CACI INTERNATIONAL INC /DE/

FORM 10-K405
(Annual Report (Regulation S-K, item 405))

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Sector	Technology
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended June 30, 1996

Commission File Number 0-8401

CACI International Inc

(Exact name of Registrant
as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

54-1345888
(I.R.S. Employer Identification No.)

1100 North Glebe Road, Arlington, VA 22201
(Address of principal executive offices)

(703) 841-7800
(Registrant's telephone number,
including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
None	None

Securities registered pursuant to Section 12(g) of the Act:

CACI International Inc Common Stock, $0.10 par value
(Title of each class)

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

The aggregate market value of the voting stock held by non-affiliates of the Registrant as of August 31, 1996, was approximately $129,304,000.

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock, as of August 31, 1996: CACI International Inc Common Stock, $.10 par value, 10,278,000 shares.

Documents Incorporated by Reference

(1) The information relating to directors and officers contained in the proxy statement of the Registrant to be filed in connection with its 1996 Annual Meeting of Shareholders is incorporated by reference into Part III, Items 10, 11, 12, and 13 of this Form 10-K.

(2) The financial information required in Items 6, 7, and 8 of this form are contained in the Annual Report to Shareholders for the fiscal year ended June 30, 1996 and is incorporated herein as Exhibit 13.

BUSINESS INFORMATION

Unless the context indicates otherwise, the terms "the Company" and "CACI", as used in Section I, include both CACI International Inc and its wholly- owned subsidiaries. The term "the Registrant", as used in Section I, refers to CACI International Inc only.

PART I

ITEM 1. BUSINESS

BACKGROUND

CACI International Inc (the "Registrant") was organized as a Delaware corporation under the name of "CACI WORLDWIDE, INC." on October 8, 1985. By a merger effected on June 2, 1986, the Registrant became the parent of CACI, Inc., a Delaware corporation, and CACI N.V., a Netherlands corporation.

The Registrant is a holding company and its operations are conducted through wholly-owned subsidiaries which are located in the United States and Europe.

OVERVIEW

CACI is strategically positioned in the information technology ("IT") industry. With 1996 revenue of over $244 million, CACI serves clients in major segments of government and commercial markets throughout North America and Western Europe. Many of the Company's client relationships have existed for five years or more.

Founded in 1962, CACI provides computer-based information technology, products, and services. The Company's distinctive solutions include enterprise process redesign; systems engineering; software reuse and development; litigation support services; electronic commerce; systems integration; simulation; market analysis; and imaging and document support. The Company manufactures no equipment.

CACI's service and value has enabled the Company to sustain high rates of repeat business and continuing client support. The Company believes that its performance similarly enables it to compete effectively for new clients and new contracts. The Company is organized to seek competitive business opportunities and has designed its operations to support major programs.

CACI's primary markets -- both domestic and international -- are agencies of national governments, major corporations, state and local governments, and other business organizations. The client market for CACI's information systems and high technology services is created by the need for solutions to the complex systems and information environment in which the clients operate, be it governmentally mandated programs or competitively driven needs in the commercial arena.

CACI has structured its new business development organization to respond to the globally competitive marketplace. The Company employs full-time marketing, sales, and proposal development specialists who support Company line operations' marketing and sales responsibilities.

The Company has continued to expand its portfolio of proprietary software and database products. The Company offers marketing systems software and database products, targeted to clients who need systems and analysis for retail sales of consumer products, direct mail campaigns, franchise or branch site location projects, and similar requirements. In CACI's simulation technology business, the Company offers both computer-based simulation languages and derivative simulation products that enable clients to visualize the impact of proposed changes or new technologies before implementation. The broad selection of simulation products includes solutions for the manufacturing industry; for wide area communications networks (i.e., WANs), including satellites and land lines; for local area computer networks (i.e., LANs); for the study of business processes; and for design of distributed computer systems architectures. CACI's REenterprise technology management solution combines technology tasks and methodologies to plan, integrate, and manage technology change - without losing existing investments in technology.

CACI is one of the dominant providers of electronic commerce ("EC") solutions to the federal government. The complete suite of EC products is available on GSA schedules and provides a flexible but fully-featured configuration to enable easy management of purchases and contracts.

As one of the world's largest providers of litigation support services, CACI customizes these services to the unique needs of both government and corporate clients.

CACI's proprietary product data management product, C-GATE (TM), is the de facto standard in the federal government and is now in commercial use internationally. The C-GATE (TM) system enables clients to standardize and improve the way they manage the life cycle of systems, products, and material assets, resulting in cost savings and increased productivity.

[The hyphen in the above trademark C-GATE represents the bullet point which is an integral component of the mark and which cannot be printed due to electronic transmission limitations.]

The Company operates through wholly-owned subsidiaries established to serve specific market segments or conduct business in specific geopolitical jurisdictions.

CACI's major operating subsidiary in Europe, CACI Limited, is headquartered in London, England, and operates primarily in support of CACI information systems, marketing systems, and simulation technology lines of business in the United Kingdom and Western Europe.

The Company's American Legal Systems Corp. ("ALS") subsidiary specializes in providing legal systems and litigation support services to law firms and major corporations in the United States, and complements the Company's other legal systems and litigation support business with government clients.

At June 30, 1996, CACI employed approximately 3,250 people. This total includes 325 part-time employees. The corporation currently operates from its headquarters at Three Ballston Plaza, 1100 N. Glebe Road, Arlington, Virginia. CACI has operating offices and facilities in 60 additional locations throughout the United States, Western Europe, and Canada.

GENERAL DESCRIPTION OF CACI SYSTEMS, TECHNOLOGIES, AND PRODUCTS

Representative systems applications include:

. Airport and airspace traffic planning
. Ammunition management information systems
. Automated document and records management systems
. Automated procurement
. Business process reengineering
. Business support systems
. Computer aided logistics/data information systems
. Electronic commerce
. Executive decision support systems
. Imaging services
. Information management systems
. Legal systems and litigation support services
. Manufacturing requirements planning systems
. Marketing and customer database management systems
. Product data management
. Retail market modeling
. Simulation languages and derivative products
. Site location planning and analysis systems
. Software development and reuse
. Systems reengineering
. Systems integration
. State motor vehicle registration and related management information systems
. Weapon systems/equipment configuration management systems
. Year 2000 date reconfiguration systems

CACI products are installed in over 10,000 locations worldwide, and many are designed to run on a variety of commercially available computers.

Representative CACI software and marketing systems include:

Simulation Technology:

SIMFACTORY (R) II.5 General Factory Simulator. A software product for factory planners to study alternative plant and equipment configurations.

COMNET II.5 (R) Network Simulation Software. A software product for communications engineers to study wide area networks of satellites, land lines, switching systems, and protocols.

COMNET III (TM) Network Simulation Software. An object-oriented (non- programming) software product for the prediction of local and wide area network performance.

NETWORK II.5 (R) Computer Architecture Simulation Software. A software product for engineers to study alternative combinations of computers and data storage devices.

SIMSCRIPT II.5 (R) Simulation Programming Language. A language designed especially for analysts to build computer-based representations ("models") of complex activities, e.g., airways and airport traffic; maintenance procedures for fleets of ships; warfare studies of military

equipment and tactics; and communications networks.

SIMPROCESS (R) III Object-oriented Analytical Simulation Software. An electronic prototyping tool for business process reengineering that enables managers to model a current business process, then explore alternative approaches before implementation.

MODSIM II (R) Simulation Programming Language. A computer programming and graphics environment that provides an object-oriented approach to structuring software. This approach provides an intuitive development framework to programmers, one that allows code to be reused.

MODSIM III (TM) Simulation Programming Language. A graphical computer programming and simulation environment that generates C++ code.

SIMOBJECT (R) Software System. A software framework for the reduction of time and cost in building simulation models.

REenterprise (SM) Technology Management Solution. Services combining proprietary methodologies and computer software to analyze and reconfigure an organization's business process.

Marketing Systems Technology and Data and Information Systems Products:

InSite (TM) for Windows (R) 95 (US and UK versions) Marketing and Demographics Information System. PC-based geographic information systems combining software, data, and mapping capabilities to enable planners to determine the location of retail outlets, branch networks, sales territories, potential customers, and competitors. [Windows is a registered trademark of MicroSoft Corporation.]

ACORN (R) (A Classification of Residential Neighborhoods) Demographic Information Services. Services that analyze consumers according to the type of residential area in which they live, used to identify the prime prospects for all types of consumer goods and services.

MARKET*MASTER (TM) Demographic Information System. A database marketing system that enables companies to analyze their customer files by product holding and usage for the purpose of cross-selling other products and services.

SITE (R) Demographic Information Software and Reports. Detailed demographic and applied market research database software and services for any geographic area, such as county, zip code, TV broadcast area, congressional district, or retail trade area.

Prophecy (TM) Financial Accounting Software. A financial accounting and business software product distributed by CACI in the United Kingdom under license from CSP Australia. [Prophecy is a trademark of CSP Australia.]

MIRACLE (TM) Financial Accounting System. A business software product running on Data General proprietary systems.

UpFront (TM) Graphical Interface Software. A graphical user interface that enables software to be used in an object-oriented manner.

Electronic Commerce Technology Products:

SACONS (R) Automated Contracting System. A commercial off-the-shelf system that provides clients an automated, cost effective, efficient way to complete procurement activities and improve productivity.

SACONS-EDI (TM) Module. An automated, electronic commerce add-on module to SACONS system that creates and receives data transmissions using standard protocols.

SACONS-Gateway (TM) Module. An add-on module to the SACONS system that centralizes protocols established by the U.S. Government as acceptable standards for electronic procurement with the government.

QuickBid (R) II Automated Bid/Contracting System. A contracting system that allows commercial trading partners to effectively identify and compete for U.S. Government business via electronic data interchange ("EDI").

QuickBid (R) Net Automated Bid/Contracting System. A World Wide Web-based value-added network ("VAN") that allows identification and competition for U.S. Government business via the Internet.

Imaging and Document Management System Products:

ADIIS (TM) Document Imaging Software System. A flexible document conversion and management system that includes advanced imaging, document retrieval, indexing, and work process management.

U.S. GOVERNMENT AGENCIES

CACI provides its entire range of information systems, technical services, and proprietary products to defense and civilian agencies of the U.S. Government. These activities require CACI's expert knowledge of agency policies and operations. These assignments most often combine the wide range of CACI's skills in information systems, systems engineering, logistics sciences, weapons systems, simulation, and automated document management systems. CACI also contracts with other national governments.

STATE AND LOCAL GOVERNMENT

CACI is a technological leader in the supply of automated information systems for state governments' management of vehicle registration, licensing, and wheeled vehicle revenue support, and for local governments' management of false emergency alarm billing systems and housing registration systems. The Company also offers its software and systems integration services to this market segment.

MAJOR CORPORATIONS

CACI's commercial market base consists primarily of large corporations (nominally characterized as the "Fortune 1000"). This market is a primary target of CACI's proprietary software and database products in the Company's marketing systems and simulation technology lines of business.

OTHER SERVICES

The Company operates a language training, translation, and interpretation services organization.

CACI also provides information about its products and services on its World Wide Web home page at http://www.caci.com.

FOUNDATION OF SUCCESS, CACI PEOPLE

CACI's business success is highly correlated with the Company's ability to attract, recruit, motivate, and retain exceptional people at all levels of the organization. The most valuable asset and resource the Company has is its people. The Company is in continuing competition for the recruitment and retention of highly skilled professionals.

For these reasons, the Company has endeavored to develop and maintain competitive salary structures, incentive compensation programs and benefits, and other individual recognition and award programs to highlight the Company's intense interest in the success of its people in their careers.

In order to compete effectively in attracting and retaining such personnel, the Company and its subsidiaries provide substantial benefits to their employees. These benefits vary among the Company and its subsidiaries, but generally include paid vacations and holidays, medical and life insurance, incentive bonuses, and other benefits under retirement and stock purchase plans.

At the same time, the Company has been forced by the current economic climate to scrutinize and recast several of its compensation and benefit programs to ensure a competitive balance of compensation, incentives, and benefits for the costs incurred.

The Company recruits people from various market populations, including experienced industry professionals, university graduates, trade and technical school graduates, and seasoned technicians. The Company's professional profile includes a high percentage of college graduates, many with advanced degrees, including those at the masters and doctoral levels. The Company seeks professionals with academically certified credentials in computer-based information sciences, systems engineering, management systems, market research, economics, environmental, military sciences, law, and other scientific and research-oriented disciplines.

The Company has structured its promotion and advancement policies to meet the current competitively driven market environment. Individuals advance in relation to their abilities to perform as program managers, their demonstrated exemplary leadership skills in technical endeavors, or their managerial achievements against specified objectives, quotas, or other defined targets.

CACI's advancement criteria incorporate specific requirements to demonstrate a "client-service orientation" and the need to work synergistically within the Company, in response to the wide range of client technical and contractual requirements, or in development of solution approaches to new client projects. This philosophy is consistent with CACI's current market, and is a catalyst for individuals to support Company objectives.

The Company also requires all of its employees, consultants, officers, and directors to subscribe annually to and affirm the Company's published Code of Ethics and Business Conduct Standards. The Company has published and enforced policies that set high standards for the conduct of all business with clients, suppliers, vendors, and the public at large.

MARKETPLACE, DESCRIPTION AND SIGNIFICANT ACTIVITIES

CACI operates in an industry characterized by the presence of many highly competitive firms. At the same time, CACI enjoys a respected position as one of the larger public corporations in the segment of the information technology industry that does not manufacture equipment. Although the Company is a premier supplier of proprietary computer-based simulation technology products and services, and is a major supplier of proprietary marketing systems products and services in both the United States and the United Kingdom, CACI is not primarily a software product developer- distributor (See discussion following on Patents, Trademarks, Trade Secrets and Licenses).

Competition for new contracts centers for reputation, responsiveness to proposal requests, price, and many other factors. Competition for software products and services centers on reputation, applicability to client needs, and quality of product support and maintenance services, among other elements.

The Company has established a distinctive reputation in combining comprehensive knowledge of client challenges with the Company's significant expertise in the design, development, and implementation of advanced information technology solutions. This orientation provides CACI with important opportunities to support large equipment manufacturers with the systems integration and software services they frequently require to compete for multi-million dollar contracts issuing from the U.S. Government.

CACI has also taken active steps to develop strategic relationships within the industry with companies such as MicroSoft, Sun Microsystems, Lockheed Martin, IBM, DEC, GE Information Systems, Unisys, BDM, PRC Inc., AT&T Global Information Solutions, Lotus Development Corporation, Oracle, Sybase that have business perspectives and objectives compatible with those of CACI. The Company intends to continue the active cultivation of these relationships wherever they support CACI's growth objectives. The Company also seeks to expand its commercial business through these relationships.

Marketing and new business development for the Company is conducted by all the officers and managers of the Company, including the CEO, executive officers, vice presidents, division and department managers. CACI's proprietary software and data products are sold primarily by full-time salespeople. The Company has established value-added resale and distribution agreements for the sale of certain products in specified domestic and international markets. For its information systems and services markets, the Company employs several marketing professionals who support the Company's targeting of major contract opportunities, primarily in the U.S. Government market.

CACI faces competition from a substantial number of firms, some of which are larger in size and financial resources than CACI. The Company obtains much of its business on the basis of proposals submitted in response to requests for proposals from potential and current customers, who may also request proposals for similar services from other firms. Additionally, the Company may face indirect competition from certain government agencies that perform services for themselves similar to those marketed by CACI. The Company knows of no single competitor that is dominant in its fields of technology. The Company has a relatively small share of the available worldwide market for its products and services and has a goal of achieving growth through increased market share.

CACI's sales of proprietary software and data products are generally characterized by licenses of a fixed duration, or on a perpetual basis. The Company generally prices its products in catalog fashion. Most often, product prices are determined by the target computer on which the product will run, by some form of multiple-site volume discount arrangement, or by some frequency of usage arrangement in the case of data products.

For CACI's information systems and professional services contracts, the Company submits bids for work and products to be delivered. Bids are frequently negotiated as to terms and conditions for schedule, specification, delivery, and payment. CACI's contracts and subcontracts take on a wide range of contractual types, including firm fixed-price, cost reimbursement, labor hour and materials expense, and variants thereof, including fixed unit price, performance, and delivery contracts. In general, revenue for this work is accrued as a percentage of completion, which is based upon costs incurred in proportion to total expected costs.

Often, the form of contract and terms will be specified by the client. This is especially the case with government clients. In these situations, the Company may seek alternative arrangements or choose not to bid in those cases where the contracting arrangement appears to expose the company to inappropriate risk. By Company policy, fixed-price contracts require the approval of a senior officer of the Company, and review and release approval by the Chief Executive Officer.

At any one time, the Company may have several hundred separate contract obligations. In FY 1996, the ten top revenue producing contracts accounted for 50% of CACI's revenue, or $122.4 million. One contract for automated litigation support to the Civil Division of the United States Department of Justice ("DoJ"), accounted for 14.8% of total FY 1996 Company revenue.

In FY 1996, seventy-eight percent (78%) of CACI's business volume stemmed from U.S. Government contracts, the remaining twenty-two percent (22%) coming from commercial contracts and proprietary products sales. Fifty-four percent (54%) of the Company's revenue came from U.S. Department of Defense ("DoD") contracts, nineteen percent (19%) came from contracts with DOJ, and five percent (5%) came from other civilian agency government clients.

The Company is endeavoring to continue expansion of its diversified business portfolio. While desiring to decrease its dependence on DoD work, the Company nonetheless, will, aggressively seek additional work from this large agency. In FY 1996, the DoD revenue grew by 9% ($10.3 million) as a result of the September 1, 1995 acquisition of Automated Sciences Group, Inc. ("ASG") and the January 1, 1996 acquisition of IMS Technologies, Inc. ("IMS"), coupled with internally generated revenues.

The Company is expanding its contract support to DoJ providing advanced automated litigation support services to DoJ's Environment and Natural Resources Division and the Executive Office for U.S. Attorneys. This work has demanded increasingly sophisticated project management processes and high-technology infusions to keep pace with client caseloads. In view of this requirement, the Company developed the ADIIS (TM) document imaging software system, which improves the productivity for high-quality litigation support for the DoJ attorneys.

The Company believes it is the largest supplier of litigation support and related automation services to the U.S. Government. The Company intends to seek additional work from the U.S. Government and offer significant economies to the Government through its specialization in this field.

During the past fiscal year, the Company examined a number of friendly acquisition opportunities. On September 1, 1995, the Company acquired ASG and its subsidiary for $4.9 million payable in cash over four years. ASG provides information technology, engineering and environmental services to DoD and U.S. Department of Energy ("DoE").

On January 1, 1996, the Company acquired IMS and two wholly-owned subsidiaries for $6.5 million in cash. IMS provides a wide range of information technology and engineering services to the U.S. Navy, DoJ, Department of Education ("DoEd"), the Drug Enforcement Administration, the Social Security Administration, and the Internal Revenue Service.

SEASONAL NATURE OF BUSINESS

The Company's business in general is not seasonal, although the summer and winter holiday seasons affect both sales and revenue of the Company because of their impact on the Company's labor sales and on product and service sales by the Company's European operations. Unusually heavy blizzards during the first few weeks of 1996 temporarily affected client activity in the Company's Washington, D.C. operations area. Variations in the Company's business also may occur at the expiration of major contracts until such contracts are renewed or new contracts obtained. Prior to FY 1996, the U.S. Government budget cycle had not significantly impacted the Company's revenues. However, indecision over the last government budget and the resulting workforce furloughs had a negative impact on FY '96 revenues and resulted in administrative delays in a number of procurement actions.

RESEARCH AND DEVELOPMENT

During fiscal years 1996, 1995, and 1994, the Company spent $833,000, $984,000, and $1,094,000, respectively, for research and development on current and future products.

ENVIRONMENTAL PROTECTION REQUIREMENTS

There has been no significant adverse impact on the Company's business as a result of laws that have been enacted for the protection of the environment.

PATENTS, TRADEMARKS, TRADE SECRETS, AND LICENSES

The Company owns one United States patent. While the Company believes that its patent is valid, it does not consider that its business is dependent on patent protection in any material way.

The Company believes that its business is dependent to a significant extent on its technical and organizational knowledge, practices, and procedures, in some of which it claims proprietary interests.

The Company claims copyright, trademark, and proprietary rights in each of its proprietary computer software and data products and documentation.

The Company presently owns approximately 65 registered United States trademarks and service marks. All of the Company's registered United States trademarks and service marks may be renewed indefinitely. The Company is a party to agreements which give it the right to distribute computer software and other products owned by other companies, and receive income therefrom.

The Company has developed and holds proprietary rights in a number of computer software packages, databases and methodologies, including, but not limited to: ACORN*, ADIIS, C-GATE#, COMNET II.5*, COMNET III, COSTPRO*, DORIS*, FAR-TRIEVE*, InSite USA, L-NET*#, Legal Workbench, MARKET*MASTER, MODSIM II*, MODSIM III, NETOBJECT, NETWORK II.5*, Perfect-Mail*#, QuickBid*, REenterprise, RENovate, RESTORE 2000, SACONS*, SACONS-EDI, SACONS-FEDERAL*, SIDE, SIMANIMATION*, SIMBASE, SIMFACTORY*, SIMFACTORY* II.5, SIMFLOW*, SIMGRAPHICS*, SIMLAB*, SIMOBJECT*, SIMPROCESS*, SIMPROCESS* III, SIMSCENARIO*, SIMSCRIPT II.5*, SIMSNIPS*, SIMSTRUCTOR*, SimTrainer*, SIMVIDEO, SITELINE*, SITE-POTENTIAL*#, SUPERSITE*, and ZIP DEMOGRAPHICS*.

