among MANTECH INTERNATIONAL CORPORATION, a Delaware corporation (the "Borrower"), the Subsidiaries identified on the signature pages hereto (collectively, the "Guarantors"), the Lenders identified on the signature pages hereto and BANK OF AMERICA, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"), and L/C Issuer.

PRELIMINARY STATEMENTS

The Borrower, the Guarantors, the Lenders, the Administrative Agent, the Swing Line Lender and the L/C Issuer are parties to that certain Amended and Restated Credit Agreement dated as of June 13, 2014 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement").

The Borrower has requested that the Administrative Agent, the L/C Issuer and the Lenders agree to, among other things, increase the Letter of Credit Sublimit from \$25,000,000 to \$50,000,000, as more specifically set forth herein. Subject to the terms and conditions set forth herein, the Administrative Agent, the L/C issuer and each of the Lenders party hereto have agreed to grant such request of the Borrower.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Except as otherwise provided herein, all capitalized undefined terms used in this Amendment (including, without limitation, in the introductory paragraph and the preliminary statements hereto) shall have the meanings assigned thereto in the Credit Agreement.

2. Amendments.

(a) Existing Defined Terms. Section 1.01 of the Credit Agreement is hereby amended as follows:

(i) The definition of "Arrangers" is hereby amended and restated in its entirety as follows:

""Arrangers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated (and its successors or assigns), J.P. Morgan Chase Bank, N.A., PNC Capital Markets LLC, and Wells Fargo Securities, LLC, in their respective capacities as joint lead arrangers and joint bookrunners."

(ii) The definition of "Base Rate" is hereby amended by inserting the following at the end of the first sentence thereof:

“; and if the Base Rate shall be less than zero, such rate shall be zero for purposes of this Agreement”

(iii) The definition of “Change of Control” is hereby amended by deleting the following from subsection (b) (iii) thereof:

“(excluding, in the case of both clause (ii) and clause (iii), any individual whose initial nomination for, or assumption of office as, a member of that board or equivalent governing body occurs as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors by any person or group other than a solicitation for the election of one or more directors by or on behalf of the board of directors);”

(iv) The definition of “Defaulting Lender” is hereby amended by deleting the word “or” between subsections (d)(i) and (d)(ii) thereof and inserting the following at the end of subsection (d)(ii), after the word “capacity” and prior to “; provided”:

“or (iii) become the subject of a Bail-in Action”

(v) The definition of “Eurodollar Rate” is hereby amended by replacing the proviso therein with the following :

“provided that: (i) to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent; and (ii) if the Eurodollar Rate shall be less than zero, such rate shall be zero for purposes of this Agreement.”

(vi) The definition of “Letter of Credit Sublimit” is hereby amended by replacing “\$25,000,000” with “\$50,000,000”.

(b) New Defined Terms. Section 1.01 of the Credit Agreement is hereby amended by inserting each of the following definitions in the appropriate alphabetical order:

““Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.”

““Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the

Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.”

““EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.”

““EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.”

““EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.”

““EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.”

““Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.”

(c) Defaulting Lender Cure. The Credit Agreement is hereby amended by deleting the following from Section 2.16(b):

“and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender’s having been a defaulting Lender.”

and inserting the following in its place:

“and provided, further, that, subject to Section 10.21, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender’s having been a defaulting Lender.”

(d) Tax Indemnification. The Credit Agreement is hereby amended to insert the following at the end of Section 3.01(c)

(i):

“Each of the Loan Parties shall also, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within ten (10) days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.”

(e) Tax Documentation. The Credit Agreement is hereby amended to delete the following from Section 3.01(e)(ii)(C): “this clause (D)” and to insert the following in its place “this clause (C)”.

(f) Counterparts; Integration; Effectiveness. The Credit Agreement is hereby amended to amend and restate in its entirety Section 10.10 as follows:

“Section 10.10 Counterparts; Integration; Effectiveness. This Agreement and each of the other Loan Documents may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, any separate letter agreements with respect to fees payable to the Administrative Agent or the L/C Issuer, and, to the extent applicable, the Swing Line Cash Management Agreement, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement or any other Loan Document, or any certificate delivered thereunder, by fax transmission or e-mail transmission (e.g. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement or such other Loan Document or certificate. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by such manually executed counterpart.”

(g) Acknowledgement and Consent to Bail-In of EEA Financial Institutions. The Credit Agreement is hereby amended to add a new Section 10.21 to read as follows:

“Section 10.21 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.”

(h) Electronic Execution of Assignments and Certain Other Documents. The Credit Agreement is hereby amended to add a new Section 10.22 to read as follows:

“Section 10.22 Electronic Execution of Assignments and Certain Other Documents. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Committed Loan Notices, Swing Line Loan Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided, further without limiting the foregoing, upon

the request of the Administrative Agent, any electronic signature shall be promptly followed by such manually executed counterpart.”

3. Conditions to Effectiveness. This Amendment shall be effective upon satisfaction of each of the following conditions:

(a) Executed Amendment. The Administrative Agent shall have received counterparts of this Amendment executed by the Borrower, the Guarantors, the Required Lenders, the Administrative Agent and the L/C Issuer;

(b) Expenses. The Administrative Agent shall have been reimbursed for all reasonable, out-of-pocket costs and expenses incurred by the Administrative Agent in connection with this Amendment, including the reasonable fees and disbursements of counsel for the Administrative Agent;

(c) Legal Opinion. The Administrative Agent shall have received a written legal opinion from the Borrower’s in-house counsel addressed to the Administrative Agent for the benefit of the Administrative Agent and the Lenders, covering such legal matters as the Administrative Agent may reasonably request and otherwise in form and substance satisfactory to the Administrative Agent;

(d) Resolutions. The Administrative Agent shall have received board resolutions and other closing certificates from the Borrower and the Guarantors reasonably requested by the Administrative Agent;

(e) Secretary’s Certificate. The Administrative Agent shall have received from the Borrower a certificate signed by the secretary or assistant secretary or director of the Borrower, dated the date hereof, in form and substance satisfactory to the Administrative Agent, and certifying evidence of the authorization of the execution, delivery and performance by the Borrower of this Amendment; and

(f) Miscellaneous. The Administrative Agent shall have received, in form and substance satisfactory to it, such additional certificates, documents and other information as the Administrative Agent shall reasonably request.

4. Effect of the Amendment. Except as expressly provided herein, the Credit Agreement and the other Loan Documents shall remain unmodified and in full force and effect. Except as expressly set forth herein, this Amendment shall not be deemed (a) to be a waiver of, or consent to a modification or amendment of, any other term or condition of the Credit Agreement or any other Loan Document, including, without limitation, any future Default or Event of Default, (b) to prejudice any other right or rights which the Administrative Agent or the Lenders may now have or may have in the future under or in connection with the Credit Agreement or the other Loan Documents or any of the instruments or agreements referred to therein, as the same may be amended, restated, supplemented or otherwise modified from time to time, (c) to be a commitment or any other undertaking or expression of any willingness to engage in any further discussion with the Borrower or any other Person with respect to any waiver, amendment, modification or other change

to the Credit Agreement or the Loan Documents or any rights or remedies arising in favor of the Lenders or the Administrative Agent, or any of them, under or with respect to any such documents or (d) to be a waiver of, or consent to a modification or amendment of, any other term or condition of any other agreement by and among any Loan Party, on the one hand, and the Administrative Agent or any other Lender, on the other hand. References in this Amendment to the Credit Agreement (and indirect references such as “hereunder”, “hereby”, “herein”, and “hereof”) and in any Loan Document to the Credit Agreement shall be deemed to be references to the Credit Agreement as modified hereby.

5. Representations and Warranties/No Default. By their execution hereof, each Loan Party hereby represents and warrants as follows:

(a) Such Loan Party has the right, power and authority and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Amendment and each other document executed in connection herewith to which it is a party in accordance with their respective terms.

(b) This Amendment and each other document executed in connection herewith has been duly executed and delivered by its duly authorized officers, and each such document constitutes the legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors’ rights in general and the availability of equitable remedies.

(c) Each of the representations and warranties set forth in the Credit Agreement and the other Loan Documents is true and correct in all material respects as of the date hereof (except to the extent that (i) any such representation or warranty is qualified by materiality or by reference to Material Adverse Effect, in which case such representation or warranty is true and correct in all respects as of the date hereof or (ii) any such representation or warranty relates only to an earlier date, in which case such representation or warranty shall remain true and correct as of such earlier date).

(d) No Default or Event of Default has occurred or is continuing or would result after giving effect to the transactions contemplated by this Amendment.

(e) No Loan Party is an EEA Financial Institution.

6. Reaffirmations. (a) Each Loan Party agrees that the amendment contemplated by this Amendment shall not limit or diminish the obligations of such Person under, or release such Person from any obligations under, the Credit Agreement and each other Loan Document to which it is a party, (b) each Loan Party confirms, ratifies and reaffirms its obligations under the Credit Agreement and each other Loan Document to which it is a party, and (c) each Loan Party agrees that the Credit Agreement and each other Loan Document to which it is a party remain in full force and effect and are hereby ratified and confirmed.

7. FATCA. Borrower hereby certifies to the Administrative Agent and the Lenders that the obligations of the Borrower set forth in the Agreement, as modified by this Amendment, qualify as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i). From and after the effective date of the Amendment, the Borrower shall indemnify the Administrative Agent, and hold it harmless from, any and all losses, claims, damages, liabilities and related interest, penalties and expenses, including, without limitation, Taxes and the fees, charges and disbursements of any counsel for any of the foregoing, arising in connection with the Administrative Agent's treating, for purposes of determining withholding Taxes imposed under the Foreign Account Tax Compliance Act (FATCA), the Amendment as qualifying as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i). The Borrower's obligations hereunder shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all of the Obligations.

8. Miscellaneous

(a) Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO THE CONFLICTS OF LAW PRINCIPLES THEREOF. Without limiting the general applicability of the foregoing and the terms of the other Loan Documents to this Amendment and the parties hereto, the terms of Section 10.14 and Section 10.15 of the Credit Agreement are incorporated herein by reference, *mutatis mutandis*.

(b) Loan Document. This Amendment shall constitute a “Loan Document” under and as defined in the Credit Agreement.

(c) Counterparts; Electronic Execution. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Amendment.

(d) Severability. If any provision of this Amendment is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

(e) Entirety. This Amendment, the other Loan Documents and the other documents relating to the Obligations represent the entire agreement of the parties hereto and thereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the Loan Documents, any other documents relating to the Obligations, or the transactions contemplated herein and therein.

(f) No Actions, Claims, Etc. As of the date hereof, each of the Loan Parties hereby acknowledges and confirms that it has no knowledge of any actions, causes of action, claims, demands, damages and liabilities of whatever kind or nature, in law or in equity, against the

Administrative Agent, the Lenders, or the Administrative Agent's or the Lenders' respective officers, employees, representatives, agents, counsel or directors arising from any action by such Persons, or failure of such Persons to act under the Credit Agreement on or prior to the date hereof.

(g) Successors and Assigns. (i) This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and (ii) the parties hereby agree that Merrill Lynch, Pierce, Fenner & Smith Incorporated may, without notice to the Company, assign its rights and obligations under this Agreement to any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

BORROWER: MANTECH INTERNATIONAL CORPORATION

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

GUARANTORS:

MANTECH ADVANCED SYSTEMS

INTERNATIONAL, INC.

By:
Name:
Title:

MANTECH SRS TECHNOLOGIES, INC.

By:
Name:
Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

ADMINISTRATIVE AGENT: BANK OF AMERICA, N.A.

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

LENDERS:

BANK OF AMERICA, N.A., as a Lender and L/C Issuer

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

PNC BANK, NATIONAL ASSOCIATION, as a Lender and as the Swing Line
Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

BRANCH BANKING AND TRUST COMPANY, as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

CITIZENS BANK OF PENNSYLVANIA, as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

TD BANK, N.A., as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By:

Name:

Title:

Signature Page to
Amendment No. 1 to Amended and Restated Credit Agreement
ManTech International Corporation

**MANAGEMENT INCENTIVE PLAN OF
MANTECH INTERNATIONAL CORPORATION
2016 RESTATEMENT**

SECTION I—PURPOSE OF PLAN

The purpose of this Management Incentive Plan (this “Plan”) of ManTech International Corporation, a Delaware corporation (“ManTech”), is to enable ManTech and its subsidiaries and affiliates (the “Company”) to attract, retain and motivate its directors, officers and other senior management and technical personnel and to further align the interests of such persons with those of the stockholders of ManTech by providing for or increasing the proprietary interest of such persons in ManTech.

SECTION II—ADMINISTRATION OF PLAN

2.1 *Composition of Committee.* This Plan shall be administered by the Compensation Committee of ManTech’s Board of Directors (the “Committee”), as appointed from time to time by the Board of Directors (the “Board”). The Board, in its sole discretion, may exercise any authority of the Committee under this Plan in lieu of the Committee’s exercise thereof and in such instances references herein to the Committee shall refer to the Board. Unless otherwise provided by the Board:

(a) with respect to any Award that the Committee intends to be exempted by Rule 16b-3(d)(1) or (e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Committee shall consist of two or more directors each of whom is a “non-employee director” (as such term is defined in Rule 16b-3 promulgated under the Exchange Act, as such Rule may be amended from time to time),

(b) with respect to any Award that the Committee intends to qualify as “performance-based compensation” under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), the Committee shall consist of two or more directors, each of whom is an “outside director” (as such term is defined under Code Section 162(m)), and

(c) with respect to any other Award, the Committee may appoint one or more separate committees (any such committee, a “Subcommittee”) composed of one or more directors of ManTech (who may but need not be members of the Committee) or to the extent permitted under Delaware law, officers of ManTech, and may delegate to any such Subcommittee(s) the authority to grant Awards under this Plan to Eligible Persons, to determine all terms of such Awards, and/or to administer this Plan or any aspect of it. Any action by any such Subcommittee within the scope of such delegation shall be deemed for all purposes to have been taken by the Committee.

The Committee may designate the Secretary of ManTech or other Company employees to assist the Committee in the administration of this Plan, and may grant authority to such persons to execute agreements or other documents evidencing Awards made under this Plan or other documents entered into under this Plan on behalf of the Committee or ManTech, to make determinations under this Plan or Awards and to interpret the terms of the Plan and Awards. Any such action by any such person(s) within the scope of such delegation shall be deemed for all purposes to have been taken or made by the Committee. Notwithstanding the foregoing, granting an Award in a manner that is inconsistent with this Section 2.1 shall not render such Award ineffective or void, to the extent permitted by applicable laws.