[* The marks above indicated with a terminal asterisk (*) are registered service marks or trademarks or trademarks of CACI International Inc or its subsidiaries. All others are service marks or trademarks of CACI International Inc or its subsidiaries.]

[# The marks above indicated with a terminal pound sign (#) contain a hyphen to represent the bullet point which is an integral component of each mark and which cannot be printed due to electronic transmission limitations.]

In addition, subsidiaries of the Company claim foreign copyright, trademark, and proprietary rights in the Company's proprietary computer software products. These subsidiaries hold proprietary rights in computer software products and databases including, but not limited to, ACORN* (and the related Arts*ACORN*, Change*ACORN*, Custom*ACORN*, Financial*ACORN*, Holiday*ACORN*, Household*ACORN*, Investor*ACORN*, Property*ACORN*, Scottish*ACORN*), ACORN Lifestyles*, ALEX*, CACI MARKET MASTER*, CACI National Mortgage Database*, CACI Savings Market Database*, Charity Focus, FINPIN*, GEO-MARKETING*, GEOMATCH*, GEOREAD*, GEOTRIEVE*, InSite, Lifestyle*Plus (and the related Auto*Plus, Fuel*Plus, HouseAge*Plus, and MailOrder*Plus), Listline, MIRACLE,
MONICA*, PayCheck, PIN*, PINPOINT*, PINPOINT ADDRESS CODE*, ScoreBoards, SITE*, SITE-POTENTIAL*, and UpFront*.

Some of these subsidiaries are parties to agreements pursuant to which they may have the right to distribute computer software products owned by others and obtain income therefrom.

[* The marks above indicated with a terminal asterisk (*) are registered service marks or trademarks of CACI International Inc or its subsidiaries. All others are service marks or trademarks of CACI International Inc or its subsidiaries.]

BACKLOG

The Company's backlog as of July 31, 1996 was $705 million, of which $84 million was for orders believed to be firm. Total backlog as of July 31, 1995 was $590 million, of which $75 million represented firm orders. The source of backlog is primarily contracts with the U.S. Government. It is presently anticipated that all of the firm backlog will be filled during the fiscal year ending June 30, 1997.

BUSINESS SEGMENTS, FOREIGN OPERATIONS, AND MAJOR CUSTOMER

The business segment, foreign operations, and major customer information provided in the Company's Consolidated Financial Statements contained in this Report are incorporated herein by reference. In particular, see Note 12, Segment Information, of the Notes to Consolidated Financial Statements.

The following information is provided about the amounts of revenue attributable to firm fixed price contracts (including proprietary software product sales), time and materials contracts, and cost reimbursable contracts of the Company during each of the last three fiscal years: (dollars in

thousands)

Fiscal Year Ended June 30,	Firm Fixed Price	Time and Materials	Cost Reimbursable	Total
1996	$56,813	$109,429	$78,373	$244,615
1995	62,607	106,869	63,488	232,964
1994	51,428	64,109	68,163	183,700

ITEM 2. PROPERTIES

As of June 30, 1996, CACI leased office space at 53 locations containing an aggregate of approximately 582,000 square feet of space located in 20 states and the District of Columbia. In five countries outside the United States, CACI leased eight offices containing about 28,000 square feet of space. CACI's leases expire primarily over the next six years. In most cases, CACI anticipates that leases will be renewed or replaced by other leases.

All of CACI's offices are in modern and well-maintained buildings. The facilities are substantially utilized and adequate for present operations.

As of June 30, 1996, CACI International Inc maintained its corporate headquarters in approximately 158,000 square feet of space at 1100 North Glebe Road, Arlington, Virginia. See Note 9, Lease Commitments, of the Notes to Consolidated Financial Statements, for additional information regarding the Company's lease commitments.

ITEM 3. LEGAL PROCEEDINGS

Pentagen Technologies International, Ltd. v. CACI International Inc, et al.

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending March 31, 1996, for the most recently filed information concerning the lawsuit filed on July 1, 1993, against the Registrant by Pentagen Technologies International, Ltd. ("Pentagen") in the Supreme Court for the State of New York alleging conversion of intellectual property and violation of

statutory duties as to appropriation of computer software, and the lawsuit filed December 10, 1993 against the Registrant in the United States District Court for the Southern District of New York alleging copyright and trademark infringement and violation of the Major Fraud Against the United States Act. Since the filing of the Registrant's report indicated above, the information reported therein has changed as set forth below.

By Order of August 2, 1996, Judge Mukasy of the Southern District of New York dismissed with prejudice all counts of both cases running against the CACI defendants.

CACI International Inc, et al. v. Pentagen Technologies, Ltd., et al.

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending March 31, 1996 for the most recently filed information concerning the lawsuit filed on December 22, 1993, in the United States District Court for the Eastern District of Virginia against Pentagen Technologies International, Ltd., Baird Technologies, Inc., John C. Baird and Mitchell R. Leiser (principals of Pentagen and Baird).

As previously reported, the Court granted Summary Judgment in favor of CACI holding that: (i) CACI's marketing of certain work to the United States Army Materiel Command did not infringe Pentagen's MENTIX copyright or infringe any trademark held by Pentagen; (ii) CACI's proprietary RENovate (TM) software reengineering methodology does not infringe Pentagen's MENTIX copyright; (iii) CACI's work on the Army's Sustaining Base Information Services ("SBIS") contract does not infringe Pentagen's MENTIX copyright; and (iv) Pentagen and its principals, John C. Baird and Mitchell R. Leiser, are liable for both compensatory and punitive damages for defamation per se. By Per Curium Opinion dated November 16, 1995 the Fourth Circuit Court of Appeals affirmed the decision of the Eastern District in all respects.

By Order dated February 1, 1996, Chief Judge Cacheris of the Eastern District found Pentagen Vice President Mitchell R. Leiser to be in Civil Contempt of Court. Mr. Leiser has been ordered to pay $12,250.50 in damages caused by the contempt.

Since the filing of Registrant's report indicated above, the information reported therein has changed as follows: The finding of contempt and damage order have been appealed to the Fourth Circuit Court of Appeals. Argument has not yet been set.

United States of America, ex rel., Pentagen Technologies International, Ltd.
v. CACI International Inc, et al.

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending March 31, 1996 for the most recently filed information concerning the lawsuit filed on April 21, 1994 in the U.S. District Court for the Southern District of New York against CACI International Inc and its wholly-owned subsidiaries, CACI Systems Integration Inc. and CACI, INC.-FEDERAL, International Business Machines Corporation ("IBM"), Loral Corporation ("Loral"), American Telephone and Telegraph Company ("AT&T"), PRC, Inc., I-Net, Inc., and Statistica, Inc., asserting the same factual allegations that Pentagen asserted against CACI in the cases described above, and alleging that the defendants violated the False Claims Act, 31 USC Section 3732, in connection with the performance of the SBIS contract and certain marketing efforts to the Army Materiel Command. After the Government declined to intervene in the case, and after the U.S. District Court for the Eastern District of Virginia ruled against Pentagen on the factual allegations which underlie the case, the case was unsealed and Pentagen served an Amended Complaint on June 5, 1995, which changed the wording but not the substance of the allegations of the original Complaint.

By Opinion and Order dated November 21, 1995 (and amended on January 4, 1996 to correct certain scrivener errors), Judge Carter of the United States District Court for the Southern District of New York granted defendants' motions to dismiss all counts of the case on the grounds that Pentagen failed to meet the subject matter jurisdiction requirements for the case under the False Claims Act. The court also denied defendants' requests for sanctions against Pentagen.

On December 7, 1995 in an effort to avoid final dismissal of its case, Pentagen filed a motion to reconsider the decision, grant relief from the final judgment dismissing the case, amend its complaint for the second time, and to add a party to the lawsuit.

Since the filing of Registrant's report indicated above, the information therein has changed as follows:

By Order of June 3, 1996, Judge Carter denied all of Pentagen's motions. On July 2, 1996, Pentagen appealed the dismissal of the case and the denial of its motions to the Second Circuit Court of Appeals.

Ceridian Corporation v. CACI Systems Integration Inc.

Reference is made to Part II, Item 1, Legal Proceedings, in the Registrant's Quarterly Report on Form 10-Q for the period ending March 31, 1996 for the most recently filed information concerning the suit filed on October 6, 1995 by Ceridian Corporation ("Ceridian") in the District Court for Hennepin County, Minnesota, against Registrant's wholly-owned subsidiary, CACI Systems Integration Inc. ("CACI"), alleging breach of contract, breach of warranty and repudiation by CACI in connection with a contract for the development of a manufacturing software system. On January 26, 1996, CACI filed its Answer and Counterclaims, denying Ceridian's allegations and seeking damages from Ceridian for

breach of contract, intentional and negligent misrepresentation, and tortious interference with contract.

Since the filing of Registrant's report indicated above, the information reported therein has not changed.

CACI, INC.-FEDERAL v. Arizona Department of Transportation

On June 25, 1996, in the wake of termination of its contract to provide certain software and systems development, the Registrant's wholly-owned subsidiary, CACI, INC.-FEDERAL ("CACI"), filed suit in Superior Court for Maricopa County, Arizona, against the Arizona Department of Transportation ("ADOT"), seeking: (i) a declaratory judgement that the disputes procedure mandated by the Arizona Procurement Code is unconstitutional; (ii) a declaratory judgment that ADOT cannot assert claims against CACI under the mandated disputes procedure; (iii) a declaratory judgment that ADOT is not entitled to recover consequential damages in connection with the dispute; (iv) $2,938,990 plus interest in breach of contract damages; (v) the return of CACI property seized by ADOT in connection with the termination of the contract; and (vi) lawyer's fees.

On July 12, 1996, ADOT filed a Motion to Dismiss the case on grounds that CACI failed to exhaust its administrative remedies by failing to avail itself of the mandated disputes procedure. Because that Motion raised factual issues, the parties are engaged in limited discovery on matters related to the mandated disputes procedure. Hearing on the Motion is expected to be held on or after November 15, 1996.

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

No matter was submitted to a vote of security holders during the fourth quarter of the Registrant's fiscal year ended June 30, 1996, through the solicitation of proxies or otherwise.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Registrant's Common Stock became publicly traded on June 2, 1986, replacing paired units of Common Stock of CACI, Inc. and beneficial interests in Common shares of CACI N.V. which had been traded in the over-the-counter market.

From July 1, 1994 to June 30, 1996, Common Shares of the Registrant have been quoted on the NASDAQ National Market System. The range of high and low sales prices for each quarter during this period are as follows:

Fiscal 1996			Fiscal 1995		
Quarter	High	Low	Quarter	High	Low
1st	13-7/8	11-1/4	1st	11-1/8	7-1/2
2nd	13-1/2	11-1/4	2nd	12	9
3rd	12-1/4	9-1/2	3rd	10-7/8	8-7/8
4th	15-3/4	12-1/4	4th	12-7/8	8-3/4

The Registrant has never paid a cash dividend. The present policy of the Registrant is to retain earnings to provide funds for the operation and expansion of its business. The Registrant does not intend to pay any cash dividends at this time.

At August 31, 1996, the number of record shareholders of the Registrant's Common Stock was approximately 1,187.

ITEM 6. SELECTED FINANCIAL DATA

The information required by this Item is included on page 14 of the Company's 1996 Annual Report to Shareholders and is incorporated herein as Exhibit 13.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations is included in the section so titled on pages 15 through 17 of the Company's 1996 Annual Report to Shareholders and is incorporated herein as Exhibit 13.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is included on pages 18 through 28 of the Company's 1996 Annual Report to Shareholders and is incorporated herein as Exhibit 13.

ITEM 9. DISAGREEMENTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company had no disagreements with its independent accountant on accounting principles, practices or financial statement disclosures.

PART III

The Information required by Items 10, 11, 12, and 13 of Part III of Form 10-K has been omitted in reliance on General Instruction G(3) and is incorporated herein by reference to the Company's definitive proxy statement to be filed with the SEC pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES, AND REPORTS ON FORM 8-K

(a) Documents filed as part of this Report:

1. Financial Statements. The following financial statements, together with the report of Deloitte and Touche, LLP, appearing in the indicated portions of the Company's 1996 Annual Report to Shareholders, are incorporated herein by reference and filed as Exhibit 13.

A. Independent Auditors' Report (Annual Report page 17) B. Consolidated Statement of Operations (Annual Report page 18) C. Consolidated Balance Sheets (Annual Report page 19) D. Consolidated Statement of Shareholders' Equity (Annual Report page 21)
E. Consolidated Statement of Cash Flows (Annual Report page 20) F. Notes to Consolidated Financial Statements (Annual Report pages 22 through 28)

2. Financial Statement Schedules. The following additional financial data should be read in conjunction with the Consolidated Financial Statements in the Annual Report. Schedules other than those listed below have been omitted because they are inapplicable or are not required.

Statement regarding computation of per share earnings	Exhibit 11
Selected Financial Information	Exhibit 13
Management's Discussion and Analysis	Exhibit 13
Valuation and Qualifying Accounts	Schedule II to Exhibit 13
Independent Auditors' Consent to incorporation of the financial information related to the Independent Auditors' Report by reference from the Annual Report to Shareholders	Exhibit 13
Independent Auditors' Report on Consolidated Financial Statement Schedule	Exhibit 13

(a)(3) Exhibits (listed by numbers corresponding to the exhibit table of Item 601 regulation S-K).

(3) Articles of Incorporation and By-laws:

3.1 Certificate of Incorporation of the Registrant, as amended to date.

3.2 By-laws of the Registrant, as amended to date.

(4) Instruments Defining the Rights of Security Holders:

4.1 Clause FOURTH of the Registrant's Certificate of Incorporation, incorporated above as Exhibit 3.1.

(10) Material Contracts:

10.1 The 1986 Employee Stock Incentive Plan of the Registrant is incorporated by reference to the Registration Statement on Form S-8 filed with the Commission on October 13, 1987 (File No. 33-17864).

10.2 The CACI Monthly Stock Investment Plan is incorporated by reference to the Registration Statement on Form S-8 filed with the Commission on June 24, 1988 (File No. 33-22766).

10.3 Employment Agreement between the Registrant and Dr. J. P. London dated August 17, 1995, is incorporated by reference from Exhibit 10.3 of the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended June 30, 1995.

10.4 Form of Stock Option Agreement between the Registrant and certain employees is incorporated by reference from Exhibit 10.6 of the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended June 30, 1991.

10.5 Stock Purchase Agreement dated September 1, 1995, between the Registrant, CACI, Inc., Automated Sciences Group, Inc., and Conrad Hipkins.

10.6 Acquisition and Merger Agreement dated December 21, 1995, between the Registrant, IMS Technologies, Inc., and certain other parties.

10.7 Revolving Credit Agreement dated July 26, 1996, between the Registrant, NationsBank, N.A., and certain other parties.

(11) Computation of Earnings per Common and Common Equivalent Share.

(13) 1996 Annual Report to Shareholders, financial portions of which have been incorporated by reference into this Form 10-K.

(21) The significant subsidiaries of the Registrant, as defined in
Section 1-02(w) of regulation S-X, are:

CACI, Inc., a Delaware Corporation CACI, INC.-FEDERAL, a Delaware Corporation CACI, INC.-COMMERCIAL, a Delaware Corporation CACI Products Company, a Delaware Corporation American Legal Services Corp., a Delaware Corporation CACI Field Services, Inc., a Delaware Corporation CACI N.V., a Netherlands Corporation CACI Limited, a U.K. Corporation Automated Sciences Group, Inc., a Delaware Corporation IMS Technologies, Inc., a Delaware Corporation

(27) Financial Data Schedule

(b) The Registrant filed a Current Report on Form 8-K on July 18, 1995, in which the Registrant reported that it had signed a letter of intent to acquire all of the stock of Automated Sciences Group, Inc.

The Registrant filed a Current Report on Form 8-K on September 7, 1995, in which the Registrant reported that it had acquired all of the stock of Automated Sciences Group, Inc.

The Registrant filed a Current Report on Form 8-K on October 27, 1995, in which the Registrant reported that it had signed a letter of intent to acquire all of the stock of IMS Technologies, Inc.

The Registrant filed a Current Report on Form 8-K/A on November 8, 1995, in which the Registrant amended its report of the acquisition of all of the stock of Automated Sciences Group, Inc.

The Registrant filed a Current Report on Form 8-K on January 16, 1996, in which the Registrant reported that it had acquired all of the stock of IMS Technologies, Inc.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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, on the 26th day of September, 1996.

CACI International Inc

By: /s/
J. P. London
Chairman of the Board and President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in capacities and on the dates indicated.

Signature	*Title*	*Date*
/s/ *J.P. London*	*Chairman of the Board, President and Director (Principal Executive Officer)*	*September 26,1996*
/s/ *James P. Allen*	*Executive Vice President, Chief Financial Officer, and Treasurer (Principal Financial and Accounting Officer)*	*September 26,1996*
/s/ *Paul J. Coleman, Jr.*	*Director*	*September 26, 1996*
/s/ *Alan S. Parsow*	*Director*	*September 26, 1996*
/s/ *Larry L. Pfirman*	*Director*	*September 26, 1996*
/s/ *Warren R. Phillips*	*Director*	*September 26, 1996*
/s/ *Charles P. Revoile*	*Director*	*September 26, 1996*
/s/ *William K. Sacks*	*Director*	*September 26, 1996*
/s/ *John M. Toups*	*Director*	*September 26, 1996*

EXHIBIT 3.1

CERTIFICATE OF INCORPORATION
of
CACI International Inc <FN1>

THE UNDERSIGNED INCORPORATOR(S), in order to form a corporation for the purposes hereinafter stated, under and pursuant to the provisions of the General Corporation Law of the State of Delaware, do hereby certify as follows:

FIRST: The name of the corporation is CACI International Inc <FN1>

SECOND: The registered office of the corporation is to be located at 306 South State Street, in the City of Dover in the County of Kent, in the State of Delaware, 19901. The name of its registered agent at the address is the United States Corporation Company.

THIRD: The objects and purposes of the corporation are to engage in any lawful business and activity for which a corporation may be organized under the General Corporation Law of Delaware, including:

The corporation shall have the power to do any and all acts and things necessary or useful to its business and purposes, and shall have the general, specific and incidental powers and privileges granted to it by statute, including:

To enter into and perform contracts; to acquire and exploit patents, trademarks, rights of all kinds and related and other interests; to acquire, use, deal in and with, encumber and dispose of real and personal property without limitation including obligations and/or securities; to borrow and lend money for its corporate purposes; to invest and reinvest its funds, and take, hold and deal with real and personal property as security for the payment of funds loaned or invested, or otherwise; to vary any investment or employment of capital of the corporation from time to time; to create and/or participate with other corporations and entities for the performance of all undertakings, as partner, joint venturer, or otherwise, and to share or delegate control therewith or thereto.

To pay pensions and establish and carry out pension, profit sharing, stock option, stock purchase, stock bonus, retirement, benefit, incentive or commission plans, trust and provisions for any or all of its directors, officers and employees, and for any or all of the directors, officers and employees of its subsidiaries; and to provide insurance for its benefit on the life of any of its directors, officers or employees, or on the life of a stockholder for the purpose of acquiring at his death shares of its stock owned by such stockholder.

To invest in and merge or consolidate with any corporation in such manner as may be permitted by law; to aid in any manner any corporation whose stocks, bonds or other obligations are held or in any manner guaranteed by this corporation, or in which this corporation is in any way interested; to do any other acts or things for the preservation, protection, improvement or enhancement of the value of any such stock, bonds or other securities; and while owner of any such stock, bonds or other securities to exercise all the rights, powers and privileges of ownership thereof, and to exercise any and all voting powers thereon; and to guarantee the indebtedness of others and the payment of dividends upon any stock, the principal or interest or both of any bonds or other securities, and the performance of any contracts.

To do all and everything necessary, suitable and proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers hereinbefore set forth, either alone or in association with other corporations, firms, partnerships or individuals, and to do every other act and thing incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof, to the extent permitted by the laws of Delaware under which this corporation is organized, and to do all such acts and things and conduct business and have one or more offices and exercise its corporate powers in any and all places, without limitation.

FOURTH: <FN2> The total number of shares of all classes which the corporation shall have the authority to issue is Ninety Million (90,000,000), consisting of Forty Million (40,000,000) shares of Class A Common Stock of the par value of $0.10 per share (hereinafter called "Class A Common Stock"), Forty Million (40,000,000) shares of Class B Common Stock of the par value of $0.10 per share (hereinafter called "Class B Common Stock"), and Ten Million (10,000,000) shares of preferred stock (hereinafter called "Preferred Stock") of the par value of $0.10 per share.

The Board of Directors is authorized, subject to limitations prescribed by law and the provisions of this Article FOURTH, to provide for the issuance of the shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each series and the qualifications, limitations or restrictions thereof.