2.2 *Powers of the Committee.* Subject to the express provisions and limitations set forth in this Plan, the Committee shall be authorized and empowered to do all things necessary or desirable, in its sole discretion, in connection with the administration of this Plan, including, without limitation, the following:

(a) to prescribe, amend and rescind rules and regulations relating to this Plan and to define terms not otherwise defined herein; provided that, unless the Committee shall specify otherwise, for purposes of this Plan (i) the term “fair market value” shall mean, as of any date, the closing price for a Share (as defined in Section 3.1) reported on Nasdaq Stock Market (or such other stock exchange or quotation system on which Shares are then listed or quoted) for such date (or, if such date is not a business day, the most recent business day immediately preceding such date); and (ii) the term “Company” shall mean ManTech and its subsidiaries and affiliates, unless the context otherwise requires;

(b) to determine which persons are Eligible Persons (as defined in Section 4), to which of such Eligible Persons, if any, Awards shall be granted hereunder and the timing of any such Awards;

(c) to grant Awards to Eligible Persons and determine the terms and conditions thereof, including the number of Shares subject to Awards and the exercise or purchase price of such Shares and the circumstances under which Awards become exercisable or vested or are forfeited or expire, which terms may but need not be conditioned upon the passage of time, continued service as a director or an employee, the satisfaction of performance criteria, the occurrence of certain events (including events which the Board or the Committee determine constitute a change of control), or other factors;

(d) to establish, verify the extent of satisfaction of, adjust, reduce or waive any performance goals or other conditions applicable to the grant, issuance, exercisability, vesting and/or ability to retain any Award;

(e) to prescribe and amend the terms of the agreements or other documents evidencing Awards made under this Plan (which need not be identical), provided that the power to amend does not extend to any amendment which would cause an award to fail to meet the requirements of Code Section 409A;

(f) to determine whether, and the extent to which, adjustments are required pursuant to Section 12 and Section 13;

(g) to interpret and construe this Plan, any rules and regulations under this Plan and the terms and conditions of any Award granted hereunder, and to make exceptions to any such provisions in good faith and for the benefit of the Company;

(h) to the extent allowed by applicable laws, rules and regulations, to delegate to designated executive officers the power and authority to determine the terms of and to grant awards under this plan to the Company’s non-executive officers; and

(i) to make all other determinations deemed necessary or advisable for the administration of this Plan.

2.3 Determinations of the Committee. All decisions, determinations and interpretations by the Committee regarding this Plan shall be final and binding on all Eligible Persons and Participants. The Committee shall consider such factors as it deems relevant to making such decisions, determinations and interpretations including, without limitation, the recommendations or advice of any director, officer or employee of the Company and such attorneys, consultants and accountants as it may select.

SECTION III—STOCK SUBJECT TO PLAN

3.1 Aggregate Limits. As of May 5, 2016, the effective date of the 2016 restatement of the Plan, the total number of shares of ManTech’s Class A Common Stock, \$.01 par value (“Shares”) that has been reserved for issuance under the Plan since its adoption in 2002 is 13,382,296 shares (which includes the Plan’s initial reserve of 3,000,000 Shares, the 1,500,000 Share increases under each of the 2006 and 2011 restatements of the Plan and the automatic annual increases described below). The number of Shares available for issuance under the Plan will continue to be automatically increased on the first trading day of January each calendar year during the term of the Plan by an amount equal to one and one-half percent (1.5%) of the total number

of Shares outstanding (including all outstanding classes of common stock) on the last trading day in December of the immediately preceding calendar year, but in no event shall any such annual increase exceed one million five hundred thousand (1,500,000) Shares. The aggregate number of Shares available for issuance under this Plan and the number of Shares subject to outstanding Options or other Awards shall be subject to adjustment as provided in Section 12.2. The Shares issued pursuant to this Plan may be Shares that previously were issued by ManTech, including Shares purchased in the open market, or authorized but unissued Shares.

3.2 *Tax Code Limits.* The following limitations shall apply to Awards (or portions of Awards) that are intended to qualify as “performance-based compensation” under Code Section 162(m): (a) no Eligible Person shall be granted Awards (other than Incentive Bonuses that are not denominated or otherwise determined by reference to Shares) during any calendar year that, alone or in the aggregate, provide for the issuance of more than 1,000,000 Shares, (b) the maximum amount payable to any one Eligible Person in any calendar year pursuant to Incentive Bonuses that are not denominated or otherwise determined by reference to Shares shall be \$4,000,000, and (c) the maximum amount of cash dividends or dividend equivalents payable pursuant to Awards to any one Eligible Person in any calendar year shall not exceed \$500,000. Notwithstanding anything to the contrary in this Plan, the foregoing limitations shall be subject to adjustment under Section 12 and Section 13, but only to the extent that such adjustment will not affect the status of any Award intended to qualify as “performance-based compensation” under Code Section 162(m). The foregoing limitations shall not apply to the extent that they are no longer required in order for compensation in connection with grants under this Plan to be treated as “performance-based compensation” under Code Section 162(m). All Shares available for issuance under this Plan may be subject to Options which intend to qualify as Incentive Stock Options (“ISOs”) pursuant to Code Section 422. However, subject to adjustment pursuant to Section 12 and Section 13, the aggregate number of ISOs available for issuance shall not exceed 6,000,000.

3.3 *Issuance of Shares.* For purposes of Section 3.1, the aggregate number of Shares issued under this Plan at any time shall equal only the number of Shares actually issued upon exercise or settlement of an Award and shall not include Shares subject to Awards that have been canceled, expired, forfeited or settled in cash or Shares subject to Awards that have been delivered (either actually or constructively by attestation) to or retained by the Company in payment or satisfaction of the purchase price, exercise price or tax withholding obligation of an Award.

SECTION IV—PERSONS ELIGIBLE UNDER PLAN

4.1 *Eligible Employees and Participants.* Any person who is a director or an employee of the Company or of any of its subsidiaries or affiliates shall be eligible to be considered for the grant of Awards hereunder (an “Eligible Person”). Unless provided otherwise by the Committee, the term “employee” shall mean an “employee” as such term is defined in General Instruction A to Form S-8 under the Securities Act of 1933, as amended. A “Participant” is any current or former Eligible Person to whom an Award has been made and any person (including any estate) to whom an Award has been assigned or transferred pursuant to Section 11.1.

4.2 *Less Than Full Time Employment.* The Committee shall have the right to determine the effect, if any, on the vesting, exercisability, retention and/or forfeiture of an Award as a result of any decreased level of employment during any period in which a Participant is on an approved leave of absence or is employed on a less than full time basis, and the Committee may take into consideration any accounting consequences to the Company in making any such adjustment.

4.3 *Termination of Employment.* For purposes of this Plan, “termination of employment” shall mean ceasing to serve as a full time employee or as a director of the Company, except that an approved leave of absence, or approved employment on a less than full time basis, or continuing to provide services as an

independent contractor following termination of employment as an employee, may constitute employment if provided by the Committee. The Committee shall determine whether any corporate transaction, such as a sale or spin-off of a division, business unit, joint venture or subsidiary that employs a Participant, shall be deemed to result in a termination of employment with the Company for purposes of any affected Participant's Awards. To the extent required for an Award to comply with Code Section 409A, references to termination of employment and words of similar import shall be read as meaning "separation from service" as that term is used in Code Section 409A.

SECTION V—PLAN AWARDS

5.1 *Award Types*. The Committee, on behalf of the Company, is authorized under this Plan to enter into certain types of arrangements with Eligible Persons and to confer certain benefits on them. The following arrangements or benefits are authorized under this Plan if their terms and conditions are not inconsistent with the provisions of this Plan: Options, Incentive Bonuses, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, dividends and dividend equivalents. Such arrangements and benefits are sometimes referred to herein as "Awards." The authorized types of arrangements and benefits for which Awards may be granted are defined as follows:

(a) Options: An Option is a right granted under Section 6 to purchase a number of Shares at such exercise price, at such times, and on such other terms and conditions as are specified in the agreement(s) or terms and conditions or other document(s) evidencing the Award (the "Option Document"). Options intended to qualify as ISOs pursuant to Code Section 422 and Options not intended to qualify as ISOs ("Nonqualified Options") may be granted under Section 6.

(b) Incentive Bonus: An Incentive Bonus is a bonus opportunity awarded under Section 7 pursuant to which a Participant may become entitled to receive an amount, payable in cash or Shares, based on satisfaction of such performance criteria as are specified in the agreement(s) or other document(s) evidencing the Award (the "Incentive Bonus Document").

(c) Restricted Stock: Restricted Stock is an award or issuance of Shares made under Section 8, the grant, issuance, retention, vesting and/or transferability of which is subject during specified periods of time to such conditions (which may include continued service as a director or an employee or performance conditions) and terms as are expressed in the agreement(s) or other document(s) evidencing the Award (the "Restricted Stock Document").

(d) Stock Appreciation Rights: A Stock Appreciation Right is a right granted under Section 9 that is exercisable at such times and on such other terms and conditions as are specified in the agreement(s) or terms and conditions or other document(s) evidencing the Award (the "Stock Appreciation Rights Document").

(e) Restricted Stock Units: A Restricted Stock Unit is an award granted under Section 10 that represents an unfunded and unsecured obligation of the Company to issue Shares or cash upon satisfaction of such service-based or performance criteria as are specified in the agreement(s) or other document(s) evidencing the Award ("RSU Document"). A Restricted Stock Unit is a notional unit of measurement with a value that is equal to the fair market value of a Share.

5.2 *Grants of Awards*. An Award may consist of one such arrangement or benefit described in Section 5.1 or two or more such arrangements or benefits in tandem or in the alternative. Awards may include a tandem stock or cash right feature pursuant to Section 11.5.

SECTION VI—OPTIONS

The Committee may grant an Option or provide for the grant of an Option, either from time to time in the discretion of the Committee or automatically upon the occurrence of specified events, including, without limitation, the achievement of performance goals, or the satisfaction of an event or condition within the control of the recipient of the Award or within the control of others.

6.1 *Option Document.* Each Option Document shall contain provisions regarding (a) the number of Shares that may be issued upon exercise of the Option, (b) the purchase price of the Shares and the means of payment for the Shares, (c) the term of the Option, (d) such terms and conditions on the vesting and/or exercisability of an Option as may be determined from time to time by the Committee, (e) restrictions on the transfer of the Option and forfeiture provisions and (f) such further terms and conditions, in each case not inconsistent with this Plan as may be determined from time to time by the Committee. Option Documents evidencing ISOs shall contain such terms and conditions as may be necessary to qualify, to the extent determined desirable by the Committee, with the applicable provisions of Code Section 422.

6.2 *Option Price.* The purchase price per share of the Shares subject to each Option granted under this Plan shall be determined by the Committee and shall equal or exceed 100% of the fair market value on the date the Option is granted (110% of the fair market value on the date the Option is granted in the case of an ISO granted to an Eligible Person who at the time of grant owns more than 10 percent of the total combined voting power of all classes of stock of ManTech within the meaning of Code Section 422). Without prior shareholder approval, the Committee is expressly prohibited from repricing an Option if the exercise price of the new Option would be less than the exercise price of the Option under the existing Option Award, including any Option surrendered for cancellation.

6.3 *Option Term.* The “Term” of each Option granted under this Plan shall not exceed 8 years from the date of its grant, and shall not exceed 5 years from the date of its grant in the case of an ISO granted to an employee who at the time of grant owns more than 10 percent of the total combined voting power of all classes of stock of ManTech within the meaning of Code Section 422. Reload Options issued on the exercise of an Option are expressly prohibited.

6.4 *Option Vesting.* Options granted under this Plan shall become vested and/or exercisable at such time and in such installments during the period prior to the expiration of the Option’s Term as determined by the Committee. Unless the Committee provides otherwise, Options shall vest in one-third (1/3) increments on the first, second and third anniversaries of the date the Option is granted, provided that the Participant is a director or employee of the Company on each applicable date, and subject to accelerated vesting on such events or conditions (including death, disability, or the actual occurrence of a change in control) as the Committee may provide for in its discretion. The Committee shall have the right to make the timing of the ability to exercise any Option granted under this Plan subject to continued service as a director or an employee, the passage of time and/or such performance requirements as deemed appropriate by the Committee.

6.5 *Termination of Employment or Service.* Unless the Committee provides otherwise, the terms of any Option granted under this Plan shall provide (a) that if the Eligible Person to whom such Option was granted terminates employment for any reason other than death or disability, the Option shall not thereafter become exercisable to an extent greater than it could have been exercised on the date of the Eligible Person’s termination of employment, and that on the death or disability of an Eligible Person the Option shall become fully exercisable; and (b) that the Option shall expire and cease to be exercisable upon the earlier of the expiration of the Option Term and (i) in the case of the Eligible Person’s termination of employment on account of death or disability or ceasing to serve as a director for any reason, the first anniversary of the termination of the Eligible Person’s employment, (ii) in the case of the Eligible Person’s termination of employment on account of a termination for cause, immediately upon the termination of the Eligible Person’s employment, and (iii) in the case of the Eligible Person’s termination of employment for any reason other

than the foregoing, ninety (90) days after the termination of the Eligible Person's employment, unless such person served as a director, in which case clause (b)(i) of this Section 6.5 shall apply.

6.6 *Payment of Exercise Price.* The exercise price of an Option shall be paid in the form of one or more of the following, as the Committee shall specify, either through the terms of the Option Document or at the time of exercise of an Option: (a) cash or certified or cashiers' check, (b) shares of capital stock of ManTech that have been held by the Participant for such period of time as the Committee may specify, (c) other property deemed acceptable by the Committee, (d) a reduction in the number of Shares or other property otherwise issuable pursuant to such Option, (e) payment under an arrangement with a broker acceptable to ManTech where payment is made pursuant to an irrevocable commitment by the broker to deliver to ManTech proceeds from the sale of the Shares issuable upon exercise of the Option, or (f) any combination of (a) through (e).

SECTION VII—INCENTIVE BONUSES

Each Incentive Bonus Award will confer upon the Eligible Person the opportunity to earn a future payment tied to the level of achievement with respect to one or more performance criteria established for a performance period established by the Committee.

7.1 *Incentive Bonus Document.* Each Incentive Bonus Document shall contain provisions regarding (a) the minimum, target and maximum amount payable to the Participant as an Incentive Bonus, (b) the performance criteria and level of achievement versus these criteria that shall determine the amount of such payment, (c) the term of the performance period as to which performance shall be measured for determining the amount of any payment, (d) the timing of any payment earned by virtue of performance, (e) restrictions on the alienation or transfer of the Incentive Bonus prior to actual payment, (f) forfeiture provisions and (g) such further terms and conditions, in each case not inconsistent with this Plan as may be determined from time to time by the Committee. The maximum amount payable as an Incentive Bonus may be a multiple of the target amount payable.