The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

(a) The number of shares constituting that series and the distinctive designation of that series;

(b) The dividend rate on the shares of that series, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series;

(c) Whether that series shall have voting rights, in addition to the voting rights provided by law, and, if so, the terms of such voting rights;

(d) Whether that series shall have conversion privileges, and, if the terms and conditions of such conversion, including provision for adjustment of the conversion rate in such events as the Board of Directors shall determine;

(e) Whether or not the shares of that series shall be redeemable, and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) Whether that series shall have a sinking fund for the redemption or purchase of shares of that series, and, if so, the terms and amount of such sinking fund;

(g) The rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the corporation, and the relative rights of priority, if any, of payment of shares of that series;

(h) Any other relative rights, preferences and limitations of that series.

Dividends on outstanding shares of Preferred Stock shall be paid or declared and set apart for payment before any dividends shall be paid or declared and set apart for payment on the common shares with respect to the same dividend period.

If upon voluntary or involuntary liquidation, dissolution or winding up of the corporation, the assets available for distribution to holders of shares of Preferred Stock of all series shall be insufficient to pay such holders the full preferential amount to which they are entitled, then such assets shall be distributed ratably among the shares of all series of Preferred Stock in accordance with the respective preferential amounts (including unpaid cumulative dividends, if any) payable with respect thereto.

The powers, preferences and rights, and the qualifications, limitation and restrictions thereof, of each class of common stock, are as follows:

1. Voting

(a) While any shares of Class B Common Stock are issued and outstanding, and subject to the provisions of the following paragraph (b), at every meeting of the stockholders every holder of Class A Common Stock shall be entitled to one (1) vote in person or by proxy for each share of Class A Common Stock standing in his name on the stock transfer records of the corporation, and every holder of Class B Common Stock shall be entitled to ten (10) votes in person or by proxy for each share of Class B Common Stock standing in his name on the stock transfer records of the corporation, provided that at every meeting of the stockholders called for the election of directors the holders of Class A Common Stock, voting separately as a class, shall be entitled to elect one-quarter (1/4) of the number of directors to be elected at such meeting. If one-quarter (1/4) of such number of directors is not a whole number, then the holders of Class A Common Stock, voting separately as a class, shall be entitled to elect the next higher whole number of directors to be elected at such meeting. The holders of Class B Common Stock voting as a class shall be entitled to elect the remaining number of directors constituting the full board. Directors elected by the holders of a Class of Common Stock, voting separately as a class, may be removed, with or without cause, only by a vote of the holders of a majority of the shares of such Class of Common Stock then outstanding, voting separately as a class. If, during the interval between annual meetings of stockholders for the election of directors, the number of directors who have been elected by the holders of either Class of Common Stock voting separately as a class shall, by reason of resignation, death or removal, be reduced, the vacancy or vacancies in the directors elected by the holders of such Class of Common Stock voting separately as a class shall be filled by a majority vote of the remaining directors representing such Class then in office, even if less than a quorum, and if not so filled within forty (40) days after the creation of such vacancy or vacancies, the Secretary of the corporation shall call a special meeting of the holders of such Class of Common Stock and such vacancy or vacancies shall be filled at such special meeting. Any director elected to fill any such vacancy by the remaining directors then in office may be removed from office by vote of the holders of a majority of the shares of the represented Class of Common Stock then outstanding, voting separately as a class.

(b) If, while any shares of Class B Common Stock are issued and outstanding, Herbert W. Karr shall cease to be a holder of Class B Common Stock, or if any "Conversion Event", as defined in subparagraph (c) of paragraph 4 below, shall occur as to Herbert W. Karr, then and in any such event (a "Change-over Event"), the number of directors which may be elected by each Class of Common Stock shall be adjusted as follows:

(i) Prior to the first annual meeting of stockholders following the first anniversary of the Changeover Event (the "Second Annual Meeting"), the holders of Class A Common Stock and Class B Common Stock shall be entitled to elect directors as provided in the preceding paragraph (a).

(ii) Commencing with the Second Annual Meeting, and prior to the annual meeting following the second anniversary of the Change-over Event (the "Third Annual Meeting"), the holders of Class B Common Stock shall be entitled to elect the largest whole number of directors which is equal to or less than five-eighths (5/8) of the full Board, and the holders of Class A Common Stock shall be entitled to elect the remaining directors.

(iii) Commencing with the Third Annual Meeting, and prior to the Conversion Date (defined hereinafter), the holders of Class B Common Stock shall be entitled to elect the largest whole number of directors which is equal to or less than one-half (1/2) of the full Board, and the

holders of Class A Common Stock shall be entitled to elect the remaining directors.

(iv) At the close of business on the date (the "Conversion Date") that is sixty-one (61) days prior to the date on which the annual meeting following the third anniversary of the Changeover Event would be held in accordance with the certificate of incorporation and the by-laws of the corporation, all issued and outstanding shares of Class B Common Stock, and all shares of Class B Common Stock held in treasury, shall be deemed to be converted into an equal number of shares of Class A Common Stock, immediately and without further action; and thereafter no share of Class B Common Stock shall be issued. Commencing on the Conversion Date and continuing thereafter, the holders of Class A Common Stock shall be entitled to elect all the directors of the corporation as provided in subparagraph (d) of this paragraph 1.

(c) At any time when the number of issued and outstanding shares of Class A Common Stock is less than 10% of the aggregate number of issued and outstanding shares of Common Stock of both Class A and Class B, then the provisions of the preceding paragraphs (a) and (b) shall not be applicable to the election of directors, and all holders of Common Stock of Class A and Class B shall be entitled to vote as a single class for the election of directors, with each share of Common Stock of either class having one (1) vote. Directors elected by the holders of both Classes of Common Stock may be removed, with or without cause, only by a vote of the holders of a majority of both Classes of Common Stock voting together as a single class.

(d) If and whenever there are no shares of Class B Common Stock issued and outstanding, every holder of Class A Common Stock shall be entitled to one (1) vote on all matters, including the election of directors, for each share of Class A Common stock standing in his name on the stock transfer records of the corporation.

(e) Every reference in this certificate of incorporation to a majority or other proportion of shares of stock shall refer to such majority or other proportion of the votes of such shares of stock of any applicable class.

2. Dividends

(a) No cash dividend shall be declared or paid with respect to shares of Class B Common Stock unless a cash dividend with respect to Class A Common Stock, equal in amount per share to one hundred ten per cent (110%) of the amount per share declared with respect to the Class B Common Stock, is declared and paid for the same dividend period.

(b) In the event of any stock split, stock dividend or similar adjustment to either Class of Common Stock, the voting rights and dividend preferences of such Class shall be proportionately adjusted to maintain the voting rights and dividend rights of the two Classes of Common Stock in the same proportions as they existed immediately prior to said adjustment; provided, no such proportionate adjustment shall be made on account of the 30% stock dividend (the "Exchange Offer Dividend") described in the Form S-4 registration statement of the corporation filed with the Securities and Exchange Commission in October 1985.

(c) In the event of any stock split, stock dividend (other than the Exchange Offer Dividend) or similar adjustment to either Class of Common Stock, the Offer Price (as defined in subparagraph (b) of paragraph 4) and the conversion ratio for the conversion of Class B Common Stock into Class A Common Stock shall be equitably adjusted by the Board of Directors.

3. Restrictions on Transfer

(a) No person holding shares of Class B Common Stock (hereinafter called a "Class B Holder") may transfer, and the corporation shall not register the transfer of such shares of Class B Common Stock, whether by sale, assignment, gift, bequest, appointment or otherwise, except to a Permitted Transferee of such Class B Holder, which term shall have the following meanings:

(i) Except as provided in the following clause (ii), "Permitted Transferee" shall mean only a person who, immediately before the registration of any such Transfer, is a holder of record of one or more shares of Class B Common Stock.

(ii) With respect to shares of Class B Common Stock which are the subject of the Shareholders' Agreement dated as of December 1, 1985 among the corporation, Herbert W. Karr ("Karr"), J.P. London ("London"), and certain other holders of Class B Common Stock (the "Shareholders' Agreement"), "Permitted Transferee" shall mean a person to whom, in the opinion of counsel to the corporation, shares of Class B Common Stock may be transferred in conformity with the provisions of the Shareholders' Agreement.

(b) Notwithstanding anything to the contrary set forth herein, any Class B Holder may pledge such Holder's shares of Class B Common Stock to a pledgee pursuant to a bona fide pledge of such shares as collateral security for indebtedness due to the pledgee, provided that such shares shall not be transferred to or registered in the name of the pledgee and shall remain subject to the provisions of this paragraph 3. In the event of foreclosure or other similar action by the pledgee, or the transfer, pursuant to an attachment, lien or similar process, of Class B Common Stock to a bona fide creditor of any Class B Holder in satisfaction of an obligation owed to said creditor, such shares of Class B Common Stock must, as soon as reasonably practicable, be either (i) transferred to a Permitted Transferee of the pledger or creditor or
(ii) converted into shares of Class A Common Stock, as the pledgee or creditor may elect, in accordance with the restrictions on transfer and conversion as stated herein.

(c) Any purported transfer of shares of Class B Common Stock not permitted hereunder shall be void and of no effect, and the purported transferee shall have no rights as a stockholder of the corporation and no other rights against or with respect to the corporation. The corporation

may, as a condition to the transfer or the registration of transfer of shares of Class B Common Stock to a purported Permitted Transferee, require the furnishing of such affidavits or other proof as it deems necessary to establish that such transferee is a Permitted Transferee. The corporation may note on the certificates for shares of Class B Common Stock the restrictions on transfer and registration of transfer set forth in this paragraph 3.

4. Conversion of Class B to Class A

(a) Each share of Class B Common Stock may at any time be converted into one (1) fully paid and nonassessable share of Class A Common Stock subject to the provisions of this paragraph 4. Such right shall be exercised by the surrender to the corporation of the certificate representing such share of Class B Common Stock to be converted, at any time during normal business hours at the principal executive offices of the corporation, or if an agent for the registration of transfer of shares of Class B Common Stock is then duly appointed and acting (said agent being hereinafter called the "Transfer Agent") then at the office of the Transfer Agent, accompanied by (i) a written notice of the election by the holder thereof to convert, (ii) evidence satisfactory to the corporation's counsel of compliance with the provisions of the following paragraph (b), and (iii) (if so required by the corporation or the Transfer Agent) instruments of transfer in form satisfactory to the corporation and to the Transfer Agent, duly executed by such holder or his duly authorized attorney, and transfer tax stamps or funds therefor, if required pursuant to subparagraph (i) below.

(b) No share of Class B Common Stock shall be converted to Class A Common Stock unless the holder thereof has first offered to sell that share to the other Class B Holders and to the corporation, as follows:

(i) The Class B Holder wishing to convert (the "Converting Holder") shall give to the Secretary of the corporation a written notice (the "Notice") to that effect, which Notice shall be deemed to constitute an offer to sell, to the Offerees, at the Offer Price and upon the terms and conditions hereinafter set forth, the Class B shares that the Converting Holder proposes to convert (the "Offered Shares"). As promptly as practicable after the date on which he receives the Notice (the "Date of Receipt"), and in any event not more than five (5) days after the Date of Receipt, the Secretary shall (x) establish a record date not more than sixty
(60) days prior to the Date of Receipt for purposes of determining the record holders of Class B Common Stock entitled to purchase their pro rata portion of the Offered Shares (the "Offerers"), and
(y) give written notice simultaneously to all Offerees, informing each Offeree of the Converting Holder's offer to sell to that Offeree a pro rata portion of the Offered Shares, at an "Offer Price" per share equal to the mean between the high and low prices (or, if applicable, the mean between the closing bid and asked prices) for Class A Common Stock, as reported by NASDAQ or by any national securities exchange on which the Class A Common Stock is listed, on the business day immediately preceding the Date of Receipt. Simultaneous notice shall be deemed to have been given to all Offerees on the date (the "Offer Date") on which the Secretary sends to all Offerees, by delivery in hand or by deposit in the United States mail, registered or certified and postage prepaid, addressed to each Offeree at that Offeree's address appearing in the corporation's stock records as of the applicable record date, written notice as aforesaid. For purposes of this paragraph (b), the pro rata portion of Offered Shares to be offered to each Offeree shall be determined by the proportion that the amount of shares held of record by that Offeree as of the applicable record date bears to the aggregate amount of shares held of record by all Offerees as of that record date; provided, that the Secretary may apply rounding to avoid offering fractional shares.

(ii) Each Offeree may elect to purchase any or all of the shares offered to him by giving written notice thereof to the Secretary and the Converting Holder within fifteen (15) days after the Offer Date. Any shares so purchased shall be delivered against tender of the Offer Price in cash, certified or bank check, or wire transfer within seven (7) days after the giving of notice by the Offeree.

(iii) Commencing on the sixteenth (16th) day after the Offer Date, and continuing for fifteen (15) days until and including the thirtieth day after the Offer Date, the Notice given by the Converting Holder pursuant to the preceding clause (i) shall be deemed to constitute an offer to sell to the corporation at the Offer Price any and all of the Offered Shares that have been offered to but not accepted by the Offerees. The corporation may elect to purchase any or all of the Offered Shares within the fifteen (15) days described in the immediately preceding sentence.

(iv) Any shares of Class B Common Stock which have been offered to and have not been purchased by the Offerees and the Company, as provided in the preceding clauses (i)-(iii), shall be converted to shares of Class A Common Stock.

(c) Except as provided in clause (ii) of this paragraph (c), upon the occurrence of a Conversion Event, as defined in clause (i) of this paragraph (c), any and all shares of Class B Common Stock held by the shareholder as to whom the Conversion Event occurs shall be converted immediately and without further action into an equal number of shares of Class A Common Stock. Thereafter, any outstanding certificate representing any shares of Class B Common Stock so converted shall represent the corresponding shares of Class A Common Stock; and any holder of any such certificate shall be entitled to surrender it for issue of a certificate or certificates for shares of Class A Common Stock as provided in subparagraph (f) of this paragraph 4.

(i) A "Conversion Event" shall mean, as to any holder of Class B Common Stock, his death, or his permanent mental incapacity, or his being adjudged bankrupt, or the appointment of any receiver, agent, or other custodian of all or any part of his property that may include Class B Common Stock under any insolvency or similar law of any jurisdiction.

(ii) A Conversion Event shall not result in automatic conversion of any shares under this paragraph (c) if, before the occurrence of the Conversion Event, the affected shareholder had entered into a binding agreement to sell those shares (including a binding option to sell) to any Permitted Transferee, as defined in paragraph 3 of this Article FOURTH; provided, however, that if the sale is not consummated within sixty (60) days after the Conversion Event, then the shares shall be automatically converted as provided in this paragraph (c).

(d) If and whenever the aggregate amount of shares of Class B Common Stock held of record by Karr and London, plus the number of shares of Class B Common Stock which Karr or London has a present or future right to acquire pursuant to a binding agreement, is less than twenty-five percent (25%) of the total amount of issued and outstanding Class B Common Stock, plus the number of shares of Class B Common Stock which Karr or London has a present or future right to acquire pursuant to a binding agreement, then all issued and outstanding shares of Class B Common Stock, and all shares of Class B Common Stock held in treasury, shall be deemed to be converted into an equal number of shares of Class A Common Stock, immediately and without further action; and thereafter no share of Class B Common Stock shall be issued.

(e) The Board of Directors may at any time declare that each issued and outstanding share of Class B Common Stock is converted into 1.3 shares of Class A Common Stock, immediately and without further action, if the Board determines that such action is in the best interest of the stockholders generally. Without limiting the generality of the foregoing, the Board may do so if it determines that the existence of classes of shares with unequal voting power substantially impairs the maintenance of a public market for shares of Class A Common Stock. The Board may make reasonable provision to avoid conversion into fractional shares, including without limitation provision for rounding of conversion amounts, or for payment of cash in lieu of fractional shares.

(f) As promptly as practicable after the surrender for conversion of a certificate representing shares of Class B Common Stock, the corporation will deliver or cause to be delivered at the office of the Transfer Agent to or upon the written order of the holder of such certificate, a certificate or certificates representing the number of full shares of Class A Common Stock issuable upon such conversion, issued in such name or names as such holder may direct. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of the surrender of the certificate representing shares of Class B Common Stock, and all rights of the holder of such shares as such holder shall cease at such time and the person or persons in whose name or names the certificate or certificates representing the shares of Class A Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of Class A Common Stock at such time; provided, however, that any such surrender and payment on any date when the stock transfer books of the corporation shall be closed shall constitute the person or persons in whose name or names the certificate or certificates representing shares of Class A Common Stock are to be issued as the record holder or holders thereof for all purposes immediately prior to the close of business on the next succeeding day on which such stock transfer books are open.

(g) No adjustments in respect of dividends shall be made upon the conversion of any share of Class B Common Stock; provided, however, that if a share shall be converted subsequent to the record date for the payment of a dividend or other distribution on shares of Class B Common Stock but prior to such payment, the registered holder of such share at the close of business on such record date shall be entitled to receive the dividend or other distribution payable on such share on the payment date notwithstanding the conversion thereof or the corporation's default in payment of the dividend due on the payment date.

(h) The corporation covenants that it will at all times reserve and keep available, solely for the purpose of issue upon conversion of the outstanding shares of Class B Common Stock, such number of shares of Class A Common Stock as shall be issuable upon the conversion of all such outstanding shares; provided, that nothing contained herein shall be construed to preclude the corporation from satisfying its obligations in respect of the conversion of the outstanding shares of Class B Common Stock by delivery of purchased shares of Class A Common Stock which are held in the treasury of the corporation. The corporation covenants that if any shares of Class A Common Stock, required to be reserved for purposes of conversion hereunder, require registration with or approval of any governmental authority under any federal or state law before such shares of Common Stock may be issued upon conversion the corporation will cause such shares to be duly registered or approved, as the case may be. The corporation will endeavor to list the shares of Class A Common Stock required to be delivered upon conversion prior to such delivery upon each national securities exchange, if any, upon which the outstanding Class A Common Stock is listed at the time of such delivery. The corporation covenants that all shares of Class A Common Stock which shall be issued upon conversion of the shares of Class B Common Stock will, upon issue, be fully paid and nonassessable and not subject to any preemptive rights.

(i) The issuance of certificates for shares of Class A Common Stock upon conversion of shares of Class B Common Stock, shall be made without charge for any stamp or other similar tax in respect of such issuance. However, if any such certificate is to be issued in a name other than that of the holder of the share or shares of Class B Common Stock converted, the person or persons requesting the issuance thereof shall pay to the corporation the any tax which may be payable in respect of any transfer involved in such issuance or shall establish to the satisfaction of the corporation that such tax has been paid.

5. Further Issue

(a) Except as otherwise provided in this paragraph 5, the directors may at any time and from time to time issue shares of authorized and unissued Class A Common Stock and Class B Common Stock upon such terms and for such lawful consideration as they may determine.

(b) If any Change-over Event (as defined in subparagraph (b) of paragraph 1 above) shall occur, then and thereafter no share of Class B Common Stock shall be issued except pursuant to the conversion or exercise, as the case may be, of convertible securities, options, warrants or other rights to acquire such shares that were outstanding or in existence on the date of the Change-over Event.

(c) After the completion of the contemplated exchange offer described in the Form S-4 registration statement of the corporation filed with the Securities and Exchange Commission in October 1985, no share of authorized and unissued Class B Common Stock, no security convertible into or exchangeable for shares of Class B Common Stock, and no option, warrant or other right to subscribe for, purchase or otherwise acquire shares of Class B Common Stock shall be issued except with the approval of the holders of a majority of the issued and outstanding shares of Class B Common Stock, voting as a class. The issuance of Class B Common Stock pursuant to the conversion or exercise of convertible securities, options, warrants or other rights previously approved in accordance with the preceding sentence shall not require additional approval

at the time of such conversion or exercise.

(d) After the completion of the contemplated exchange offer described in the Form S-4 registration statement of the corporation filed with the Securities and Exchange Commission in October 1985, no more than five million (5,000,000) shares of authorized and unissued Class B Common Stock shall be issued except with the approval of the holders of a majority of the issued and outstanding shares of Class A Common Stock, voting as a class; provided, however, that the following shares of Class B Common Stock shall not be included in the limitation provided in this paragraph (d):

(i) previously issued and reacquired shares sold by the Company from treasury shares;

(ii) shares issued and sold in exchange for a like number of shares of Class A Common Stock or issued and sold for a consideration per share not less than the fair market value of Class A Common Stock, determined as the mean between the high and low prices (or, if applicable, the mean between the closing bid and asked prices) for Class A Common Stock, as reported by NASDAQ or by any national securities exchange on which Class A Common Stock is listed, on the business day of the issuance;

(iii) shares issued in connection with a stock split, stock dividend, or other similar pro rata distribution made on substantially equivalent terms to holders of Class A Common Stock and holders of Class B Common Stock; and

(iv) shares issued pursuant to the terms of an employee stock incentive plan or similar employee benefit plan of the corporation.

6. No Preemptive Rights. No stockholder of the corporation shall be entitled as of right to subscribe for, purchase, or take any part of any new or additional issue of stock of any class.

7. Liquidation. Except as otherwise provided in this Article FOURTH, shares of Common Stock of Class A and Class B shall be equal in right. Without limiting the generality of the foregoing, all shares of Common Stock of Class A and Class B shall be entitled to share equally and ratably in the proceeds of any liquidation of the corporation.

FIFTH: The corporation is to have perpetual existence.

SIXTH: The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever and they shall not be personally liable for the payment of the corporation's debts except as they may be liable by reason of their own conduct or acts.