7.2 *Performance Criteria.*

(a) The Committee shall establish the performance criteria and level of achievement versus these criteria that shall determine the target and maximum amount payable under an Incentive Bonus Award, which criteria may be based on financial performance and/or personal performance evaluations. The Committee may specify the percentage of the target Incentive Bonus that is intended to satisfy the requirements for "performance-based compensation" under Code Section 162(m).

(b) Notwithstanding anything to the contrary herein, the following provisions shall apply for any portion of an Incentive Bonus that is intended by the Committee to satisfy the requirements for "performance-based compensation" under Code Section 162(m). The performance criteria shall be a measure based on one or more Qualifying Performance Criteria (as defined in Section 11.2) selected by the Committee and specified at the time the Incentive Bonus Award is granted. Any Incentive Bonus Award shall be made not later than 90 days after the start of the period for which the Incentive Bonus relates and shall be made prior to the completion of 25% of the period. The Committee may not increase the amount of cash or Shares that would otherwise be payable upon achievement of the Qualifying Performance Criteria but may reduce or eliminate the payments as provided in an Incentive Bonus Award. The Committee shall certify the extent to which any Qualifying Performance Criteria has been satisfied, and the amount payable as a result thereof. An Incentive Bonus that is intended by the Committee to satisfy the requirements for "performance-based compensation" under Code section 162(m) may, in the Committee's discretion or as provided in an Incentive Bonus Document, be paid without regard to the attainment of the Qualifying Performance Criteria only in the event of a Participant's death or disability, or the actual occurrence of a change in control (each as

determined by the Committee in accordance with the requirements of Code Section 162(m) or with such additional requirements as the Committee may choose to impose).

7.3 Timing and Form of Payment. The Committee shall determine the timing of payment of any Incentive Bonus which shall generally be no later than March 15 of the following calendar year after the performance period. Subject to applicable limitations under Code Section 409A, the Committee may provide for or, subject to such terms and conditions as the Committee may specify, may permit a Participant to elect for the payment of any Incentive Bonus to be deferred to a specified date or event. An Incentive Bonus may be payable in Shares or in cash or other property, in each case as determined by the Committee. Any Incentive Bonus that is paid in cash or other property shall not affect the number of Shares otherwise available for issuance under this Plan.

7.4 Discretionary Adjustments. Notwithstanding satisfaction of any performance goals, to the extent the Committee provides in the Incentive Bonus Document, the amount paid under an Incentive Bonus Award on account of either financial performance or personal performance evaluations may be reduced by the Committee on the basis of such further considerations as the Committee shall determine.

SECTION VIII—RESTRICTED STOCK

Restricted Stock is an award or issuance of Shares the grant, issuance, retention, vesting and/or transferability of which is subject during specified periods of time to such conditions (including continued employment or service as a director or performance conditions) and terms as the Committee deems appropriate.

8.1 Restricted Stock Document. Each Restricted Stock Document shall contain provisions regarding (a) the number of Shares subject to such Award or a formula for determining such, (b) the purchase price of the Shares, if any, and the means of payment for the Shares, (c) the performance criteria, if any, and level of achievement versus these criteria that shall determine the number of Shares granted, issued, retainable and/or vested, (d) such terms and conditions on the grant, issuance, vesting and/or forfeiture of the Shares as may be determined from time to time by the Committee, (e) restrictions on the transferability of the Shares, and (f) such further terms and conditions in each case not inconsistent with this Plan as may be determined from time to time by the Committee. The Committee may provide for the award of Restricted Stock in exchange for a Participant's waiver of a bonus or other compensation.

8.2 Sale Price. Subject to the requirements of applicable law, the Committee shall determine the price, if any, at which Shares of Incentive Stock shall be sold or awarded to an Eligible Person, which may vary from time to time and among Eligible Persons and which may be below the fair market value of such Shares at the date of grant or issuance.

8.3 Share Vesting. The grant, issuance, retention and/or vesting of Shares of Restricted Stock shall occur at such time and in such installments as determined by the Committee or under criteria established by the Committee. The Committee shall have the right to make the timing of the grant and/or the issuance, ability to retain and/or vesting of Shares of Restricted Stock subject to continued employment or service as a director, passage of time and/or such performance criteria as provided by the Committee. Unless otherwise determined by the Committee, Shares of Restricted Stock granted to employees shall vest in one-third (1/3) increments on the first, second and third anniversaries of the date the Restricted Stock is granted and Shares of Restricted Stock granted to directors shall vest fully on the first anniversary of the date the Restricted Stock is granted, provided that the Participant has provided continuous services to the Company through each applicable date, and subject to accelerated vesting on such events or conditions (including death, disability, or the actual occurrence of a change in control) as the Committee may provide for in its discretion. Notwithstanding anything to the contrary herein, any Restricted Stock that is intended to satisfy the

requirements for “performance-based compensation” under Code Section 162(m) shall be granted and administered in accordance with the requirements set forth in Section 7.2(b) above.

8.4 *Discretionary Adjustments*. Notwithstanding satisfaction of any performance goals, to the extent provided at the time of grant, the number of Shares granted, issued, retainable and/or vested under a Restricted Stock Award on account of either financial performance or personal performance evaluations may be adjusted by the Committee on the basis of such further considerations as the Committee shall determine.

8.5 *Termination of Employment or Service*. Upon a termination of employment with the Company by a Participant prior to the vesting of or the lapsing of restrictions on Restricted Stock, the Restricted Stock Awards granted to such Participant shall be subject to such procedures as determined by the Committee.

SECTION IX—STOCK APPRECIATION RIGHTS

The Committee may grant a Stock Appreciation Right or provide for the grant of an Stock Appreciation Right, either from time to time in the discretion of the Committee or automatically upon the occurrence of specified events, including, without limitation, the achievement of performance goals or the satisfaction of an event or condition within the control of the recipient of the Award or within the control of others.

9.1 *Stock Appreciation Right Document*. Each Stock Appreciation Right Document shall contain provisions regarding (a) the number of Stock Appreciation Rights issued, (b) the term of the Stock Appreciation Right, (c) such terms and conditions on the vesting and/or exercisability of a Stock Appreciation Right as may be determined from time to time by the Committee, (d) restrictions on the transfer of the Stock Appreciation Right and forfeiture provisions, and (e) such further terms and conditions, in each case not inconsistent with this Plan as may be determined from time to time by the Committee.

9.2 *Stock Appreciation Right Pricing*. The initial value per share of a Stock Appreciation Right granted under this Plan shall equal or exceed 100% of the fair market value for a Share on the date the Stock Appreciation Right is granted. A Stock Appreciation Right may not be amended to reduce the fair market value of a Share on the date of grant, except as provided in Section 12 and Section 13.

9.3 *Stock Appreciation Right Term*. The Committee shall determine the “Term” of each Stock Appreciation Right granted under this Plan and the Term shall not exceed 8 years from the date of its grant.

9.4 *Stock Appreciation Right Vesting*. Stock Appreciation Rights granted under this Plan shall become vested and/or exercisable at such time and in such installments during the period prior to the expiration of the Stock Appreciation Right’s Term as determined by the Committee. Unless the Committee provides otherwise, Stock Appreciation Rights shall vest in one-third (1/3) increments on the first, second and third anniversaries of the date the Stock Appreciation Right is granted, provided that the Participant is a director or employee of the Company on each applicable date, and subject to accelerated vesting on such events or conditions (including death, disability, or the actual occurrence of a change in control) as the Committee may provide for in its discretion. The Committee shall have the right to make the timing of the ability to exercise any Stock Appreciation Right granted under this Plan subject to continued service as a director or an employee, the passage of time and/or such performance requirements as deemed appropriate by the Committee.

9.5 *Termination of Employment or Service*. Unless the Committee provides otherwise, the terms of any Stock Appreciation Right granted under this Plan shall provide (a) that if the Eligible Person to whom such Stock Appreciation Right was granted terminates employment for any reason other than death or disability, the Stock Appreciation Right shall not thereafter become exercisable to an extent greater than it could have been exercised on the date the Eligible Person terminates employment, and that on the death or disability of an Eligible Person the Stock Appreciation Right shall become fully exercisable; and (b) that the

Stock Appreciation Right shall expire and cease to be exercisable upon the earlier of the expiration of the Stock Appreciation Right Term and (i) in the case of the Eligible Person's termination of employment on account of death or disability or ceasing to serve as a director for any reason, the first anniversary of the termination of the Eligible Person's employment, (ii) in the case of the Eligible Person's termination of employment on account of a termination for cause, immediately upon the termination of the Eligible Person's employment, and (iii) in the case of the Eligible Person's termination of employment for any reason other than the foregoing, ninety (90) days after the termination of the Eligible Person's employment, unless such person served as a director, in which case clause (b)(i) of this Section 9.5 shall apply.

9.6 *Payment on Stock Appreciation Right.* Stock Appreciation Rights shall entitle the Participant, upon exercise of all or any part of the Stock Appreciation Rights, to surrender to the Company the portion of the Stock Appreciation Rights so exercised and to receive in exchange from the Company an amount equal to the excess of (x) the fair market value on the date of exercise of the Shares covered by the surrendered portion of the Stock Appreciation Right over (y) the initial value of the surrendered portion of the Stock Appreciation Right. Such amount may be paid in cash or in Shares, or a combination of both, as set forth in the Stock Appreciation Right Document or otherwise provided for in the Committee's discretion. The Committee may limit the amount that the Participant will be entitled to receive upon exercise of Stock Appreciation Rights.

SECTION X—RESTRICTED STOCK UNITS

Restricted Stock Units may be granted alone or, to the extent permitted by applicable law and Code Section 409A, in combination with another Award.

10.1 *RSU Document.* Each RSU Document shall contain provisions regarding (a) the number of Restricted Stock Units issued, (b) the term of the Restricted Stock Units, (c) such terms and conditions on the vesting of the Restricted Stock Units as may be determined from time to time by the Committee, (e) restrictions on the transfer of the Restricted Stock Units, and (f) such further terms and conditions in each case not inconsistent with this Plan as may be determined from time to time by the Committee.

10.2 *Restricted Stock Unit Vesting.* The grant and vesting of Restricted Stock Units shall occur at such time and in such installments as determined by the Committee or under criteria established by the Committee. The Committee shall have the right to make the timing of the grant and/or vesting of Restricted Stock Units subject to continued employment or service as a director, passage of time and/or such performance criteria as provided by the Committee. Notwithstanding anything to the contrary herein, any Restricted Stock Unit that is intended to satisfy the requirements for "performance-based compensation" under Code Section 162(m) shall be granted and administered in accordance with the requirements set forth in Section 7.2(b) above.

10.3 *Payment of Restricted Stock Units.* Unless provided otherwise by the Committee or specified in the RSU Document settlement of Restricted Stock Units shall be made by issuance of Shares and shall occur within 60 days of the applicable vesting date or dates as set forth in the RSU Document. The Committee may provide for Restricted Stock Units to be settled in Shares or cash. Unless expressly provided otherwise in an RSU Document, dividend equivalents shall not be provided with respect to Restricted Stock Units. To the extent that a Restricted Stock Unit is subject to Code Section 409A, the terms of the Restricted Stock Unit shall be set and administered to comply with the requirements of that section.

10.4 *Discretionary Adjustments.* Until a Restricted Stock Unit is settled, the number of Shares represented by a Restricted Stock Unit Award shall be subject to adjustment pursuant to Section 11 and Section 12. Notwithstanding satisfaction of any performance goals, to the extent provided at the time of grant, the number of Restricted Stock Units granted and/or vested under a Restricted Stock Unit Award on

account of either financial performance or personal performance evaluations may be adjusted by the Committee on the basis of such further considerations as the Committee shall determine.

10.5 *Termination of Employment or Service.* The RSU Documents will describe the treatment of Restricted Stock Units upon a termination of employment.

SECTION XI—OTHER PROVISIONS APPLICABLE TO AWARDS

11.1 *Transferability*. Unless the agreement or other document evidencing an Award (or an amendment thereto authorized by the Committee) expressly states that the Award is transferable as provided hereunder, no Award granted under this Plan, nor any interest in such Award, may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred any manner prior to the vesting or lapse of any and all restrictions applicable thereto, other than by will or the laws of descent and distribution. The Committee may grant an Award or amend an outstanding Award to provide that the Award is transferable or assignable (a) in the case of a transfer without the payment of any consideration, to any “family member” as such term is defined in Section 1(a)(5) of the General Instructions to Form S-8 under the 1933 Act, as such may be amended from time to time, or (b) in any transfer described in clause (ii) of Section 1(a)(5) of the General Instructions to Form S-8 under the 1933 Act as amended from time to time, provided that following any such transfer or assignment the Award will remain subject to substantially the same terms applicable to the Award while held by the Participant, as modified as the Committee shall determine appropriate, and as a condition to such transfer the transferee shall execute an agreement agreeing to be bound by such terms.

11.2 *Qualifying Performance Criteria*. For purposes of Awards (or portions of Awards) that are intended to qualify as “performance-based compensation” under Code Section 162(m), the term “Qualifying Performance Criteria” shall mean any one or more of the following performance criteria, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business group, subsidiary, or other division, either individually, alternatively or in any combination, and measured either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years’ results or to a designated comparison group, in each case as specified by the Committee in the Award: (a) earnings measures (including earnings per share and earnings before interest, taxes and/or amortization and/or depreciation), (b) revenue (including revenue from direct labor, subcontractors or any other category), (c) contract bookings, (d) income or net income, (e) operating margin or profit margin, (f) operating income or net operating income, (g) return on operating revenue, (h) stock price, (i) return on equity, capital, assets or similar measure, (j) total stockholder return, (k) cash flow, (l) days sale outstanding, (m) cost control, (n) inter-company revenue or operating profit, (o) employee turnover, (p) staff hiring, (q) completion of mergers or acquisitions, (r) market share, (s) cash management, (t) debt reduction, (u) cycle-time improvement, (v) completion of specified projects or processes, and/or (w) forecast accuracy of any performance criteria. For purposes of Awards (or portions of Awards) that are not intended to qualify as “performance-based compensation” under Code Section 162(m), the term “Qualifying Performance Criteria” shall mean the performance criteria listed above or any performance criteria specified by the Committee. To the extent consistent with Code Section 162(m), the Committee shall have the right to appropriately adjust any evaluation of performance under a Qualifying Performance Criteria to exclude any of the following events that occurs during a performance period: (i) asset write-downs, (ii) litigation or claim judgments or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results, (iv) accruals for discontinued operations, reorganization and restructuring programs, and (v) any significant unusual or infrequently occurring items as described in Accounting Standards Codification 225-20 and/or in management’s discussion and analysis of financial condition and results of operations appearing in ManTech’s annual report to stockholders for the applicable year.