SEVENTH: The following provisions are inserted for the management of the business and for the conduct of the affairs the corporation, and for further definition, limitation and regulation of the powers of the corporation and of its directors and stockholders.

(1) The number of directors comprising the Board of Directors of the corporation shall be such as from time to time shall be fixed by or in the manner provided in the by-laws, but shall not be less than five (5). Election of directors need not be by ballot unless the by-laws so provide.

(2) The Board of Directors shall have the power, unless and to the extent that the Board may from time to time by Resolution relinquish or modify the power, without the assent or vote of the stockholders:

(a) To make, alter, amend, change, add to, or repeal the by-laws of the corporation, except any by-law which pursuant to law or the by-laws of the corporation is required to be adopted, amended or repealed by the stockholders; to fix and vary the amount of capital of the corporation to be reserved for any proper purpose; to authorize and cause to be executed mortgages and liens upon all or any part of the property of the corporation; to determine the use and disposition of any surplus or net profits; and to fix the times for the declaration and payments of dividends, and

(b) To determine from time to time whether, and to what extent, and at what times and places, and under what conditions and regulations, the accounts and books of the corporation (other than the stock ledger) or any of them shall be open to the inspection of the stockholders.

(3) The Board of Directors in its discretion may submit any contract or act for approval or ratification at any annual meeting of the stockholders or at any meeting of the stockholders called for the purpose of considering such act or contract, and any contract or act that shall be approved or be ratified by the vote of the holders of a majority of the stock of the corporation which is represented in person or by proxy at such meeting and entitled to vote thereat (provided that a lawful quorum of stockholders be there represented in person or by proxy) shall be as valid and binding upon the corporation and upon all stockholders as though it had been approved or ratified by every stockholder of the corporation, whether or not the contract or act would otherwise be open to legal attack because of directors' interest, or for any other reason.

(4) No contract or transaction between this corporation an one or more of its directors or officers, or between this corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason or solely because the director or officer is present at or participates in the meeting of the board of committee thereon which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if the contract or transaction is fair as to the corporation and/or if the material facts relating thereto are disclosed to and/or known by the directors and/or stockholders and/or approved thereby, pursuant to Section 144 of Title 8 of the Delaware Code.

(5) In addition to the powers and authorities hereinbefore or by statute expressly conferred upon them, the Board of Directors is hereby empowered to exercise all such powers and to do all such acts and things as may be exercised or done by the corporation; subject, nevertheless, to the provisions of the statutes of Delaware, of this certificate, and to any by-laws from time to time made by the stockholders; provided, however, that no by-law so made shall invalidate any prior act of the Board which would have been valid if such by-law had not been made.

3/ (6) No director of the Board of Directors of the corporation shall be held liable for the monetary damages for breach of fiduciary duty while acting as a director on behalf of the corporation, except for:

1. Breach of the director's duty of loyalty to the corporation or its stockholders;

2. Acts or omissions not committed in good faith;

3. Acts or omissions which involve intentional misconduct or a knowing violation of law;

4. Acts taken in violation of Section 174 of Title 8, Delaware Code, as amended from time to time (dealing with the distribution of dividends and stock repurchases); or

5. Transactions from which the director derived an improper personal benefit.

<FN3> EIGHTH: The corporation may, to the full extent permitted by
Section 145 of the Delaware General Corporation Law, as amended from time to time, indemnify or advance the expenses of all persons whom it may indemnify or for whom it may advance expenses.

NINTH: Whenever a compromise or arrangement is proposed between this corporation and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this corporation or of any receiver or receivers appointed for this corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of
Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

TENTH: The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on stockholders, directors and officers are subject to this reserved power.

ELEVENTH: The name(s) and addresses of the incorporator(s) are as follows:

Charles P. Revoile 1815 North Fort Myer Drive Arlington, Virginia 22209

The powers of the incorporators shall terminate upon filing the certificate of incorporation, and the name and address of each person who is to serve as a director until the first annual meeting of stockholders or until his or their successors are elected and qualify, shall be as follows:

Joseph S. Annino	1815 North Fort Myer Drive Arlington, Virginia 22209
J. H. Berkson	1815 North Fort Myer Drive Arlington, Virginia 22209
Herbert W. Karr	1815 North Fort Myer Drive Arlington, Virginia 22209
J. P. London	1815 North Fort Myer Drive Arlington, Virginia 22209
Robert F. McIntosh	1815 North Fort Myer Drive Arlington, Virginia 22209
Warren R. Phillips	1815 North Fort Myer Drive Arlington, Virginia 22209
John DeNigris	1815 North Fort Myer Drive Arlington, Virginia 22209

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this 3rd day of October, 1985.

/s/ *(L.S.)*

Charles P. Revoile

<FN1> Name changed from CACI Worldwide, Inc. to CACI, Inc. by Amendment to the Certificate of Incorporation dated June 2, 1986; and from CACI, Inc. to CACI International Inc by Amendment to the Certificate of Incorporation dated December 23, 1986.

<FN2> Article FOURTH amended December 23, 1986.

<FN3> Article SEVENTH (6) and Article EIGHTH amended December 23, 1986.

EXHIBIT 3.2

Revised as of December 17, 1993

BY-LAWS
of
CACI International Inc
(A Delaware Corporation)

ARTICLE I. OFFICES

Section 1. PRINCIPAL OFFICE

The principal office for the transaction of business of the Corporation is hereby fixed and located at 1100 North Glebe Road, County of Arlington, Commonwealth of Virginia. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another in said County.

Section 2. OTHER OFFICES

Branch of subordinate offices may at any time be established by the Board of Directors at any place or places where the Corporation is qualified to do business.

ARTICLE II. MEETING OF SHAREHOLDERS

Section 1. PLACE OF MEETINGS

All annual and other meetings of shareholders shall be held either at the principal office of the Corporation or at any other place which may be designated either by the Board of Directors pursuant to authority hereafter granted to said Board, or by written consent of all shareholders entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Corporation.

Section 2. ANNUAL MEETING

The annual meetings of the shareholders shall be held on the third Friday of October of each year, at 9:00 o'clock a.m. or at such other date and time, not inconsistent with Delaware law, as may be approved by the Board of Directors; provided, however, should said day fall upon a legal holiday, then such annual meeting of shareholders shall be held at the same time and place on the next day thereafter which is not a legal holiday.

Written notice of each annual meeting shall be given to each shareholder entitled to vote thereat, either personally or by mail or other means of written communication, charges prepaid, addressed to such shareholder at his or her address appearing on the books of the Corporation or given by him or her to the Corporation for the purpose of notice. If a shareholder gives no address, notice shall be deemed to have been given him or her if sent by mail or other means of written communication addressed to the place where the principal office of the Corporation is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to such shareholder entitled thereto, not less than twenty (20) days nor more than sixty (60) days before such annual meeting, and shall specify the place, day, and hour of such meeting, and shall also state the general nature of the business or proposal to be considered or acted upon at such meeting before action may be taken at such meeting on:

(a) A proposal to sell, lease, convey, exchange, transfer, or otherwise dispose of all or substantially all of the property or assets of the Corporation, except under Section 272 of the Delaware General Corporation Law, and except for a transfer to a wholly-owned subsidiary;

(b) A proposal to merge or consolidate with another corporation, domestic or foreign;

(c) A proposal to reduce the stated capital of the Corporation;

(d) A proposal to amend the Articles of Incorporation;

(e) A proposal to wind up and dissolve the Corporation; and

(f) A proposal to adopt a plan of distribution of shares, securities, or any consideration other than money in the process of winding up.

Advance Notice of Stockholder Proposed Business at Annual Meeting:
At an Annual Meeting of the Shareholders, only such business shall be conducted as shall have been properly brought before the meeting:

(a) As specified in the notice of the meeting (or any supplement thereto);

(b) By, or at the direction of, the Board of Directors; or

(c) Otherwise properly brought before the meeting by a stockholder.

In addition to any other applicable requirements, for business to be properly brought before an Annual Meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the offices of the Secretary of the Corporation, not less than sixty (60) days prior to the first anniversary of the date of the last Annual Meeting of stockholders of the Corporation. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder purposes to bring before the Annual Meeting (i) a brief description of the business desired to be brought before the Annual Meeting and reasons for conducting such business at the Annual Meeting; (ii) the name and record address of the stockholder proposing such business; (iii) the class and number of shares of the Corporation which are beneficially owned by the stockholder; and (iv) any material interest of the stockholder in such business.

Notwithstanding anything in the By-laws to the contrary, no business shall be conducted at the Annual Meeting except in accordance with the procedures set forth in this section, provided, however, that nothing in this section shall be deemed to preclude discussion by any stockholder of any business properly brought before the Annual Meeting in accordance with said procedure.

The Chairman of the Annual Meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this section, and if he should so determine, he shall so declare to the meeting that any such business not properly brought before the meeting shall not be transacted.

Section 3. SPECIAL MEETINGS

Special Meetings of the shareholders, for any propose or purposes whatsoever, may be called any time by the Chairman of the Board, the President, or by the Board of Directors. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of shareholders.

Notices of any special meeting shall specify, in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.

Section 4. ADJOURNED MEETINGS AND NOTICE THEREOF

Any shareholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by vote of a majority of the shares, the holders of which are either present in person or by proxy, but in the absence of a quorum, no other business may be transacted at such meeting.

When any shareholders' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. In all other instances of adjournment, it shall not be necessary to give any notice of an adjournment or of the business to be transacted ad an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 5. ENTRY OF NOTICE

Whenever any shareholder entitled to vote has been absent from any meeting or shareholders, whether annual or special, an entry in the minutes to the effect that notice has been duly given shall be sufficient evidence that due notice of such meeting was given to such shareholder, as required by the law and the By-laws of the Corporation.

Section 6. VOTING

At all meetings of shareholders, every shareholder entitled to vote shall have the right to vote in person or by proxy the number of shares standing in his or her name on the stock records of the Corporation. Such vote may be given viva voce or by ballot; provided, however, that all elections for directors must be by ballot upon demand made by a shareholder at any election and before the voting begins.

Section 7. QUORUM.

The presence in person or by proxy of the holders of a majority of the shares entitled to vote at any meeting shall constitute a quorum for the transaction of business. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. When a quorum is present at any meeting, a majority in interest of the stock represented thereat shall decide any question brought before such meeting, unless the question is one upon which by express provision of law, the Articles of Incorporation, or these By-laws, a larger or different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 8. CONSENT OF ABSENTEES

The proceedings and transactions of any meeting of shareholders, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the shareholders entitled to vote, not present in person or by proxy, sign a written waiver of notice, a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made apart of the minutes of the meeting.

Section 9. ACTION WITHOUT MEETING

Any action, which under the provisions of Section 228 of the Delaware General Corporation Law may be taken at a meeting of the shareholders, may be taken without a meeting if authorized by a writing signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at any meeting at which all shares entitled to vote thereon were present and voted, and filed with the Secretary of the Corporation.

Section 10. PROXIES

Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his or her duly authorized agent and filed with the Secretary of the Corporation; provided, that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the shareholder executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

ARTICLE III. DIRECTORS

Section 1. POWERS

Subject to limitations of the Articles of Incorporation, of the By-laws, and particularly Article II, Section 6 of these By-laws, and Section 141 of the Delaware General Corporation Law as to action to be authorized or approved by the shareholders, and subject to the duties of directors as prescribed by the By-laws, all corporate power shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to-wit:

First: To select and remove all other officers, agent, and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law, the Articles of Incorporation or by By-laws, fix their compensation, and require from them security for faithful service.

Second: To conduct, manage, and control the affairs and business of the Corporation, and to make such rules and regulations therefore not inconsistent with law, the Articles of Incorporation or the By-laws, as they may deem best.

Third: To change the principal office for the transaction of the business of the Corporation from one location to another within the same county as provided in Article I, Section 1 hereof; to fix and locate from time to time, one or more branch or subsidiary offices of the Corporation within or without the State of Delaware as provided in Article I, Section 2 hereof; to designate any place within or without the State of Delaware for the holding of any shareholders' meetings; and to adopt, make, and use a corporate seal, and to prescribe the form of certificates of stock, and to alter the form of such seal and of such stock certificates from time to time, as in their judgment they may deem best; provided, such seal and such certificates shall at all times comply with the provisions of the law.

Fourth: To authorize the issuance of stock of the Corporation from time to time, upon such terms as may be lawful, in consideration of money paid, labor done, or services actually rendered, debts or securities canceled, or tangible or intangible property actually received, or in case of shares issued as a dividend, against amounts transferred from surplus to stated capital.

Fifth: To borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt and securities therefore.

Sixth: To appoint an executive committee and other committees, and to delegate to the executive committee any of the powers and authority of the Board in the management of the business and affairs of the Corporation, except the power to declare dividends and to adopt, amend, or repeal By-laws. The executive committee shall be composed of two or more directors.

Seventh: To impose such restriction(s) on the transfer of the stock of the Corporation, specifically including by way of illustration only, and not of limitation, e.g., the requirement that such stock not be transferable on the books of the Corporation except with a simultaneous transfer of the stock of any other corporation(s), as is or may be permitted by law, and to remove any such restriction(s) thereon.

Section 2. NUMBER AND QUALIFICATIONS OF DIRECTORS

The authorized number of directors of the Corporation shall be a number between five (5) and nine (9) inclusive, as the Board of Directors from time to time by vote of a supermajority (a majority plus one) may set, until changed by amendment of the Articles of Incorporation or by a by-law amending this Section 2, Article III of these By-laws duly adopted by the vote or written assents of the shareholders entitled to exercise fifty-one percent (51%) of the voting power of the Corporation.

Section 3. ELECTION AND TERM OF OFFICE

The directors shall be elected at each annual meeting of the shareholders, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at any special meeting of the shareholders held for that purpose. All directors shall hold office at the pleasure of the shareholders or until their respective successors are elected. The shareholders may at any time, either at a regular or special meeting, remove any director and elect his or her successor.

NOMINATIONS OF DIRECTORS

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of candidates for election as directors of the Corporation at any meeting of shareholders may be made (a) by, or at the direction of, a majority of the Board of Directors, or (b) by any shareholder of that class of stock entitled to vote for the election of directors of that class of stock. Only persons nominated in accordance with the procedures set forth in this section shall be eligible for election as directors. Such nomination, other than those made by, or at the direction of the board, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to or mailed and received at the office of the Secretary of the Corporation not less than sixty (60) days prior to the first anniversary of the date of the last meeting of stockholders of the Corporation called for the election of directors. Such stockholder's notice to the Secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director: (i) the name, age, business address, and residence address of the person; (ii) the principal occupation of the employment of the person; (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the person; and (iv) any other information related to the person that is required to be disclosed in solicitations for proxies for elections of directors pursuant to Rule 14a under the Securities Exchange Act of 1934, as amended; and (b) as to the stockholder giving the notice: (i) the name and record address of the stockholder, and (ii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the stockholder. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as director of the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein.

The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting that the defective nomination shall be disregarded.

Section 4. VACANCIES

Vacancies in the Board of Directors may be filled by the remaining directors, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until his or her successor is elected at an annual or special meeting of the shareholders.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of the death, resignation, or removal of any director, or if the authorized number of directors be increased, or if the shareholders fail at any annual or special meeting of the shareholders at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The shareholders may elect a director of directors at any time to fill any vacancy or vacancies of a director tendered to take effect at a future time; the Board or the shareholders shall have the power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his or her term of office.

Section 5. PLACE OF MEETING

Regular meetings of the Board of Directors shall be held at any place within or without the State of Delaware which has been designated from time to time by resolution of the Board or by written consent of all members of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board may be held either at a place so designated or at the principal office.

Section 6. ORGANIZATION MEETING

Immediately following each annual meeting of shareholders, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meetings is hereby dispensed with.

Section 7. OTHER REGULAR MEETINGS

Other regular meetings of the Board of Directors shall be held on the third Friday of January, April, and July of each year at 9:00 o'clock a.m. thereof; provided, however, that should said day fall upon a legal holiday, then said meeting shall be held at the same time and place on the next day thereafter which is not a legal holiday. Notice of regular meetings of the Board of Directors is required and shall be given in the same manner as notice of special meetings of the Board of Directors.

Section 8. SPECIAL MEETINGS

Special meetings of the board of Directors for any purpose or purposes may be called at any time by the President, by the Executive Committee, or by any three (3) members of the Board.

Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by mail or other form or written communication, charges prepaid, addressed to him or her at his or her address as it is shown upon the records of the Corporation, or if it is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. In case such notice is mailed or telegraphed, it shall be deposited in the U.S. Mail or delivered to the telegraph company in the place in which the principal office of the Corporation is located at least one hundred twenty (120) hours prior to the time of holding of the meeting. In case such notice is delivered personally as above provided, it shall be so delivered at least forty eight (48) hours prior to the time of the holding of the meeting. Such mailing, telegraphing, or delivery as above provided, shall be due, timely, legal and personal notice to such director.

NOTICE FOR A PARTICULAR SPECIFIED ACTION

Notwithstanding the above requirements for regular or special meetings, the Chairman of the Board, the Chief Executive Officer, or any two directors may require at least thirty (30) calendar days notice of any action, by writing delivered to the Secretary of the Corporation, before or during any regular or special meeting, and if such notice is given, no vote or written consent may be taken upon such action until the passage of such time (at another special meeting or by written consent). Provided, however, if eighty percent (80%) of the directors agree to waive such notice, the meeting or vote of consent on such action shall proceed without the requirement for extended notice.

Section 9. NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.

Section 10. ENTRY OF NOTICE

Whenever any director has been absent from any special meeting of the Board of Directors, any entry in the minutes as to the effect that notice has been duly given shall be sufficient evidence that due notice of such special meeting was given to such director, as required by law and the By-laws of the Corporation.

Section 11. WAIVER OF NOTICE

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if either before or after the meeting, each of the directors not present, signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 12. QUORUM

A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. With the exception of Section 4 of this Article, an action of the directors shall be regarded as the act of the Board of Directors only if a majority of the entire authorized number of directors shall vote affirmatively on such action.

Section 13. ADJOURNMENT

A quorum of the directors may adjourn any directors' meeting to meet again at a stated time, place, and hour; provided, however, that in the absence of a quorum, the directors present at any directors' meeting, either regular or special, may adjourn from time to time, until the time fixed for the next regular meeting of the Board.

Section 14. ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law or these By-laws may be taken without a meeting if all members shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such directors, any certificate or other document filed under any provisions of the Delaware General Corporation Law which related to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the By-laws

authorize the directors to so act, and such statement shall be prima facie evidence of such authority.

Section 15. FEES AND COMPENSATION

Directors shall not receive any stated salary for their services as directors, but, by resolution of the Board of Directors, a fixed fee, with or without expenses of attending, may be allowed for attendance at each meeting. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore.

ARTICLE IV. OFFICERS

Section 1. OFFICERS

The officers of the Corporation shall be:

1. Chairman of the Board
2. President
3. Vice President
4. Secretary
5. Treasurer

The Corporation may also have, at the discretion of the Board of Directors, one or more additional vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article. Officers other than the President and Chairman of the Board of Directors need not be directors. One person may hold two or more offices, except those of President and Secretary.

Section 2. ELECTIONS

The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Sections 3 or 5 of this Article, shall be chosen annually by the Board of Directors, and each shall hold his or her office at the pleasure of the Board of Directors, who may, either at a regular or special meeting, remove any such officers and appoint his or her successor.

Section 3. SUBORDINATE OFFICERS, ETC

The Board of Directors may appoint such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the By-laws or as the Board of Directors may from time to time determine.

Section 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at a regular or special meeting of the Board, or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the By-laws for regular appointments to such office.

Section 6. CHAIRMAN OF THE BOARD

The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board of Directors, and exercise and perform such other powers and duties as may be from time to time assigned to him or her by the Board of Directors as prescribed by the By-laws.

Section 7. PRESIDENT

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general

supervision, direction, and control of the business and affairs of the Corporation. He shall preside at all meetings of the shareholders, and in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall be ex-officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a Corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or by the By-laws.

Section 8. VICE PRESIDENT

In the absence or disability of the President, the Chairman of the Board or in the event of his absence or disability, the Vice Presidents in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all restrictions upon, the President. Absence and disability are defined as follows: absence is physical absence from the Corporation's principal place of business and unreachable by telephone for a period of forty-eight (48) hours. Disability is the inability of the President to perform his duties on an ongoing basis.

The Senior Vice President and each other Vice President shall have such other powers and perform such duties as are authorized by the laws of Delaware and as are delegated to them respectively from time to time by the board of Directors or the By-laws.

Section 9. SECRETARY

The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and shareholders, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those directors and shareholders present, the names of those present at the directors' meeting, the number of shares present or represented at shareholders' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept, at the principal office or at the office of the Corporation's transfer agent, a share register or a duplicate share register showing the names of the shareholders and their addresses; the number and classes of shares held by each; the number and the date of certificates issued for the same; and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give or cause to be given, notice of all meetings of shareholders and the Board of Directors, as required by the By-laws or by law to be given, and he or she shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the By-laws.

Section 10. TREASURER

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital surplus, and surplus shares. Any surplus, including earned surplus, paid-in surplus, and surplus arising from a reduction of stated capital, shall be classified according to source and shown in a separate account. The books of account shall at all times be open for inspection by any director.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Corporation as may be ordered by the Board of Directors and shall render to the President and directors, when they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the By-laws.