11.3 *Dividends*. Unless otherwise provided by the Committee, no adjustment shall be made in Shares issuable under Awards on account of cash dividends that may be paid or other rights that may be issued to the holders of Shares prior to their issuance under any Award. No dividends or dividend equivalent amounts shall accrue or be paid to any Participant with respect to the Shares subject to any Award that have not vested

or been issued or that are subject to any restrictions or conditions on the record date for dividends, unless the Committee provides otherwise.

11.4 *Documents Evidencing Awards.* The Committee shall, subject to applicable law, determine the date an Award is deemed to be granted, which for purposes of this Plan shall not be affected by the fact that an Award is contingent on subsequent events. The Committee or, except to the extent prohibited under applicable law, its delegate(s) may establish the terms of written or electronic agreements or other documents evidencing Awards under this Plan and may, but need not, require as a condition to any such agreement's or document's effectiveness that such agreement or document be executed by the Participant and that such Participant agree to such further terms and conditions as specified in such agreement or document. The grant of an Award under this Plan shall not confer any rights upon the Participant holding such Award other than such terms, and subject to such conditions, as are specified in this Plan as being applicable to such type of Award (or to all Awards), or as are expressly set forth in the agreement or other document evidencing such Award. The terms of an Award may be contained in more than one document, and wherever reference is made in this Plan to an "Option Document," or "Restricted Stock Document," or other similar phrase, the reference shall include all of the separate documents that together may comprise the terms and conditions relating to the Award.

11.5 *Tandem Stock or Cash Rights.* Either at the time an Award is granted or by subsequent action, the Committee may, but need not, provide that an Award shall contain as a term thereof, a right, either in tandem with the other rights under the Award or as an alternative thereto, of the Participant to receive, without payment to the Company, a number of Shares, cash, or a combination thereof, the amount of which is determined by reference to the value of the Award.

11.6 *Additional Restrictions on Awards.* Either at the time an Award is granted or by subsequent action, the Company may, but need not, impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by a Participant or other subsequent transfers by a Participant of any Shares issued under an Award, including without limitation (a) restrictions under an insider trading policy, (b) restrictions designed to delay and/or coordinate the timing and manner of sales by Participants, and (c) restrictions as to the use of a specified brokerage firm for such resales or other transfers.

11.7 *Clawback.* Any Awards issued under the Plan shall be subject to recovery by the Company in accordance with the requirements of applicable law and the terms of any compensation recovery or clawback policy adopted by ManTech as in effect from time to time.

SECTION XII—CHANGES IN CAPITAL STRUCTURE

12.1 *Corporate Actions Unimpaired.* The existence of outstanding Awards (including any Options) shall not affect in any way the right and power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations, exchanges, or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issuance of Shares or other securities or subscription rights thereto, or any issuance of bonds, debentures, preferred or prior preference stock ahead of or affecting the Shares or other securities of the Company or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise. Further, except as expressly provided herein or by the Committee, (a) the issuance by the Company of shares of stock of any class of securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefore, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, (b) the payment of a dividend in property other than Shares, or (c) the occurrence of any similar transaction, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares

subject to Options or other Awards theretofore granted or the purchase price per Share, unless the Committee shall determine in its sole discretion that an adjustment is necessary to provide equitable treatment to a Participant.

12.2 *Adjustments Upon Certain Events.* If the outstanding Shares or other securities of the Company, or both, for which the Award is then exercisable or as to which the Award is to be settled shall at any time be changed or exchanged by declaration of a stock dividend, stock split, combination of shares, recapitalization, reorganization, merger, acquisition or combination or in the event of an extraordinary dividend paid in cash, debt or property, in each case as such events may be determined by the Committee to occur, the Committee shall appropriately and equitably adjust the number and kind of Shares or other securities which are subject to this Plan or subject to any Awards theretofore granted, and the exercise or settlement prices of such Awards, so as to maintain the proportionate number of Shares or other securities without changing the aggregate exercise or settlement price; provided, however, that such adjustment shall be made so as to not affect the status of any Award intended to qualify as an ISO or as “performance-based compensation” under Code Section 162(m) or as exempt from Code Section 409A.

SECTION XIII—CORPORATE TRANSACTIONS

13.1 *Assumption or Replacement of Awards by Successor.* In the event of (a) a dissolution or liquidation of ManTech, (b) a merger or consolidation in which ManTech is not the surviving corporation (other than a merger or consolidation with a wholly-owned subsidiary, a reincorporation of ManTech in a different jurisdiction, or other transaction in which there is no substantial change in the stockholders of ManTech or their relative stock holdings and the Awards granted under this Plan are assumed, converted or replaced by the successor corporation, which assumption will be binding on all Participants), (c) a merger in which ManTech is the surviving corporation but after which the stockholders of ManTech immediately prior to such merger (other than any stockholder that merges, or which owns or controls another corporation that merges, with ManTech in such merger) cease to own their shares or other equity interest in ManTech, (d) the sale of substantially all of the assets of ManTech, or (e) the acquisition, sale, or transfer of more than 50% of the outstanding shares of ManTech by tender offer or similar transaction, any or all outstanding Awards may be assumed, converted or replaced by the successor corporation (if any), which assumption, conversion or replacement will be binding on all Participants. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Participants as was provided to stockholders (after taking into account the existing provisions of the Awards). The successor corporation may also issue, in place of outstanding Shares of ManTech held by the Participant, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Participant. In the event such successor corporation (if any) refuses to assume or substitute Awards, as provided above, pursuant to a transaction described in this Subsection 13.1, such Awards (in the case of Options, to the extent not exercised prior to the date of such transaction and in the case of all other Awards, to the extent not fully vested and free from any restrictions prior to the date of such transaction) will expire on such transaction at such time and on such conditions as the Committee determines. Notwithstanding anything in this Plan to the contrary, the Committee may, in its sole discretion, but need not, provide in the terms of an Award for alternative treatment in connection with a transaction described in this Section 13 and/or provide that the vesting of any or all Awards granted pursuant to this Plan will accelerate in connection with a transaction described in this Section 13.

13.2 *Other Treatment of Awards.* Subject to any greater rights granted to Participants under the foregoing provisions of this Section 13, in the event of the occurrence of any transaction described in Section 13.1 or as may be provided in any agreement between a Participant and the Company, any outstanding Awards will be treated as provided in the applicable agreement or plan of merger, consolidation, dissolution, liquidation, or sale of assets.

13.3 *Assumption of Awards by the Company*. The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either (a) granting an Award under this Plan in substitution of such other company's award; or (b) assuming such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another company, the terms and conditions of such award will remain unchanged (except that the exercise price and the number and nature of Shares issuable upon exercise of any such option will be adjusted appropriately pursuant to Code Sections 424(a) or 409A, as applicable). In the event the Company elects to grant a new Option rather than assuming an existing option, such new Option may be granted with a similarly adjusted exercise price.