ARTICLE V. MISCELLANEOUS

Section 1. RECORD DATE AND CLOSING STOCK BOOKS

A. Fixed Date

The Board of Directors may fix a time, in the future, not less than twenty (20) nor more than sixty (60) days preceding the date of any meeting of shareholders, and not more than sixty (60) days preceding the date fixed for the payment of any dividend or distribution, or for the allotment of rights, or when any change, conversion, or exchange of shares shall go into effect, as a record date for the determination of the shareholders entitled to notice of and to vote at any such meeting, or entitled to receive any such dividend or distribution, or any such allotment of rights, or to exercise the rights in respect to any such change, conversion, or exchange of shares, and in such case only shareholders of record on the date so fixed shall be entitled to notice of and to vote at such meeting, or to receive such rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after any record date fixed as aforesaid. The Board of Directors may close the books of the Corporation against transfer of shares during the whole, or any part of any such period.

B. No Fixed Date

As an alternative to an action taken under Subsection A of this

Section 1 of Article V, if no record date has been or is fixed for the purpose of determining shareholders entitled to receive payment of any dividend, the record date for such purpose shall be at the close of business of the date on which the Board of Directors adopts the resolution relating thereto.

Section 2. INSPECTION OF CORPORATE RECORDS

The share register or duplicate share register, the books of account, and minutes of proceedings of the shareholders and directors shall be open to inspection upon the written demand of any shareholder or the holder of a voting trust certificate, at any reasonable time, and for a purpose reasonably related to his or her interests as a shareholder, and shall be exhibited at any time when required by the demand of ten percent (10%) of the shares represented at any shareholders' meeting. Such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Demand of inspection other than at a shareholders' meeting shall be made in writing upon the President, Secretary, or Assistant Secretary of the Corporation.

Section 3. CHECKS, DRAFTS, ETC.

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 4. CONTRACTS, ETC.: HOW EXECUTED

The Board of Directors, except as the By-laws or Articles of Incorporation otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or agreement or to pledge its credit to render it liable for any purpose or to any amount.

Section 5. ANNUAL REPORTS

The Board of Directors shall cause an annual report or statement to be sent to the shareholders of this Corporation not later than one hundred and twenty (120) days after the close of the fiscal or calendar year.

Section 6. CERTIFICATES OF STOCK

A certificate or certificates for shares of the capital stock of the Corporation shall be issued to each shareholder when any such shares are fully paid up. All such certificates shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary. Such certificates may be paired with, deemed to represent, and subjected to restrictions on transfer without simultaneous transfer of, certificates for: (a) shares of stock of any other corporation(s), (b) beneficial interests in such shares,
(c) interests in voting trust(s), or (d) other kinds of interests in any other kind of entity.

Certificates for shares may be issued prior to full payment thereof, under such restrictions and for such purposes as the Board of Directors or the By-laws may provide; provided, however, that any such certificate so issued prior to full payment shall state the amount remaining unpaid and the terms of payment thereof.

Section 7. REPRESENTATION OF SHARES OF OTHER CORPORATIONS

The President or any Vice President and the Secretary or Assistant Secretary of this Corporation are authorized to vote, represent, and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation. The authority herein granted to said officers to vote or represent on behalf of this Corporation any and all shares held by this Corporation or corporations, may be exercised either by such officers in person or by any person authorized to do so by proxy or power of attorney.

Section 8. INSPECTION OF BY-LAWS

The Corporation shall keep in its principal office for the transaction of business the original or a copy of the By-laws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the shareholders at all reasonable times during business hours.

Section 9. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Every person who was or is a party or is threatened to be made a party to or is involved in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that he or a person of whom he is the legal representative is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, shall be indemnified and held harmless to the fullest extent legally permissible under the General Corporation Law of the state of Delaware from time to time against all expense, liability, and loss (including attorneys' fees, judgments, fines, and, if approved by the Board of Directors, amounts

paid or to be paid in settlement) reasonably incurred or suffered by him in connection therewith.

If authorized by the Board of Directors, expenses incurred in connection with the defense of any civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the disposition of the action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to repay such amounts if it shall be ultimately determined that he is not entitled to be indemnified by the Corporation.

The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such director or officer may be entitled. Payments pursuant to the Corporation's indemnification of any person hereunder shall be reduced by any amounts such person may collect as indemnification under any policy of insurance purchased and maintained on his behalf by this or any other Corporation.

ARTICLE VI. AMENDMENTS

Section 1. POWER OF SHAREHOLDERS

New By-laws may be adopted or these By-laws may be amended or repealed by the vote of shareholders entitled to exercise fifty-one percent (51%) of the voting power of the Corporation or by the written assent of such shareholders.

Section 2. POWERS OF DIRECTORS

Subject to the right of shareholders as provided in Section 1 of this Article VI to adopt, amend, or repeal By-laws, By-laws other than a By-law or amendment thereof changing the authorized number of directors may be adopted, amended, or repealed by the Board of Directors.

ARTICLE VII. SEAL

The Corporation shall have a common seal, and shall have inscribed thereon the name of the Corporation, the year of its incorporation, and the word Delaware.

EXHIBIT 10.5

Stock Purchase Agreement

Dated as of September 1, 1995

among

CACI International Inc,
CACI, Inc.,
Conrad Hipkins
and
Automated Sciences Group, Inc.

Stock Purchase Agreement (the "Agreement"), dated as of September 1, 1995, by and among CACI International Inc, a Delaware corporation ("CACI"), CACI, Inc., a Delaware corporation and a wholly-owned subsidiary of CACI ("CASub"), Conrad Hipkins ("Seller"), a resident of Washington, the District of Columbia, and Automated Sciences Group, Inc., a Delaware corporation ("ASG"), all of the capital stock of which is owned by Seller.

W I T N E S S E T H

WHEREAS CACI has a strong commitment to the government information technology industry and ASG provides information technology, engineering and environmental services to the United States Departments of Defense and Energy;

WHEREAS Seller wishes to sell to CASub and CASub wishes to purchase from Seller all of the outstanding capital stock of ASG;

NOW, THEREFORE, CACI, CASub, Seller and ASG hereby agree as follows:

Article 1

PURCHASE OF COMMON STOCK

1.1 Purchase and Sale. Upon and subject to the terms and conditions hereof, and on the basis of the representations, warranties, covenants and agreements contained herein, at the "Closing" (as defined in Section 1.8.1), Seller shall sell, transfer, assign and deliver to CASub, and CASub shall purchase, acquire and accept from Seller, all right, title and interest in and to 449,565 shares of the Common Stock, par value $0.10 per share (the "Common Stock") of ASG and 23,700 shares of the Preferred Stock, par value $100.00 per share (the "Preferred Stock")(together, the "Shares"), free and clear of all covenants, conditions, restrictions, voting arrangements, liens, charges, encumbrances, options, claims and rights whatsoever.

1.2 Purchase Price. CASub shall pay to Seller a total purchase price of Four Million Three Hundred Forty Thousand Dollars ($4,340,000) (the "Purchase Price") for the Shares, subject to adjustment in accordance with Section 1.3. The Purchase Price shall be payable as follows:

1.2.1 Two Million Three Hundred Thousand Dollars ($2,300,000) shall be payable to Seller at the Closing by certified check, wire transfer or other form of immediately available funds; and

1.2.2 Two Million Forty Thousand Dollars ($2,040,000) shall be payable in three equal installments of Six Hundred Eighty Thousand Dollars ($680,000), payable to Seller on each of the first, second and third anniversaries of the Closing (each, an "Installment Payment"); provided, however, that the third Installment Payment shall be subject to adjustment in accordance with Section 1.3.

1.3 Holdback.

1.3.1 CASub shall be entitled to withhold from the third Installment Payment due Seller on the third anniversary of the Closing a portion of the Purchase Price, up to a maximum of Five Hundred Thousand Dollars ($500,000) (the "Holdback"), based on the collection of accounts receivable in the amount of Eight Million Two Hundred Twenty-Seven Thousand Nine Hundred Sixty-Two Dollars ($8,227,962) reflected on the March 31, 1995 audited balance sheet of ASG (the "Receivables"). The Receivables are individually identified by amount and account debtor on Exhibit 1.3.1. The holdback period shall expire on the third anniversary of the Closing (the "Holdback Period"). If, at the end of the Holdback Period, any of the Receivables have not been collected by ASG, CASub shall reduce the amount of the third Installment Payment by the amount of such uncollected Receivables, up to a maximum reduction of Five Hundred Thousand Dollars ($500,000). CACI, CASub or ASG shall pay to Seller any Receivables collected after the expiration of the Holdback Period within thirty (30) days of receipt.

1.3.2 Exhibit 1.3.2 identifies by amount and account debtor the accounts receivable existing as of March 31, 1995 that are not included in the Receivables (the "Windfall Receivables"). If ASG collects any Windfall Receivables during the Holdback Period, CASub shall reduce the amount of the uncollected Receivables by the amount of such Windfall Receivables. If the amount of the uncollected Receivables is reduced to

zero or if the Holdback Period has expired, CACI, CASub or ASG shall pay to Seller any Receivables or Windfall Receivables received thereafter within thirty (30) days of receipt.

1.4 Non-Competition Agreement. In connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby, Seller agrees to execute and deliver at or prior to the Closing a Non-Competition Agreement in form and substance satisfactory to CACI and CASub, to the effect set forth in Exhibit 1.4 (the "Non-Competition Agreement"). In consideration of the execution and delivery of the Non-Competition Agreement, CASub shall pay to Seller the sum of Two Hundred Thousand Dollars ($200,000) at the Closing and One Hundred Thousand Dollars ($100,000) on each of the first four (4) anniversaries of the Closing.

1.5 Escrow of Earnest Money Deposit. CACI acknowledges that, pursuant to the escrow agreement attached as Exhibit 1.5 hereto, it has deposited the sum of One Hundred Thousand Dollars ($100,000) (the "Earnest Money Deposit") into money market account no. 03-97-2061 of Independence Federal Savings Bank, 7711 Georgia Avenue, N.W., Washington, the District of Columbia, on behalf of Kilcullen, Wilson & Kilcullen (the "Escrow Agent"), to be paid to Seller in accordance with Section 7.2.

1.6 No Setoff. Except for the Holdback provided for in Section 1.3, in the event of any dispute arising under this Agreement or any other document executed in connection herewith, CACI and CASub shall not setoff against or withhold from Seller any Installment Payment or any portion thereof.

1.7 Failure to Pay. If CASub fails to pay any Installment Payment within thirty (30) days of the date on which such Installment Payment is payable, CASub shall:

1.7.1 pay to Seller (i) liquidated damages equal to fifty percent (50%) of such Installment Payment (e.g., Three Hundred Forty Thousand Dollars ($340,000)) and (ii) reasonable attorney's fees incurred by Seller solely in connection with the collection of such Installment Payment and liquidated damages; provided, however, that CASub shall have no obligation to pay any attorney's fees incurred by Seller in connection with any issue other than the collection of an Installment Payment and related liquidated damages; and

1.7.2 deposit any remaining Installment Payments, together with funds sufficient to pay any liquidated damages that may thereafter become payable to Seller pursuant to Section 1.7.1, into an escrow account, which shall be governed by an escrow agreement substantially in the form of Exhibit 1.7.

1.8 Closing.

1.8.1 The closing of the purchase and sale of the Shares (the "Closing") shall be held at the offices of CACI, 1100 North Glebe Road, Arlington, VA 22201, or at such other location as the parties hereto may mutually agree upon in writing, at 10:00 A.M., local time, on September 1, 1995 or on such other date and at such other time as the parties hereto may mutually agree upon in writing (the "Closing Date"). All transactions contemplated by this Agreement shall be deemed to have become effective as of 12:01 A.M. on the Closing Date.

1.8.2 At the Closing, Seller and ASG shall deliver to CACI and CASub:

1.8.2.1 one or more certificates evidencing the Shares, registered in the name of CASub or duly endorsed in blank or with stock powers or other appropriate instruments of transfer, duly executed by Seller, with signatures guaranteed, sufficient to convey to CASub good title to the Shares, free and clear of all covenants, conditions, restrictions, voting arrangements, liens, charges, encumbrances, options, claims and rights whatsoever, with all applicable stock transfer and other Taxes paid;

1.8.2.2 the Non-Competition Agreement, duly executed by Seller; and

1.8.2.3 the other instruments, agreements, certificates and

documents referred to in Section 6.2.

1.8.3 At the Closing, CACI and/or CASub shall deliver:

1.8.3.1 to Seller pursuant to Section 1.2, Two Million Three Hundred Thousand Dollars ($2,300,000) by certified check, wire transfer or other form of immediately available funds;

1.8.3.2 to Seller pursuant to Section 1.4, Two Hundred Thousand Dollars ($200,000) by certified check, wire transfer or other form of immediately available funds; and

1.8.3.3 to Seller and ASG, the other instruments, agreements, certificates and documents referred to in Section 6.3.

Article 2

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to CACI and CASub as follows:

2.1 Ownership of the Shares. Seller is the sole record and beneficial owner of and has and will have at the Closing good and marketable title to the Shares, free and clear of any and all covenants, conditions, restrictions, voting arrangements, liens, charges, encumbrances, options, claims and rights whatsoever. There are no agreements restricting the transfer of, or affecting the rights of Seller with respect to, the Shares.

2.2 Authority for Agreement. Seller has the full right, power and capacity to execute, deliver and perform this Agreement and the other transactions contemplated herein, to carry out his obligations hereunder and to transfer, convey and sell the Shares to CASub at the Closing. Upon transfer of the Shares to CASub, CASub will acquire good and marketable title to the Shares, free and clear of any and all covenants, conditions, restrictions, voting arrangements, liens, charges, encumbrances, options, claims and rights whatsoever. Assuming the due authorization, execution and delivery hereof and thereof by each other party hereto and thereto, this Agreement and all other agreements and obligations entered into and undertaken in connection with the transactions contemplated herein to which Seller is a party constitute, when executed and delivered by Seller, the valid and legally binding obligations of Seller, enforceable against Seller in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium or other similar laws affecting the rights of creditors generally.

2.3 No Default or Violation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by Seller do not and will not, with or without the giving of notice or the lapse of time, or both, conflict with, or result in any violation or breach of or constitute a default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any lien, charge or encumbrance on the Shares or any of the assets or properties of ASG pursuant to, or right of termination under, any provision of any note, mortgage, indenture, lease, agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation to which Seller or ASG is a party or by which Seller or ASG or any of his or its assets or properties may be bound or which is applicable to Seller or ASG or any of his or its assets or properties. Other than in connection with or in compliance with the provisions of the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and applicable state securities laws, no authorization, consent, approval, license, order, or permit of, or declaration of, or filing with or notice to, any governmental body or authority or any other person or entity is necessary for the execution, delivery and performance of this Agreement by Seller or the consummation by Seller of the transactions contemplated hereby.

2.4 No Brokers or Finders. No broker or finder has acted for Seller in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commissions in respect of such transactions based upon agreements, arrangements or understandings made by or on behalf of Seller.

2.5 No Pending Actions. There is no Action pending or threatened to which Seller is a party or of which Seller is aware which questions or challenges the validity of this Agreement or any action taken or to be taken by Seller pursuant to this Agreement or in connection with the transactions contemplated hereby.

2.6 No Misrepresentations. No representation or warranty by Seller in this Agreement, nor any statement, certificate, list, exhibit or schedule furnished or to be furnished by or on behalf of Seller pursuant to this Agreement nor any document or certificate delivered to CACI or CASub pursuant to this Agreement, when taken together with the foregoing, contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make the statements not misleading.

Article 3

REPRESENTATIONS AND WARRANTIES OF SELLER AND ASG

Whenever any representation, warranty, covenant or agreement of Seller is qualified or limited as to "Knowledge," the term "Knowledge" shall be limited to the actual knowledge of (a) the Seller and (b) the executive officer or officers of ASG whose management responsibilities include the matters or operations referred to by such representation, warranty, covenant or agreement. Seller and ASG jointly and severally represent and warrant to CACI and CASub as follows:

3.1 Corporate Status of ASG. ASG is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. ASG is duly qualified to do business as a foreign corporation and is in good standing in all jurisdictions in which the character of the properties owned, leased or operated by ASG or the nature of the business transacted by ASG makes such qualification necessary, except where failure to be so qualified would not have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG.

3.2 Subsidiary of ASG. The corporation listed on Exhibit 3.2 (the "Subsidiary"), except as set forth in that Exhibit, is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and has full corporate power to own, lease and operate its properties and to conduct its business as currently owned, leased, operated and conducted. The Subsidiary is duly qualified to do business as a foreign corporation and is in good standing in all jurisdictions in which the character of the properties owned, leased or operated by the Subsidiary or the nature of the business transacted by the Subsidiary makes such qualification necessary, except where failure to be so qualified would not have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of the Subsidiary. ASG has made available to CACI and CASub true, complete and correct copies of the certificate of incorporation, by-laws and other organizational documents of the Subsidiary, as in effect on the date hereof. All of the shares of capital stock of the Subsidiary are duly and validly issued, fully paid and nonassessable and are held of record and beneficially by ASG, free and clear of any and all covenants, conditions, restrictions, voting arrangements, liens, charges, encum- brances, options, claims and rights whatsoever. Other than 20,522 shares of Common Stock of US Lan Systems Corporation of Virginia, ASG does not own, hold of record or beneficially, or have the right to acquire, either directly or indirectly, any shares of any class of securities (including debt securities) of or any other proprietary interest in any Person other than the Subsidiaries. There are no agreements relating to or restricting the issuance, sale or transfer of shares of capital stock of the Subsidiary, or affecting the rights of ASG with respect thereto. There are no preemptive rights on the part of any Person and there are not, and as of the Closing there will not be, outstanding any options, warrants, agreements, commitments, conversion or other rights that obligate the Subsidiary to issue or sell any shares of its capital stock or other security. The subsidiary has no obligation to acquire any class of securities (including debt securities) of any Person.

3.3 Authority for Agreement. ASG has the full corporate power to own, lease and operate its properties and to conduct its business as currently owned, leased, operated and conducted, to execute, deliver, and perform this Agreement, to consummate the other transactions contemplated herein and to carry out its obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by ASG's Board of Directors. No other corporate proceedings on the part of ASG, including, without limitation, stockholder approval, are necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.4 No Default or Violation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby by ASG do not and will not (a) conflict with or result in a material violation of any provision of the Certificate of Incorporation or By-Laws or other organizational documents of ASG, or (b) with or without the giving of notice or the lapse of time, or both, conflict with, or result in any material violation or breach of or constitute a material default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any material lien, charge or encumbrance on any of the assets or properties of ASG pursuant to, or right of termination under, any provision of any note, mortgage, indenture, lease, agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation to which ASG is a party or by which ASG or any of its assets or properties may be bound or which is applicable to ASG or any of its assets or properties. Other than in connection with or in compliance with the provisions of the Securities Act, the Exchange Act, the HSR Act and applicable state securities laws, no authorization, consent, approval, license, order, or permit of, or declaration of, or filing with or notice to, any governmental body or authority or any other person or entity is necessary for the execution, delivery and performance of this Agreement by ASG or the consummation by ASG of the transactions contemplated hereby.

3.5 Corporate Documents. ASG has heretofore made available to CACI and CASub a true, complete and correct copy of ASG's Certificate of Incorporation and By-Laws, each as amended to date. Such Certificate of Incorporation and By-Laws are in full force and effect. ASG is not in violation of any provision of its Certificate of Incorporation or By-Laws, except for such violations that would not, individually or in the aggregate, have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG. The minute books of ASG (including the stock records), a copy of which has heretofore been provided to CACI and CASub, are true, complete and correct and are the only minute books of ASG.

3.6 Books and Records. The books of account, ledgers, order books, records and documents of ASG accurately and completely reflect all material information relating to the business of ASG, the location and condition of its assets, and the nature of all transactions giving rise to the obligations or accounts receivable of ASG.

3.7 Capitalization of ASG. ASG's authorized capital stock consists of 650,000 shares of common stock, par value $0.10 per share, and 23,700 shares of preferred stock, par value $100.00 per share, of which only the Shares are issued and outstanding. All of the Shares are held, and as of the Closing Date will be held, of record and beneficially by Seller. All of the Shares are, and as of the Closing Date will be, duly and validly issued, fully paid and nonassessable. A total of 29,835 shares of Common Stock of ASG are held in treasury. There are no dividends which have been authorized, declared or set aside but not paid or which are in arrears with respect to any shares of capital stock of ASG. There are no agreements relating to or restricting the issuance, sale or transfer of shares of capital stock of ASG, or affecting the rights of Seller with respect thereto. There are no preemptive rights on the part of any Person and there are not, and as of the Closing there will not be, outstanding any options, warrants, agreements, commitments, conversion or other rights that obligate ASG to issue or sell any shares of its capital stock or other security.

3.8 Financial Statements. ASG has previously delivered to CACI and CASub the audited balance sheets of ASG as of March 31, 1993, 1994 and 1995 (the "Audited Balance Sheets") and the related statements of income, changes in stockholders' equity, and cash flows of ASG for the fiscal years ended March 31, 1993, 1994 and 1995 (collectively, the "Audited Financial Statements"). The Audited Financial Statements have been prepared in accordance with generally accepted accounting principles applied consistently throughout the periods involved (except as disclosed in the footnotes thereto) and have been certified by Rubino and McGeehin, ASG's independent auditors. The Audited Financial Statements present fairly the financial position, results of operations and cash flows of ASG at the dates and for the periods indicated. Attached hereto as Exhibit 3.8 is the unaudited balance sheet of ASG as of June 30, 1995 (the "Unaudited Balance Sheet") and the related statements of income, changes in stockholders' equity, and cash flows of ASG for the three month period then ended (collectively, the "Unaudited Financial Statements"). The Unaudited Financial Statements have been prepared in accordance with generally accepted accounting principles, applied consistently with those employed in the Audited Financial Statements, and present fairly the financial position and results of operations of ASG as of the date and for the period indicated, subject to the addition of notes and normal, non-material year-end adjustments consistent with past practice. Except to the extent set forth on the Unaudited Balance Sheet, ASG does not have any material liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, whether due or to become due and whether the amount thereof is readily ascertainable or not, other than (i) liabilities and obligations described in the footnotes to the 1995 Audited Financial Statements, (ii) liabilities and obligations incurred in the ordinary course of business since the date of the Unaudited Balance Sheet, none of which individually or in the aggregate has had or could reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG, and (iii) liabilities and obligations described in the Exhibits hereto.

3.9 Absence of Material Adverse Changes. Since March 31, 1995, ASG has conducted its business only in the ordinary course and consistent with prior practice and there has not occurred or arisen, whether or not in the ordinary course of business, any material adverse change in the business, operations, assets, financial condition, results of operations, properties or prospects of ASG. Specifically, except (i) as described in Exhibit 3.9 and (ii) as described in that certain letter dated the Closing Date from Seller to CACI and CASub, since March 31, 1995, ASG has not:

3.9.1 issued, sold, purchased, redeemed or granted any options, warrants, conversion or other rights to purchase or otherwise acquire any shares of its capital stock or any other security;

3.9.2 authorized, declared, set aside or paid any dividend or made any other distribution with respect to any share of its capital stock or other security;

3.9.3 incurred, discharged, satisfied or paid any obligation or liability, accrued, absolute, contingent or otherwise, whether due or to become due, material to ASG other than current liabilities and current portion of long-term debt shown on the 1995 Audited Balance Sheet and current liabilities incurred since the date of the 1995 Audited Balance Sheet in the ordinary course of business and consistent with prior practice;

3.9.4 suffered any damage or destruction in the nature of a casualty loss or other loss that would be treated as an extraordinary item pursuant to Opinion No. 30 of the Accounting Principles Board, whether covered by insurance or not, that might reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG;

3.9.5 granted any increase in the compensation payable or to become payable by ASG to its directors, officers, managers, consultants or agents or any increase in benefits under any bonus, insurance, pension or other benefit plan made for or with any of such persons, other than increases that are provided to broad categories of employees and do not discriminate in favor of the aforementioned persons;

3.9.6 encountered any labor union organizing activity material to the business, operations, assets, financial condition, results of operations, properties or prospects of ASG, had any employee strike, work-stoppage, slow-down or lockout, or any substantial threat of any imminent

strike, work-stoppage, slow-down or lock-out or had any adverse change in its relations with its employees, agents, customers or suppliers or any governmental or regulatory authorities, that, in any of the foregoing cases, has had or could reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG;

3.9.7 transferred or granted any rights under, or entered into any settlement regarding the breach or infringement of, any United States or foreign intellectual property, or modified any existing rights with respect thereto, other than in the ordinary course of business and consistent with prior practice;

3.9.8 cancelled or compromised any debts or waived or permitted to lapse any claims or rights of substantial value, or sold, leased, transferred or otherwise disposed of any of its properties or assets (real, personal or mixed, tangible or intangible), except in the ordinary course of business and consistent with prior practice;

3.9.9 made any material capital expenditure or commitment for any addition to property, plant or equipment not in the ordinary course of business and consistent with prior practice or in any event in excess of an aggregate of Five Thousand Dollars ($5,000);

3.9.10 made any change in any method of accounting or accounting practice;

3.9.11 paid, loaned or advanced any amount to, or sold, transferred or

leased any properties or assets (real, personal or mixed, tangible or intangible) to, or entered into any agreement or arrangement with, any officer, director, "affiliate," officer of an "affiliate," director of an "affiliate," "associate" of an officer, "associate" of a director, or "associate" of an "affiliate" (as such terms are defined in the rules and regulations of the Securities and Exchange Commission), who exercised senior managerial responsibility with respect to ASG, except for normal business advances to employees consistent with prior practice;

3.9.12 granted any options to officers, employees, directors, or any affiliated parties;

3.9.13 agreed, whether in writing or otherwise, to take any action described in this Section 3.9; or

3.9.14 taken, failed to take or suffered to exist any action that, if taken, not taken, or suffered to exist after the date hereof, would constitute a breach of any of the covenants set forth in Section 5.

3.10 Title to Assets; Condition.

3.10.1 ASG has good title to, or a valid leasehold interest in, all of its properties and assets. Except as described on Exhibit 3.10.1, none of its properties or assets is subject to any mortgage, pledge, lien, security interest, lease or other encumbrance. All of ASG's properties and assets are in working condition.

3.10.2 Exhibit 3.10.2 contains a true, correct and complete list and description of all real property, including all facilities and structures located thereon, owned by ASG. ASG has good record and marketable title to all of such real property and none of such properties is subject to any mortgage, pledge, lien, security interest, lease, charge, encumbrance, objection or joint ownership, except (i) liens, encumbrances and leases incurred or made in the ordinary course of business that do not materially impair the usefulness of such properties and assets in the conduct of its business, (ii) liens for Taxes, assessments or governmental charges or levies if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings, (iii) such imperfections of title, zoning or planning restrictions, easements and encumbrances, if any, as do not materially detract from the value as presently used, or materially interfere with the present or contemplated use, of such property; and (iv) as described on Exhibit 3.10.2.

3.10.3 Exhibit 3.10.3 sets forth a true, correct and complete list as of the date hereof of all leases, and all amendments, modifications and supplemental agreements thereto, of real property to which ASG is a party (the "Leases"). True, correct and complete copies of the Leases have been delivered by ASG to CACI and CASub. The Leases grant leasehold estates free and clear of all mortgages, liens, claims, charges, security interests, encumbrances and other restrictions and limitations whatsoever granted by or caused by the actions of ASG, and ASG enjoys a right of quiet possession as against any lien or other encumbrance on the properties subject to the Leases (collectively, the "Leased Properties"). The Leases are in full force and effect, are binding and enforceable against each of the parties thereto in accordance with their respective terms. No party to any Lease has sent written notice to the other claiming that such party is in default thereunder, which remains uncured. There has not occurred any event that would constitute a breach of or default in the performance of any material covenant, agreement or condition contained in any Lease, nor has there occurred any event that with the passage of time or the giving of notice or both would constitute such a breach or material default. ASG is not obligated to pay any leasing or brokerage commission relating to any Lease and will not have any enforceable obligation to pay any leasing or brokerage commission upon the renewal of any Lease. No material construction, alteration or other leasehold improvement work with respect to any of the Leases remains to be paid for or to be performed by ASG.

3.10.4 ASG is not in violation in any material respect of any law, regulation or ordinance (including, without limitation, laws, regulations or ordinances relating to building, zoning, environmental, city planning, land use or similar matters) relating to the Leased Properties. There are no proceedings materially affecting the present or future use of the Leased Properties for the purposes for which they are used or the purposes

for which they are intended to be used. All buildings, structures and fixtures used by ASG are in good operating condition and repair, normal wear and tear excepted, and are insured with coverages that are usual and customary for similar properties and similar businesses.

3.11 Intellectual Property. ASG owns, or is licensed or otherwise has the full right to use, the Intellectual Property listed on Exhibit 3.11(a). Exhibit 3.11(a) lists all Intellectual Property owned, licensed or used by ASG, together with the owner or licensor thereof. Exhibit 3.11(b) lists all third party licenses related to the Intellectual Property listed on Exhibit
3.11(a). All Intellectual Property that is identified on Exhibit 3.11(a) as owned by ASG is, together with the goodwill of the business associated with any Intellectual Property, owned by ASG free and clear of any and all agreements, judgments, orders, decrees, stipulations, liens, claims, tax liens, charges, security interests, encumbrances and licenses or sublicenses that would prevent the use of the Intellectual Property by ASG, CACI or CASub. The business and operations of ASG do not infringe upon or violate any intellectual property owned by any third party. ASG has not received, within the past three (3) years, notice of any claim that ASG has infringed or violated any intellectual property of any third party, or that any Intellectual Property identified on Exhibit 3.11(a) is invalid or violates or infringes upon the rights of any third party. ASG has not sent or otherwise communicated to another person, within the past three (3) years, any notice, charge, claim or other assertion of, nor does there exist, any present, impending or threatened infringement or violation by any third party of any Intellectual Property listed on Exhibit 3.11(a) or any acts of unfair competition by any third party relating to such Intellectual Property. ASG maintains reasonable security measures to prevent disclosure or transfer to unauthorized persons of any trade secrets and confidential information that are proprietary to ASG.

3.12 Inventories. ASG has no inventory material to its business, operations, financial condition, results of operations or prospects.

3.13 Material Contracts. ASG has delivered to CACI and CASub or made available to CACI and CASub a true, correct and complete copy of each material contract to which ASG is a party and all amendments thereto (the "Material Contracts"), all of which are listed on Exhibit 3.13. All Material Contracts are in full force and effect. ASG has not received any notice of default, nor is it in default, nor does any condition exist which with or without notice or the lapse of time, or both, will render ASG in default, under any of the Material Contracts. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not, with or without the giving of notice or the lapse of time, or both, conflict with, or result in any violation or breach of or constitute a default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any lien, charge or encumbrance on any of the assets or properties of ASG pursuant to, or right of termination under, any provision of any Material Contract. The other parties to the Material Contracts are in compliance with all material terms and conditions of the Material Contracts, and no party to a Material Contract has notified ASG of its intention to terminate or materially change the nature of its transaction or relationship with ASG under any such Material Contract.

3.14 Agreements, Contracts and Commitments. Except as set forth in Exhibit 3.14, to the Knowledge of Seller, ASG is not a party to:

3.14.1 any agreement relating to the issuance, transfer or sale of any shares of the capital stock or other securities of ASG;

3.14.2 any bonus, deferred compensation, pension, severance, profit-sharing, stock option, employee stock purchase or retirement plan, contract or arrangement or other employee benefit plan or arrangement;

3.14.3 any employment agreement that contains any severance pay liabilities or obligations;

3.14.4 any agreement for personal services, consultant services or employment;

3.14.5 any agreement of guarantee or indemnification of third parties

in an amount that could exceed Five Thousand Dollars ($5,000);

3.14.6 any agreement or commitment containing a covenant limiting or purporting to limit the freedom of ASG to compete with any person in any geographic area or to engage in any line of business;

3.14.7 any lease (other than equipment leases under which ASG is lessor) to which ASG is a party as lessor or lessee that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of ASG;

3.14.8 any joint venture agreement or profit-sharing agreement (other than with employees);

3.14.9 except for trade indebtedness incurred in the ordinary course of business, any loan or credit agreements providing for the extension of credit to ASG or any instrument evidencing or related in any way to indebtedness incurred in the acquisition of companies or other entities or indebtedness for borrowed money by way of direct loan, sale of debt securities, purchase money obligation, conditional sale, guarantee, or otherwise, that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of ASG;

3.14.10 any license agreement, either as licensor or licensee, or distributor, dealer, franchise, manufacturer's representative, sales agency or other similar agreement or commitment;

3.14.11 any contract or agreement, for the future sale by ASG of materials, products, services or supplies, that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of ASG;

3.14.12 any contract or agreement for the future purchase by ASG of any materials, equipment, services, or supplies, that either provides for payments in excess of Two Thousand Five Hundred Dollars ($2,500) and cannot be terminated by it without penalty upon less than ninety (90) days' notice or was not made in the ordinary course of business and consistent with prior practice;

3.14.13 any agreement that provides for the sale of goods or services that will result in a loss as a result of costs already incurred or expected to be incurred to complete the agreement;

3.14.14 any agreement or arrangement for the assignment, sale or other transfer by ASG of any agreement or lease (or right to payment thereunder) by which it leases materials, products or other property to a third party;

3.14.15 any contract or agreement that provides any discount;

3.14.16 any agreement or commitment for the acquisition, construction or sale of fixed assets owned or to be owned by ASG;

3.14.17 any contract or agreement not described above involving the payment or receipt by ASG of more than Five Hundred Dollars ($500) individually or Five Thousand Dollars ($5,000) in the aggregate other than contracts or agreements in the ordinary course of business for the purchase of inventory, supplies or services or for the sale of current requirements and consistent with prior practice, or for the sale or lease of finished goods or services in the ordinary course of business and consistent with prior practice; or

3.14.18 any contract or agreement not described above that was not made in the ordinary course of business and consistent with prior practice and that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of ASG.

All agreements, contracts, plans, leases, instruments, arrangements, licenses and commitments listed in Exhibit 3.14 pursuant to this Section 3.14 are valid and in full force and effect and neither ASG nor any other party thereto has breached any provision of, or defaulted under the terms of, nor are there any facts or circumstances that would reasonably indicate that ASG will or may be in such breach or default under, any such agreement, contract, plan, lease, instrument, arrangement, license or commitment, which breach or default has or could reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of ASG. Exhibit 3.14 correctly identifies each contract the provisions of which would be materially and adversely affected by this Agreement and each contract under which the rights of any party would be altered as a result of the sale, merger, consolidation or other change of control of ASG.

3.15 Banking Facilities, Powers of Attorney, etc. Exhibit 3.15 attached hereto sets forth a true, correct and complete list of (i) each bank, savings and loan or similar financial institution with which ASG has an account or safety deposit box or other arrangement, and any numbers of the accounts or safety deposit boxes maintained by ASG thereat, (ii) the names of all persons authorized to draw on each such account or to have access to any such safety deposit box facility, and (iii) any outstanding powers of attorney executed on behalf of ASG in respect of ASG or its assets, liabilities or businesses. ASG has no general or special powers of attorney outstanding (whether as grantor or grantee thereof), nor any obligation or liability (whether actual, accrued, accruing, contingent or otherwise) as guarantor, surety, co-signer, endorser, co-maker, indemnitor or otherwise in respect of the obligation of any Person, except as endorser or maker of checks or letters of credit, respectively, endorsed or made in the ordinary course of business and consistent with prior practice.

3.16 Customers and Orders. During the period from March 31, 1995 through the Closing Date, ASG has not accepted, and will not accept, orders from any of the other contracting parties to the Material Contracts on any terms other than pursuant to one or more of the Material Contracts.

3.17 Compliance with Applicable Law. ASG has all requisite material licenses, permits and certificates from all foreign, federal, state and local authorities necessary for the conduct of its business as presently conducted, and to lease and operate the Leased Properties. ASG has conducted its business in material compliance with all applicable laws, statutes, ordinances, regulations, rules, judgments, decrees, orders, permits, licenses, concessions, grants or other authorizations of any court or of any governmental entity or authority.

3.18 Litigation. Except as described in Exhibit 3.18, there is no Action of any kind, pending or threatened, at law or in equity, by or before any court, arbitrator, governmental entity or authority, that involves, affects or relates to ASG that either singly or in the aggregate may have any material adverse effect on the business, operations, assets, financial condition, results of operations, prospects or properties of ASG. Neither ASG nor any of its directors, officers, employees or properties is subject to any order, writ, injunction, decree or judgment of any court, arbitrator or governmental entity or authority, that involves, affects or relates to ASG that either singly or in the aggregate may have any material adverse effect on the business, operations, assets, financial condition, results of operations, prospects or properties of ASG.

3.19 Insurance. To the Knowledge of Seller, Exhibit 3.19 attached hereto sets forth a true, correct and complete list of all fire, theft, casualty, general liability, workers' compensation, business interruption, environmental impairment, product liability, automobile and other insurance policies maintained by ASG and all life insurance policies maintained on the lives of any of its directors, officers or employees (collectively, the "Insurance Policies"). All premiums due on the Insurance Policies or renewals thereof have been paid in full. To the Knowledge of Seller, the amounts and coverages of the Insurance Policies are those customarily carried by companies engaged in similar businesses and owning similar properties in the same general areas in which ASG operates and are adequate and customary for the type and scope of ASG's assets, properties and business. To the Knowledge of Seller, the Insurance Policies are sufficient for compliance with all Material Contracts to which ASG is a party or by which ASG is bound and all applicable laws and regulations of any governmental entity. ASG's workers' compensation

insurance materially complies with all applicable statutory and regulatory requirements relating thereto. To the Knowledge of Seller, ASG has not received any written notices of any pending termination with respect to any of such policies. To the Knowledge of Seller, Exhibit 3.19 includes a true and complete listing of all claims made under ASG's Insurance Policies in excess of Five Thousand Dollars ($5,000), and the dispositions thereof, for the period from March 31, 1992 to the date hereof.

3.20 Tax Matters.

3.20.1 ASG has duly filed, within the times and in the manner prescribed by law, all Tax Returns that it was required to file. All such Tax Returns were correct and complete in all material respects. All Taxes owed by ASG (whether or not shown on any Tax Return) have been paid when due. ASG is not currently the beneficiary of any extension of time within which to file any Tax Return. No claim or inquiry with respect to any material amount of Taxes has ever been made by an authority in a jurisdiction where ASG did not file Tax Returns but where it is or may be subject to any Tax by that jurisdiction for any period ending on or before the Closing Date. There are no liens or other security interests on any of the properties or assets of ASG that arose in connection with any failure (or alleged failure) to pay any Tax.

3.20.2 All Taxes of ASG attributable to Tax periods or portions thereof ending on or prior to the Closing Date that have not yet been paid have in the aggregate been adequately reflected as a liability on the books of ASG in accordance with generally accepted accounting principles consistently applied.

3.20.3 ASG has withheld and paid all Taxes required to have been withheld and paid in connection with payments to foreign persons, sales and use Tax obligations with respect to any and all states, and amounts paid or owing to any employee, independent contractor, creditor, stockholder or other person.

3.20.4 Exhibit 3.20 hereto lists all federal and state income Tax Returns filed with respect to ASG for Tax periods ended on or after December 31, 1991, indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. Exhibit 3.20 also sets forth all deficiencies of Tax that have been asserted for all periods up to and including the date hereof.

3.20.5 There are no outstanding agreements or waivers extending the statute of limitations applicable to any Tax Return of ASG for any period.

3.20.6 ASG has delivered to CACI and CASub true, correct and complete copies of all United States federal income Tax Returns, examination reports, and statements of deficiencies assessed against, proposed in writing to be assessed against, or agreed to by any of the Company and its Subsidiaries for all Tax periods ending on or after December 31, 1991.

3.20.7 ASG has not filed a consent under Section 341(f) of the Internal Revenue Code of 1986, as amended (the "Code"), concerning collapsible corporations. ASG has not made any payments, is not obligated to make any payments, and is not a party to any agreement that could obligate it to make any payments that will be an "excess parachute payment" under Code Section 280G. ASG has not been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii), nor has ASG been a passive foreign investment company as defined in Code Sections 1291-1297. ASG has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. ASG is not a party to any Tax allocation or sharing agreement. ASG has no liability for any Taxes of any person (other than its own) under Treas. Reg. Section 1.1502- 6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise.

3.20.8 ASG has not made any elections under the Code, including, without limitation, elections under Code Section 1362 (relating to taxation as an S Corporation) or elections under Code Section 338 (relating to the treatment of certain stock purchases as asset acquisitions).

3.21 Employee Benefit Plans; Compliance with ERISA. Exhibit 3.21 contains a true, correct and complete list of all pension, profit sharing, retirement, deferred compensation, welfare, insurance, disability, bonus, vacation pay, severance pay and other similar plans, programs or agreements, and every material personnel policy, whether reduced to writing or not, relating to any persons employed by ASG and maintained by ASG or by any other member (hereinafter, "Affiliate") of a controlled group of corporations, group of trades or businesses under common control or affiliated service group which includes ASG (as defined for purposes of Section 414(b), (c) and (m) of the Code) (collectively, the "ASG Plans"). Neither ASG nor any Affiliate has ever been obligated to contribute to any "multi-employer plan," as defined in Section 3(37) of ERISA. Neither ASG nor any Affiliate has incurred any "withdrawal liability" calculated under Section 4211 of ERISA and there has been no event or circumstance which would cause them to incur any such liability. Except as indicated in Exhibit 3.21, neither ASG nor any Affiliate has ever maintained an ASG Plan providing health or life insurance benefits to former employees (other than as required by Part 6 of Subtitle B of Title I of ERISA). Except as indicated in Exhibit 3.21, no ASG Plan which was subject to ERISA has been terminated; no proceedings to terminate any such ASG Plan have been instituted within the meaning of Subtitle C of Title IV of ERISA; and no reportable event within the meaning of Section 4043 of said Subtitle C has occurred with respect to any such ASG Plan, and no liability to the Pension Benefit Guaranty Corporation has been incurred. With respect to all the ASG Plans, ASG and every Affiliate are in material compliance with all requirements prescribed by all statutes, regulations, orders or rules currently in effect, and have in all material respects performed all obligations required to be performed by them. Neither ASG nor any Affiliate, nor any of its or their directors, officers, employees or agents, nor any trustee or administrator of any trust created under the ASG Plans, has engaged in or been a party to any "prohibited transaction" as defined in Section 4975 of the Code and Section 406 of ERISA which could subject ASG or CACI or their Subsidiaries, affiliates, directors or employees or the ASG Plans or the trusts relating thereto or any party dealing with any of the ASG Plans or trusts to any Tax or penalty on "prohibited transactions" imposed by Section 4975 of the Code. Neither the ASG Plans nor the trusts created thereunder have incurred any "accumulated funding deficiency," as such term is defined in Section 412 of the Code and regulations issued thereunder, whether or not

waived.