SECTION XIV—TAXES

14.1 *Withholding Requirements*. The Committee may make such provisions or impose such conditions as it may deem appropriate for the withholding or payment by a Participant of any taxes that the Committee determines are required in connection with any Award granted under this Plan, and a Participant's rights in any Award are subject to satisfaction of such conditions.

14.2 *Payment of Withholding Taxes*. Notwithstanding the terms of Section 14.1, the Committee may provide in the agreement or other document evidencing an Award or otherwise that all or any portion of the taxes required to be withheld by the Company or, if permitted by the Committee, desired to be paid by the Participant, in connection with the exercise, vesting, settlement or transfer of any Award shall or may be paid by the Company withholding Shares otherwise issuable or subject to such Award, by the Participant delivering previously owned Shares, in each case having a fair market value equal to the minimum amount required to be withheld (or such greater amount elected by the Participant, provided it would not result in additional accounting expense to the Company), or by a broker selected or approved by the Company paying such amount pursuant to an irrevocable commitment by the broker to deliver to the Company proceeds from the sale of the Shares issuable under the Award. Any such election is subject to such conditions or procedures as may be established by the Committee and may be subject to approval by the Committee.

SECTION XV—AMENDMENTS OR TERMINATION

The Board may amend, alter or discontinue this Plan or any agreement or other document evidencing an Award made under this Plan but, except as provided pursuant to the anti-dilution adjustment provisions of Section 12 and the change of control provisions of Section 13, no such amendment shall, without the approval of the stockholders of ManTech materially increase the maximum number of Shares for which Awards may be granted under this Plan, expand the class of persons eligible to be Eligible Employees or Participants, or otherwise materially revise (within the meaning of applicable Nasdaq listing requirements) this Plan in any material respect.

The Board may amend, alter or discontinue this Plan or any agreement evidencing an Award made under this Plan, but no amendment or alteration shall be made which would impair the rights of any Award holder, without such holder's consent, under any Award theretofore granted, provided that no such consent shall be required if the Committee determines in its sole discretion that such amendment or alteration either (i) is required or advisable in order for the Company, this Plan or the Award to satisfy any law or regulation or to meet the requirements of any accounting standard; (ii) is not reasonably likely to significantly diminish the benefits provided under such Award, or that any such diminishment has been adequately compensated; (iii) is deemed necessary to ensure that the Company may obtain any approval referred to in Section 16 of

the Plan or to ensure that the grant or exercise of any Award or any other provision of this Plan satisfies requirements for an exemption under Section 16(b) of the Exchange Act or Code Sections 162(m), 280G, 409A, 422 or 4999; or (iv) is made pursuant to Sections 12 or 13 hereof.

SECTION XVI—COMPLIANCE WITH OTHER LAWS AND REGULATIONS

This Plan, the grant and exercise of Awards thereunder, and the obligation of the Company to sell, issue, or deliver Shares under such Awards, shall be subject to all applicable federal, state and foreign laws, rules, and regulations and to such approvals by any governmental or regulatory agency as may be required. The Company shall not be required to register in a Participant's name or deliver any Shares prior to the completion of any registration or qualification of such Shares under any federal, state or foreign law or any ruling or regulation of any government body which the Committee shall determine to be necessary or advisable. This Plan is intended to constitute an unfunded arrangement for a select group of the Company's directors and management, or other key employees.

No Option shall be exercisable unless a registration statement with respect to the Option is effective or the Company has determined that such registration is unnecessary. Unless the Awards and Shares covered by this Plan have been registered under the Securities Act of 1933, as amended, or the Company has determined that such registration is unnecessary, each person receiving an Award and/or Shares pursuant to any Award may be required by the Company to give a representation in writing that such person is acquiring such Shares for his or her own account for investment and not with a view to, or for sale in connection with, the distribution of any part thereof.

The Plan is intended to operate in compliance with the provisions of Securities and Exchange Commission Rule 16b-3 and to facilitate compliance with, and optimize the benefits from, Code Section 162(m) and Code Section 409A. The terms of this Plan are subject to all present and future regulations and rulings of the Secretary of the Treasury of the United States or his or her delegate relating to the qualification of ISOs under the Code. If any provision of the Plan conflicts with any such regulation or ruling, then that provision of the Plan shall be void and of no effect.

SECTION XVII—OPTION GRANTS AND AWARDS BY SUBSIDIARIES

In the case of a grant of an Option or other Award granted to any Eligible Person employed by a subsidiary, such grant may, if the Committee so directs, be implemented by ManTech issuing any subject Shares to the subsidiary, for such lawful consideration as the Committee may determine, upon the condition or understanding that the subsidiary will transfer the Shares to the Participant in accordance with the terms of the Option or other Award specified by the Committee pursuant to the provisions of this Plan. Notwithstanding any other provision hereof, such Option or other Award may be issued by and in the name of the subsidiary and shall be deemed granted on such date as the Committee shall determine.

SECTION XVIII—NO RIGHT TO COMPANY EMPLOYMENT OR SERVICE AS A DIRECTOR

Nothing in this Plan or as a result of any Award granted pursuant to this Plan shall confer on any individual any right to continue in the employ of the Company or as a director of the Company or interfere in any way with the right of the Company to terminate an individual's employment or service as a director at any time. The agreements or other documents evidencing Awards may contain such provisions as the Committee may approve with reference to the effect of approved leaves of absence.

SECTION XIX—LIABILITY OF COMPANY

The Company shall not be liable to a Participant, an Eligible Person or other persons as to:

(a) The Non-Issuance of Shares. The non-issuance or sale of Shares as to which the Company has been unable to obtain from any regulatory body having jurisdiction the authority deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder; and

(b) Tax Consequences. Any tax consequences of any Participant, Eligible Person or other person due to the receipt, exercise or settlement of any Option or other Award granted hereunder.

SECTION XX—EFFECTIVENESS AND EXPIRATION OF PLAN

The 2016 restatement of the Plan shall be effective as of May 5, 2016 if approved by shareholders of ManTech. No Awards shall be granted pursuant to this Plan after March 8, 2026, the tenth anniversary of the date the 2016 restatement of the Plan was approved by our Board.

SECTION XXI—NON-EXCLUSIVITY OF PLAN

Neither the adoption of this Plan by the Board nor the submission of this Plan to the stockholders of ManTech for approval shall be construed as creating any limitations on the power of the Board or the Committee to adopt such other incentive arrangements as either may deem desirable, including without limitation, the granting of restricted stock or stock options otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

SECTION XXII—GOVERNING LAW

This Plan and any agreements or other documents hereunder shall be interpreted and construed in accordance with the laws of the State of Delaware and applicable federal law. Unless otherwise provided in the document or other agreement evidencing an Award, any dispute as to any Award shall be presented and determined exclusively in a state court in the State of Delaware. Any reference in this Plan or in the agreement or other document evidencing any Award to a provision of law or to a rule or regulation shall be deemed to include any successor law, rule, or regulation of similar effect or applicability.

CERTIFICATION

I, George J. Pedersen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ManTech International Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2016

By: _____ /s/ GEORGE J. PEDERSEN

Name: George J. Pedersen
Title: Chairman of the Board of Directors and
Chief Executive Officer

CERTIFICATION

I, Kevin M. Phillips, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ManTech International Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2016

By: _____ /s/ KEVIN M. PHILLIPS

Name: Kevin M. Phillips
Title: Chief Financial Officer