Each ASG Plan intended to qualify under Section 401(a) of the Code has been determined by the Internal Revenue Service to so qualify, and the trusts created thereunder have been determined to be exempt from Tax under Section 501(a) of the Code; copies of all determination letters have been delivered to CACI and CASub; and nothing has occurred since the date of such determination letters which might cause the loss of such qualification or exemption. With respect to each ASG Plan that is a "defined benefit plan" as defined in Section 3(35) of ERISA, the present value of the actuarial accrued liability, determined on a plan termination basis, does not exceed the fair market value of the assets held under such ASG Plan, and there is no unpaid contribution for any ASG Plan year ended prior to the Closing as required under Section 412 of the Code. With respect to each ASG Plan which is a qualified profit sharing or stock bonus plan, all employer contributions accrued for plan years ending prior to the Closing under the ASG Plan terms and applicable law have been made.

There is no Action threatened or pending or that can reasonably be expected to be asserted with respect to any of the ASG Plans or any prior plan maintained by ASG, and there are no outstanding written requests, other than routine requests for information concerning such ASG Plans, by participants, beneficiaries or any government agency.

3.22 Employment-Related Matters. To the Knowledge of Seller, ASG is in compliance in all material respects with all applicable laws respecting employment, consulting, employment practices, wages, hours, and terms and conditions of employment. To the Knowledge of Seller, ASG is not a party to any collective bargaining agreement or other contract or agreement with any labor organization or other representative of any employees of ASG. There is no labor strike, dispute, slowdown, work stoppage, lockout or other labor controversy in effect or, to the Knowledge of Seller, pending or threatened against or otherwise affecting ASG. ASG has not experienced any labor controversy within the past three years. To the Knowledge of Seller, no labor representation question exists or has been raised respecting any of ASG's employees. ASG has not closed any plant or facility, or effectuated any layoffs of employees or implemented any early retirement, separation or window program at any time from or after March 31, 1992 nor has ASG planned or announced any action or program for the future with respect to which ASG has or may have any material liability. To the Knowledge of Seller, ASG is in compliance in all material respects with its obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988, and all other notification and bargaining obligations arising under any collective bargaining agreement or statute relating to employment; provided, however, that nothing in this Section 3.22 shall be construed as any representation or warranty relating to the Code or ERISA.

3.23 Environmental.

3.23.1 To the Knowledge of Seller, ASG is in compliance in all material respects with all applicable Environmental Laws. ASG has not received any communication (written or oral), whether from a governmental authority, employee, or any other person that alleges that ASG is not in compliance with such laws. To the Knowledge of Seller, all material Permits and other governmental authorizations currently held by ASG pursuant to the Environmental Laws are in full force and effect and no other material Permits are required by ASG.

3.23.2 To the Knowledge of Seller, there is no Environmental Claim pending or threatened against or involving ASG or against any person or entity whose liability for any Environmental Claim ASG has or may have retained or assumed either contractually or by operation of law.

3.23.3 To the Knowledge of Seller, there are no past or present actions, activities, circumstances, conditions, events or incidents, including, without limitation, the release, threatened release, emission, discharge or disposal of any Material of Environmental Concern, that could form the basis of any Environmental Claim against ASG or against any person or entity whose liability for any Environmental Claim ASG may have retained or assumed either contractually or by operation of law.

3.23.4 Without in any way limiting the generality of the foregoing, to the Knowledge of Seller, (a) no polychlorinated biphenyls are or have been used or stored at any of the Leased Properties, and (b) no friable asbestos or asbestos-containing material is present at any of the Leased Properties.

3.24 Absence of Certain Payments. Neither ASG nor any director, officer, agent, employee or other person associated with or acting on behalf of ASG has used any funds of ASG for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, or made any direct or indirect unlawful payments to government officials or employees from corporate funds, or established or maintained any unlawful or unrecorded funds, or violated any provisions of the Foreign Corrupt Practices Act of 1977 or any rules or regulations promulgated thereunder, in any circumstance that would adversely affect the operations of ASG after the Closing.

3.25 Interests of Officers. None of the officers or directors of ASG has any interest in any property, real or personal, tangible or intangible, including Intellectual Property used in the conduct of the business of ASG, except for rights under existing employee benefit plans.

3.26 No Brokers or Finders. No broker or finder has acted for ASG in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commissions in respect of such transactions based upon agreements, arrangements or understandings made by or on behalf of ASG.

3.27 No Pending Actions. There is no Action pending or threatened to which ASG is a party or of which ASG is aware which questions or challenges the validity of this Agreement or any action taken or to be taken by ASG pursuant to this Agreement or in connection with the transactions contemplated hereby.

3.28 No Misrepresentations. No representation or warranty by ASG in this Agreement, nor any statement, certificate, list, exhibit or schedule furnished or to be furnished by or on behalf of ASG pursuant to this Agreement nor any document or certificate delivered to CACI or CASub pursuant to this Agreement, when taken together with the foregoing, contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make the statements not misleading.

Article 4

REPRESENTATIONS AND WARRANTIES OF CACI AND CASUB

CACI and CASub represent and warrant to ASG as follows:

4.1 Corporate Status of CACI and CASub. CACI and CASub are corporations duly organized, validly existing and in good standing under the laws of Delaware. CACI and CASub are duly qualified to do business as foreign corporations and are in good standing in all jurisdictions in which the character of the properties owned, leased or operated by each or the nature of the business transacted by each makes such qualification necessary, except where failure to be so qualified would not have a materially adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of CACI and its Subsidiaries considered as a whole.

4.2 Authority for Agreement. CACI and CASub have the full corporate power to execute, deliver, and perform this Agreement, to consummate the transactions contemplated hereby and to carry out their obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of both CACI and CASub. No other corporate proceedings on the part of CACI or CASub including, without limitation, stockholder approval, are necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

4.3 No Default or Violation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not (a) conflict with or result in a violation of any provision of the Certificate of Incorporation or By-Laws or other organizational documents of CACI or CASub, or (b) with or without the giving of notice or the lapse of time, or both, conflict with, or result in any violation or breach of or constitute a default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any lien, charge or encumbrance pursuant to, or right of termination under, any provision of any note, mortgage, indenture, lease, agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation to which CACI or CASub is a party or by which either of them or any of their assets or properties may be bound or which is applicable to either of them or any of their assets or their properties. Other than in connection with or in compliance with the provisions of the Securities Act, the Exchange Act, the HSR Act and applicable state securities laws, no authorization, consent, approval, license, order, or permit of, or declaration of, or filing with or notice to, any governmental body or authority or any other person or entity is necessary for the execution, delivery and performance of this Agreement by CACI and CASub or the consummation by CACI and CASub of the transactions contemplated hereby.

4.4 Responsible Prospective Contractor. Each of CACI and CASub is a "responsible prospective contractor," as defined in 48 C.F.R. Part 9, Section 9.101 and Section 9.104, and other applicable sections of the Federal Acquisition Regulation.

4.5 No Brokers or Finders. Except as described on Exhibit 4.5, no broker or finder has acted for CACI or CASub in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commissions in respect of such transactions based upon agreements, arrangements or understandings made by or on behalf of CACI or CASub.

4.6 No Pending Actions. There is no Action pending or threatened to which CACI or CASub is a party or of which CACI or CASub is aware which questions or challenges the validity of this Agreement or any action taken or to be taken by CACI or CASub pursuant to this Agreement or in connection with the transactions contemplated hereby.

4.7 No Misrepresentations. No representation or warranty by CACI or CASub in this Agreement, nor any statement, certificate, list, exhibit or schedule furnished or to be furnished by or on behalf of CACI or CASub pursuant to this Agreement nor any document or certificate delivered to Seller or ASG pursuant to this Agreement, when taken together with the foregoing, contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make the statements not misleading.

Article 5

COVENANTS

It is further agreed as follows:

5.1 Divestiture of Excluded Assets. It is understood that the assets, agreements and contracts listed on Exhibit 5.1 (the "Excluded Assets") are not required for the conduct of the business of ASG by CACI or CASub and are not intended to be included in the business being acquired by CACI and CASub. Accordingly, prior to the Closing, ASG shall have (i) sold, distributed to Seller or otherwise disposed of the assets listed on Exhibit 5.1 and (ii) terminated or assigned to Seller the agreements and contracts listed on Exhibit 5.1.

5.2 Filings and Submissions. The parties hereto shall cooperate with each other and promptly prepare and make all filings and notices required under the Securities Act, the Exchange Act, the HSR Act, any other federal or state securities laws and any other applicable laws and regulations relating to the sale of the Shares or the other transactions contemplated hereby. The parties hereto agree to cooperate and promptly respond to any inquiries or investigations initiated by the Federal Trade Commission, the Department of Justice or any other governmental entity or authority in connection with such filings and notices.

5.3 Release of Information. Except as required by law, no party to this Agreement shall announce or disclose to any non-party (other than the directors, officers, employees, attorneys, accountants, advisors or other representatives or agents who have a "need to know" in order to consummate this Agreement and the transactions contemplated hereby) the terms or provisions of the Letter of Intent or this Agreement without the prior consent of the other parties hereto (which consent shall not be unreasonably withheld). Each party shall consult with the other parties before issuing any press release or other public announcement referring to this Agreement, the Letter of Intent or the terms and conditions of the transactions contemplated hereby or thereby.

5.4 Confidentiality. Except as required by law, each party and its representatives will hold in strict confidence all documents and information concerning the other party furnished in connection with the transactions contemplated by this Agreement (except to the extent that such information can be shown to have been (a) in the public domain through no action by the party in violation of this Section 5.4, (b) in the party's possession at the time of disclosure and not acquired by the party directly or indirectly from the other party on a confidential basis or (c) disclosed by the other party to others on an unrestricted, non-confidential basis) and will not, without the consent of the other party, (i) release or disclose any such documents or information to any other person or (ii) use or permit others to use such documents or information except in connection with this Agreement and the transactions contemplated hereby. In the event of the termination of this Agreement, each party shall return to the other parties all documents, work papers and other material so obtained by it, or on its behalf, and all copies, digests, abstracts or other materials relating thereto, whether so obtained before or after the execution hereof, and will comply with the terms of theconfidentiality provisions set forth herein.

5.5 Review of Contracts. At least thirty (30) days prior to the commencement of the final closeout process of any contract of ASG awarded before April 1, 1995, CACI, CASub or ASG shall give notice to Seller of the commencement of such process. Upon reasonable notice to CACI and CASub, Seller or Seller's representative shall have the right to review such process.

5.6 Further Assurances.

5.6.1 Generally. Subject to terms and conditions herein provided and to the fiduciary duties of the Board of Directors and officers of any party, each of the parties agrees to use his or its best reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to perfect the transfer and delivery to CASub of all right, title and interest in and to the Shares and to consummate and make effective this Agreement and the other transactions contemplated hereby. In case at any time any further action, including, without limitation, the obtaining of waivers and consents under any agreements, material contracts or leases and the execution and delivery of any licenses or sublicenses for any software, is necessary, proper or advisable to carry out the purposes of this Agreement, the proper officers and directors of each corporate party to this Agreement are hereby directed and authorized to use their reasonable best efforts to effectuate all required action.

5.6.2 Novation of the Material Contracts. Each party agrees to use its best reasonable efforts to effect the novation of each Material Contract that may require novation under its terms or under applicable laws or regulations, and further agrees to provide all documentation necessary to effect each such novation, including, without limitation, all instruments, certifications, requests, legal opinions, audited financial statements, and other documents required by Part 42 of the Federal Acquisition Regulation to effect a novation of any contract with the Government. In particular and without limiting the generality of the foregoing, Seller and ASG shall continue to communicate with responsible officers of the Government and/or any Prime Contractor from time to time as may be appropriate and permissible, to request speedy action on any and all requests for consent to novation.

5.7 Defense of Claims and Litigation. At all times from and after the Closing, Seller shall consult, confer and cooperate in good faith on a reasonable basis with CACI, CASub and ASG (including, without limitation, the making available of witnesses and cooperation in discovery proceedings) in the conduct or defense of any Action related to the business of ASG before the Closing Date, or any matter which, directly or indirectly, arises therefrom, whether known at the Closing or arising thereafter, against CACI, CASub ASG or any of their affiliates by any third party. To the extent the indemnification provisions of this Agreement or of any other document delivered in connection with the transactions contemplated hereby apply to any such conduct or defense, they shall control as to the payment of costs and expenses.

5.8 Indemnification.

5.8.1 Indemnification of CACI, CASub and ASG. Subject to the limitations set forth in Sections 5.8.3 and 5.8.4, Seller shall indemnify and hold harmless CACI, CASub and ASG and their respective successors by merger or other operation of law (the "Successors"), directors, officers and assigns from and against all losses, liabilities, claims, damages, costs or expenses (including, without limitation, reasonable expenses of investigation and reasonable attorneys' fees and disbursements) suffered, incurred or paid:

5.8.1.1 that would not have been suffered, incurred or paid if all the representations, warranties, covenants and agreements of Seller and ASG in this Agreement or in any other instrument or document delivered to CACI or CASub pursuant to this Agreement had been (with respect to representations and warranties) true and had been (with respect to covenants and agreements) fully performed and fulfilled;

5.8.1.2 as a result of any Action arising out of or relating to the conduct of the business of ASG or Seller before the Closing; and

5.8.1.3 as a result of any Action arising out of or relating to the failure of Seller to pay, promptly and when due, any Tax, fee or other charge which shall become due or shall have accrued on account of the sale of the Shares, or any other Tax, fee or charge Seller is obligated to pay hereunder on account of the sale of the Shares or the other transactions contemplated hereby.

Notwithstanding anything herein to the contrary, if Seller shall be required to indemnify CACI, CASub, ASG or any of their Subsidiaries or respective directors, officers, Successors or permitted assigns with respect to the same item of damage and amount, the satisfaction of such indemnity to one of them shall discharge Seller's obligations to the others to the extent of the amount paid.

5.8.2 Indemnification of Seller. Subject to the limitations set forth in Sections 5.8.3 and 5.8.4, CACI, CASub and ASG shall indemnify and hold harmless Seller and his heirs, Successors and assigns from and against all losses, liabilities, claims, damages, costs or expenses (including, without limitation, reasonable expenses of investigation and reasonable attorney's fees and disbursements) suffered, incurred or paid:

5.8.2.1 that would not have been suffered, incurred or paid if all the representations, warranties, covenants and agreements of CACI and CASub in this Agreement or in any other instrument or document delivered to Seller pursuant to this Agreement had been (with respect to representations and warranties) true and had been (with respect to covenants and agreements) fully performed and fulfilled; and

5.8.2.2 as a result of any Action arising out of or relating to the conduct of the business of ASG after the Closing.

Notwithstanding anything herein to the contrary, if CACI, CASub or ASG shall be required to indemnify Seller or any of his heirs, Successors or assigns with respect to the same item of damage and amount, the satisfaction of such indemnity to one of them shall discharge the obligations of CACI, CASub and ASG to the others to the extent of the amount paid.

5.8.3 Third Party Claims. The obligations and liabilities of a party for which indemnification is sought (an "Indemnifying Party") by a person or entity seeking indemnification (an "Indemnified Party") under this Section 5.8 with respect to claims resulting from the assertion of liability by third parties shall be subject to the following conditions:

5.8.3.1 The Indemnified Party shall give written notice to the Indemnifying Party of the nature of the assertion of liability by a third party and the amount thereof promptly after the Indemnified Party learns of such assertion. The foregoing notwithstanding, failure of an Indemnified Party to comply with its obligations under this Section 5.8.3.1 shall affect its right to indemnity only to the extent such failure shall have a material adverse effect on the Indemnifying Party's ability to defend.

5.8.3.2 If any Action is brought by a third party against an Indemnified Party, the Action shall be defended by the Indemnifying Party and such defense shall include all appeals or reviews which counsel for the Indemnifying Party shall deem appropriate. Until the Indemnifying Party shall have assumed the defense of any such Action, or if the Indemnified Party shall have reasonably concluded that there are likely to be defenses available to the Indemnified Party that are different from or in addition to those available to the Indemnifying Party (in which case the Indemnifying Party shall not be entitled to assume the defense of such Action), all legal or other expenses reasonably incurred by the Indemnified Party shall be borne by the Indemnifying Party.

5.8.3.3 In any Action initiated by a third party and defended by the Indemnifying Party, subject to the confidentiality provisions of this Agreement, (a) the Indemnified Party shall have the right to be represented by advisory counsel and accountants, at its own expense, (b) the Indemnifying Party shall keep the Indemnified Party fully informed as to the status of such Action at all stages thereof, whether or not the Indemnified Party is represented by its own counsel, (c) the Indemnified Party shall make available to the Indemnifying Party, and its attorneys and accountants, all books and records of the Indemnified Party relating to such Action and (d) the parties shall render to each other such assistance as may be reasonably required for the proper and adequate defense of such Action.

5.8.3.4 In any Action initiated by a third party and defended by the Indemnifying Party, the Indemnifying Party shall not make any settlement of any claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed. Without limiting the generality of the foregoing, it shall not be deemed unreasonable to withhold consent to a settlement involving injunctive or other equitable relief against the Indemnified Party or its assets, employees or business.

5.8.4 Minimum Liability. Seller shall not be liable under Section 5.8.1, and CACI, CASub and ASG shall not be liable under Section 5.8.2, unless and until the aggregate amount of liability under such Section shall exceed $25,000, in which case the Indemnifying Party shall make indemnification thereunder for the aggregate amount of such liability, including, without limitation, such $25,000.

5.8.5 Limitation of Seller's Liability. The Seller's obligation to indemnify pursuant to Section 5.8.1 (i) shall not in any event exceed in the aggregate an amount equal to the Purchase Price and (ii) shall be the exclusive remedy for any breach of this Agreement by the Seller.

5.9 Indemnification of ASG Directors and Officers. Until at least the third anniversary of the Closing, consistent with the standard practices of the CACI Group of Companies, all expenses (including, without limitation, reasonable expenses of investigation and reasonable attorney's fees and disbursements) incurred by individuals who are directors or officers of ASG at the time of the Closing in defending any civil, criminal, administrative or investigative action, suit or proceeding initiated by reason of the fact that such individuals were directors or officers of ASG shall be advanced by ASG or its successor or assign in advance of the final disposition of such action, suit or proceeding, and any such director

or officer indemnified shall repay any and all expenses so advanced if it is ultimately determined that such director and/or officer was not entitled to be indemnified by ASG or its successor or assign under the ASG By-laws in effect at the time of the Closing.

Article 6

CONDITIONS PRECEDENT

6.1 Conditions to Obligations of Each Party. The obligations of CACI CASub, Seller and ASG to effect the sale of the Shares and to consummate the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following conditions and CACI, CASub, Seller and ASG shall exert their best efforts to cause each such condition to be so fulfilled:

6.1.1 No injunction or restraining or other order issued by a court of competent jurisdiction that prohibits or materially restricts the consummation of the sale of the Shares or any other material transaction contemplated by this Agreement shall be in effect (each party agreeing to use its best efforts to have any such injunction or other order lifted), and no Action shall have been commenced or threatened seeking any injunction or restraining or other order that seeks to prohibit, restrain, invalidate or set aside consummation of the sale of the Shares or any other material transaction contemplated hereby.

6.1.2 There shall not have been any action taken, and no statute, rule or regulation shall have been enacted, by any state or federal government agency since the date of this Agreement that would prohibit or materially restrict the sale of the Shares or any other material transaction contemplated hereby.

6.1.3 All filings with and notifications to, and all approvals and authorizations of, third parties (including, without limitation, governmental entities and authorities) required for the consummation of the sale of the Shares and the other material transactions contemplated hereby shall have been made or obtained and all such approvals and authorizations obtained shall be effective and shall not have been suspended, revoked or stayed by action of any governmental entity or authority.

6.1.4 Any waiting period (and any extension thereof) applicable to the sale of the Shares under the HSR Act shall have expired or been terminated.

6.2 Conditions to Obligations of CACI and CASub to Purchase the Shares. The obligation of CACI and CASub to purchase the Shares and to consummate the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions and Seller and ASG shall exert their best efforts to cause each such condition to be so fulfilled:

6.2.1 Since the date of the Letter of Intent there shall not have been any material adverse change of any nature in the business, operations, assets, financial condition, results of operations, properties or prospects of ASG; and ASG shall have delivered to CACI and CASub a certificate to that effect, dated the Closing Date and signed by the President of ASG.

6.2.2 Seller and ASG shall have received, each in form and substance satisfactory to CACI and CASub, all covenants, approvals, authorizations, licenses, orders, waivers, Permits and other consents under any contract, Material Contract, plan, lease, instrument, arrangement, license, commitment or other agreement of Seller and ASG that are required (i) to consummate the sale of the Shares, (ii) to permit CACI and CASub to continue to conduct their businesses and the business of ASG as they are currently conducted or (iii) in connection with the transactions contemplated hereby; and all filings, registrations, covenants, approvals, orders, consents and authorizations by or with, and notifications to, all governmental authorities or regulators, domestic or foreign, or other Persons by Seller or ASG required to consummate the transactions contemplated by this Agreement shall have been made or received, and shall be in full force and effect.

6.2.3 CACI and CASub shall have obtained all covenants, consents, approvals, authorizations, licenses, orders, waivers and other Permits and all transfers of Permits which CACI, CASub and their counsel reasonably deem necessary (i) to consummate the sale of the Shares, (ii) to permit CACI and CASub to continue to conduct their businesses and the business of ASG as they are currently conducted and (iii) in connection with the transactions contemplated hereby.

6.2.4 The execution of this Agreement and performance of the transactions contemplated hereby by appropriate officers of ASG shall have been authorized by the Board of Directors of ASG in accordance with applicable corporate law.

6.2.5 No information obtained by CACI or CASub concerning ASG during CACI's and CASub's "due diligence" investigation of ASG shall have, in the sole judgment of CACI and CASub, adversely affected the value of this Agreement or the transactions contemplated hereby.

6.2.6 Seller shall have executed and delivered the Non-Competition Agreement.

6.2.7 ASG shall have (i) sold, distributed to Seller or otherwise

disposed of the assets listed on Exhibit 5.1 and (ii) terminated or assigned to Seller the agreements and contracts listed on Exhibit 5.1.

6.2.8 Seller shall have performed in all material respects all of his covenants set forth herein that are required to be performed at or prior to the Closing; the representations and warranties of Seller and ASG contained in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if made at the Closing, except for representations and warranties made expressly as of a specified date (which representations and warranties shall be true and correct in all material respects as of such date); and Seller shall have delivered to CACI and CASub a certificate to that effect, dated the Closing Date and signed by Seller.

6.2.9 ASG shall have performed in all material respects all of its covenants set forth herein that are required to be performed at or prior to the Closing; the representations and warranties of ASG contained in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if made at the Closing, except for representations and warranties made expressly as of a specified date (which representations and warranties shall be true and correct in all material respects as of such date); and ASG shall have delivered to CACI and CASub a certificate to that effect, dated the Closing Date and signed by Arthur Holmes, as Chief Operating Officer of ASG.

6.2.10 CACI and CASub shall have received from ASG and from such other essential parties such affidavits and certificates as CACI and CASub shall deem necessary to relieve CACI and CASub of any obligation to deduct and withhold any portion of the Purchase Price pursuant to Code Section 1445.

6.2.11 CACI and CASub shall have received an opinion or opinions of counsel to Seller and ASG in form and substance satisfactory to counsel to CACI and CASub, dated the Closing Date, to the effect set forth in Exhibit 6.2.13.

6.2.12 CACI and CASub shall have received from ASG all other documents consistent with the purposes of this Agreement, in form and substance satisfactory to CACI and CASub and their counsel, as CACI and CASub shall have reasonably requested (other than additional opinions of counsel).

6.3 Conditions to Obligations of Seller to Sell the Shares. The obligation of Seller to sell the Shares and to consummate the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions and CACI and CASub shall exert their best efforts to cause each such condition to be so fulfilled:

6.3.1 CACI and CASub shall have performed in all material respects all of their covenants set forth herein that are required to be performed at or prior to the Closing; the representations and warranties of CACI and CASub contained in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if made at the Closing, except for representations and warranties made expressly as of a specified date (which representations and warranties shall be true and correct in all material respects as of such date); and CACI and CASub shall have delivered to Seller a certificate to that effect, dated the Closing Date and signed by the President or a Vice President of each of CACI and CASub.

6.3.2 Seller shall have received an opinion of counsel to CACI and CASub in form and substance satisfactory to counsel to Seller, dated the Closing Date, to the effect set forth in Exhibit 6.3.2.

6.3.3 Seller shall have received an acknowledgement from Broker that any and all obligations of CACI and CASub to Broker arising as a result of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby have been fully satisfied.

6.3.4 Seller shall have received from CACI and CASub all such other documents consistent with the purposes of this Agreement, in form and substance satisfactory to Seller and his counsel, as Seller shall have reasonably requested (other than additional opinions of counsel).

Article 7

TERMINATION

7.1 Methods of Termination. This Agreement may be terminated, by written notice promptly given to the other parties hereto, at any time prior to the Closing:

7.1.1 By mutual written consent of the parties hereto.

7.1.2 By either CACI and CASub or Seller by notice to the other, if:

7.1.2.1 any injunction or restraining or other order issued by a court of competent jurisdiction that prohibits or materially restricts the consummation of the sale of the Shares or any other material transaction contemplated by this Agreement shall be in effect, or any Action shall have been commenced or threatened seeking any injunction or restraining or other order that seeks to prohibit, restrain, invalidate or set aside consummation of the sale of the Shares or any other material transaction contemplated by this Agreement;

7.1.2.2 any action shall have been taken, or any statute, rule or regulation shall have been enacted, by any state or federal government agency since the date of this Agreement that would prohibit or materially restrict the sale of the Shares or any other material transaction contemplated by this Agreement; or

7.1.2.3 any filings with or notifications to, or any approvals or authorizations of, third parties (including, without limitation, governmental entities and authorities) required for the consummation of the sale of the Shares shall not have been made or obtained or any such approvals or authorizations obtained shall not be effective or shall have been suspended, revoked or stayed by action of any governmental entity or authority.

7.1.3 By CACI and CASub by notice to Seller and ASG:

7.1.3.1 if the Closing shall not have occurred on or before October 21, 1995, unless the absence of the occurrence shall be solely due to the failure of CACI or CASub (or their Subsidiaries or affiliates) to perform in all material respects each of their respective material obligations under this Agreement required to be performed by it at or prior to the Closing;

7.1.3.2 in the event of a material breach by Seller or ASG of any representation, warranty, covenant or agreement contained herein which has not been cured or is not curable by the earlier of the Closing or the tenth day after written notice of that breach was given to Seller and ASG; or

7.1.3.3 if the Board of Directors of ASG shall have withdrawn or modified in any material respect its approval of this Agreement or the transactions contemplated hereby.

7.1.4 By Seller and ASG by notice to CACI and CASub:

7.1.4.1 if the Closing shall not have occurred on or before October 21, 1995, unless the absence of the occurrence shall be solely due to the failure of Seller or ASG (or the affiliates of either) to perform in all material respects each of their respective material obligations under this Agreement required to be performed by it at or prior to the Closing;

7.1.4.2 in the event of a material breach by CACI or CASub of any representation, warranty, covenant or agreement contained herein which has not been cured or is not curable by the earlier of the Closing or the tenth day after written notice of that breach was given to CACI and CASub; or

7.1.4.3 if the Board of Directors of either CACI or CASub shall have withdrawn or modified in any material respect its approval of this Agreement or the transactions contemplated hereby.

Each notice of breach under Section 7.1.3.2 or 7.1.4.2 and each notice of termination under this Section 7.1 shall set forth the facts believed to constitute the basis therefor, all with reasonable specificity in light of the facts then known.

7.2 Payments on Termination. If this Agreement shall be terminated pursuant to Section 7.1.3.3, ASG shall pay to CACI the sum of One Hundred Thousand Dollars ($100,000). If this Agreement shall be terminated pursuant to Section 7.1.3.1 because of the nonoccurrence of any condition other than those set forth in Sections 6.2.1, 6.2.2, 6.2.3, 6.2.4 or 6.2.5, CACI shall cause the Escrow Agent to pay to Seller the Earnest Money Deposit.

7.3 Effect of Termination. In the event of termination under Section 7.1, this Agreement shall forthwith become void and there shall be no liability on the part of CACI, CASub, Seller or ASG, except that the provisions of this Article 7, Article 8 (other than the provisions of Section 8.5) and Sections 5.3 and 5.4 shall survive the termination and continue in effect, provided that the foregoing shall not relieve any party for

liability for damages incurred as a result of any willful breach of this Agreement or as a result of actual fraud. No party's refusal to waive fulfillment of any condition precedent to its obligations under this Agreement shall constitute a breach of its duty under this Agreement.

Article 8

DEFINITIONS AND MISCELLANEOUS

8.1 Definitions of Certain Terms. As used herein, the following terms shall have the following meanings:

Action: any suit, claim, action, litigation, arbitration, dispute, investigation, inquiry, review, or proceeding.

Affiliate: as defined in Section 3.21 hereof.

Agreement: as defined in the Preamble hereof.

ASG: as defined in the Preamble hereof.

ASG Plans: as defined in Section 3.21 hereof.

Audited Balance Sheets: as defined in Section 3.8 hereof.

Audited Financial Statements: as defined in Section 3.8 hereof.

Broker: Mr. William P. Pickett, an individual residing in the Commonwealth of Virginia.

CACI: as defined in the Preamble hereof.

CASub: as defined in the Preamble hereof.

Closing: as defined in Section 1.8.1 hereof.

Closing Date: as defined in Section 1.8.1 hereof.

Code: as defined in Section 3.20.7 hereof.

Earnest Money Deposit: as defined in Section 1.5 hereof.

Environmental Claim: any written notice by any governmental agency alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, fines or penalties) arising out of, based on or resulting from (a) the presence, or release into the environment, of any Material of Environmental Concern at any location, whether or not owned by Seller or ASG or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

Environmental Contamination: (a) an occurrence occurring or a condition existing at or before the Closing if such occurrence or condition was in violation of any Environmental Law or Permit existing at or before the Closing and if ASG, CACI or CASub is specifically required to take remedial action with respect thereto by a governmental agency or a negotiated agreement, decree or clean-up plan with a governmental agency, regardless of when such occurrence or condition is discovered or when such remedial action is required, (b) any use, disposal or discharge of Materials of Environmental Concern before the Closing resulting in liability to a third party, regardless of when such use, disposal or discharge is discovered or (c) an occurrence occurring or condition existing at or before the Closing if ASG, CACI or CASub investigates or takes remedial action with respect thereto.

Environmental Laws: mean all Federal, state and local laws, rules and regulations relating to pollution or protection of the environment, or occupational or human health and safety, including, without limitation, laws, rules and regulations relating to handling, processing, storage, recycling, emission, discharge, disposal, treatment, transportation, release or threatened release of any Material of Environmental Concern or other waste or material into ambient air, surface water, ground water or land, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. 1801 et seq.), the Federal Water Pollution Control Act (38 U.S.C. 1251 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), the Occupational Safety and Health Act (29 U.S.C. 651 et seq.), the Emergency Planning and Community Right to Know Act (42 U.S.C. 11001 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 135 et seq.), and the Food, Drug and Cosmetic Act (15 U.S.C. 2000 et seq.), in each case as these laws have been amended or supplemented.

ERISA: the Employee Retirement Income Security Act of 1974, as amended.

Escrow Agent: as defined in Section 1.5 hereof.

Exchange Act: as defined in Section 2.3 hereof.

Excluded Assets: as defined in Section 5.1 hereof.

Government: the Federal Government of the United States of America.

Holdback: as defined in Section 1.3.1 hereof.

Holdback Period: as defined in Section 1.3.1 hereof.

HSR Act: as defined in Section 2.3 hereof.

Indemnified Party: as defined in Section 5.8.3 hereof.

Indemnifying Party: as defined in Section 5.8.3 hereof.

Installment Payment: as defined in Section 1.2.2 hereof.

Insurance Policies: as defined in Section 3.19 hereof.

Intellectual Property: patents, trademarks, service marks, trade names, mask works, software, programs, development tools, methodologies, specifications, processes, know-how, blueprints, drawings, designs, patterns, copyrights, formulae, inventions, technology, trade secrets, proprietary information, confidential information and other information and documents, and the registrations and applications therefor and the goodwill related thereto.

Knowledge: as defined in Article 3 hereof.

Leased Properties: as defined in Section 3.10.4 hereof.

Leases: as defined in Section 3.10.3 hereof.

Letter of Intent: the letter agreement dated July 11, 1995 by and among CACI, Seller and ASG.

Material Contracts: as defined in Section 3.13 hereof.

Materials of Environmental Concern: those substances or constituents which are regulated by, or form the basis of liability under, any Environmental Law.

Permit: all certificates, consents, permits, licenses, authorizations and approvals required under or relating to any Environmental Law.

Person: any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or any other entity.

Prime Contractor: with respect to any Material Contract, the contracting party, other than the Government, to whom ASG may be liable for performance as a subcontractor.

Purchase Price: as defined in Section 1.2 hereof.

Receivables: as defined in Section 1.3 hereof.

Securities Act: as defined in Section 2.3 hereof.

Seller: as defined in the Preamble hereof.

Shares: as defined in Section 1.1 hereof.

Subsidiary: any corporation, association, or other business entity a majority (by number of votes) of the shares of capital stock (or other voting interests) of which is owned by ASG, CACI or their respective Subsidiaries.

Successors: as defined in Section 5.8.1 hereof.

Tax: any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax or other fiscal charges of any kind whatsoever, including without limitation any interest, penalty, or addition thereto, whether disputed or not.

Tax Return: any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including without limitation any schedule or attachment thereto, and any amendment thereof.

Unaudited Balance Sheet: as defined in Section 3.8 hereof.

Unaudited Financial Statements: as defined in Section 3.8 hereof.

Windfall Receivables: as defined in Section 1.3.2 hereof.

8.2 Brokerage. Each party shall be solely responsible for payment of any fee or charge of any broker, finder, financial advisor or intermediary engaged, employed, or consulted by that party in connection with negotiations or discussions incident to the execution of this Agreement or any of the transactions contemplated hereby.

8.3 Amendments and Supplements. This Agreement may be amended or supplemented by a written instrument signed by CACI, CASub, Seller and ASG and approved by their respective Boards of Directors.

8.4 Extensions and Waivers. The parties hereto may (a) extend the time for the performance of any of the obligations or other acts of the parties hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the covenants or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. No party's refusal to waive fulfillment of any condition precedent to its obligations under this Agreement shall constitute a breach of its duty under this Agreement. No party's failure to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy by such party preclude any other or further exercise thereof or the exercise of any other right or remedy. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate as a waiver of any subsequent breach.

8.5 Survival of Representations and Warranties. Notwithstanding any investigation conducted before or after the Closing and notwithstanding any knowledge or notice of any fact or circumstance which a party may have as the result of such investi- gation or otherwise, each party and its Successors and assigns shall be entitled to rely upon the representations, warranties and covenants of the others in this Agreement. Each of the representations, warranties and covenants contained in this Agreement, made in any document delivered hereunder or otherwise made in connection with the Closing hereunder shall survive the Closing until the third anniversary of the Closing.

8.6 Expenses. Each party shall pay its own expenses, including the fees of attorneys, accountants, investment bankers, valuation experts and others, in connection with the transactions contemplated hereby, whether or not they are completed, except that in the event of a conflict between this Section 8.6 and Section 5.8, the latter Section shall control. Seller shall be responsible for, and shall indemnify and hold harmless CACI, CASub and ASG against, payment of any and all Taxes arising out of the sale of the Shares or the other transactions contemplated hereby.

8.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard for its principles of conflicts of laws.

8.8 Alternative Dispute Resolution. In the event that any dispute arises under any provision of this Agreement, the parties agree to make reasonable efforts to resolve the dispute by negotiation, mediation, or alternative dispute resolution before any resort to legal remedies; provided, however, that no party shall be bound by the determination of any mediation or alternative dispute resolution proceeding without that party's prior written consent to the proceeding.

8.9 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered by hand sent via a reputable nationwide courier service or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice) and shall be deemed given on the date on which so hand-delivered or on the third business dayfollowing the date on which so mailed or sent:

To CACI:

CACI International Inc

1100 North Glebe Road
Arlington, VA 22201
Attn: Dr. J. P. London, Chairman

With copies to:

Jeffrey P. Elefante, Esq.
Senior Vice President and General Counsel CACI International Inc
1100 North Glebe Road
Arlington, VA 22201

and

David W. Walker, Esq.
Foley, Hoag & Eliot
One Post Office Square
Boston, MA 02109

To Seller:

Mr. Conrad Hipkins
1425 Leegate Road, N.W.
Washington, DC 20012

With a copy to:

Mark R. Eaton, Esq.
Michaels, Wishner & Bonner
1140 Connecticut Avenue, N.W.
Suite 900
Washington, DC 20036

To ASG:

Automated Sciences Group, Inc.
1010 Wayne Avenue
Silver Springs, MD 20910
Attention: Mr. Arthur Holmes, Jr.

With copies to Mark R. Eaton, Esq., at the address set forth above and to:

Keith J. Harrison, Esq.
King, Pagano & Harrison
1730 Pennsylvania Avenue, N.W.
Washington, DC 20006

8.10 Entire Agreement, Assignability, etc. This Agreement and the Exhibits and documents delivered at the Closing pursuant to Section 6: (a) constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, including, without limitation, the Letter of Intent, (b) are not intended to confer upon any person other than the parties hereto any rights or remedies hereunder, except as otherwise expressly provided herein, and (c) shall not be assignable by operation of law or otherwise. The representations and warranties of the parties shall not be enlarged or restricted by any statement in any document referred to herein. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective legal representatives, Successors and permitted assigns, and shall inure to the benefit of the Indemnified Parties and their respective legal representatives, Successors and permitted assigns. All Exhibits mentioned in this Agreement shall be attached to this Agreement, and shall form an integral part hereof. All capitalized terms defined in this Agreement which are used in any Exhibit shall, unless the context otherwise requires, have the same meaning therein as given herein. The failure or omission by Seller and ASG, or either of them, to disclose information required by a particular Exhibit to this Agreement shall not constitute a breach of this Agreement if the same information is disclosed on another Exhibit to this Agreement.

8.11 Cumulative Rights and Remedies. Each party acknowledges that money damages alone will not adequately compensate another party for breach of a party's obligations under this Agreement and, therefore, agrees that in the event of the breach or threatened breach of any such obligation, in addition to all other remedies available, at law, in equity or otherwise, each party shall be entitled to injunctive relief compelling specific performance of, or other compliance with, the terms of this Agreement. All rights and remedies under this Agreement are cumulative and are in addition to and not exclusive of any other rights and remedies provided hereunder, under any other document delivered as part of a

transaction contemplated hereby or otherwise by agreement or law, at equity or otherwise. Without limiting the generality of the foregoing, the parties expressly recognize that specific performance is not any party's sole remedy hereunder.

8.12 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the other provisions of this Agreement, each of which shall remain in full force and effect.

8.13 Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

In Witness Whereof, the parties have duly executed this Agreement as of the date first above written.

CACI International Inc
[SEAL]

By: /s/

President

CACI, Inc.
[SEAL]

By: /s/

President

Seller:

/s/

Conrad Hipkins

Automated Sciences Group, Inc.
[SEAL]

By: /s/

President

Index of Exhibits

EXHIBIT 10.6

Acquisition and Merger Agreement

Dated as of December 21, 1995

among

CACI International Inc,
CACI, Inc.,
CACI Acquisition Corporation
and
IMS Technologies, Inc.

Table of Contents

ARTICLE 1

THE MERGER

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF IMS AND THE PRINCIPAL SHAREHOLDERS

ARTICLE 3

7.11 Entire Agreement, Assignability, etc.
7.12 Cumulative Rights and Remedies
7.13 Severability
7.14 Counterparts

Acquisition and Merger Agreement

Acquisition and Merger Agreement (the "Agreement"), dated as of December 21, 1995, by and among CACI International Inc, a Delaware corporation ("CACI"), CACI, Inc., a Delaware corporation and a wholly-owned subsidiary of CACI ("CASub"), CACI Acquisition Corporation, a Delaware corporation and a wholly- owned subsidiary of CASub ("Acquisition"), IMS Technologies, Inc., a Delaware corporation ("IMS," which term shall include the subsidiaries of IMS unless the context otherwise requires), and John Yeh, Joseph Yeh, James Yeh, and Jeffry Yeh (collectively, the "Principal Shareholders").

W I T N E S S E T H

WHEREAS, CACI has a strong commitment to the government information technology industry and IMS provides information technology and engineering and support services to the United States Government and other similar customers; and

WHEREAS, CACI and IMS wish to combine their businesses in a merger transaction, after which IMS will be operated as a wholly-owned subsidiary of CASub;

NOW, THEREFORE, CACI, CASub, Acquisition, IMS, and the Principal Shareholders hereby agree as follows:

Article 1

THE MERGER

1.1 Merger Terms. Upon and subject to the terms and conditions hereof, and on the basis of the representations, warranties, covenants and agreements contained herein, at the "Effective Time" (as defined in Section 7.1), Acquisition shall be merged with and into IMS (the Surviving Corporation") pursuant to the terms of the Merger Agreement attached hereto as Exhibit A (the "Merger").

1.2 Merger Consideration. Upon the effectiveness of the Merger, the shares of Common Stock of Acquisition outstanding immediately before the Effective Time shall be converted into shares of Common Stock (par value $0.01 per share) of IMS, and the shares of Common Stock of IMS outstanding immediately before the Effective Time shall be converted into the right to receive payment on a pro rata basis of an aggregate of Six Million Five Hundred Thousand Dollars ($6,500,000), less the amount of any expenses of the Merger properly chargeable to IMS or to any Principal Shareholder pursuant to this Agreement and paid by CACI, CASub, or Acquisition at or before the Closing (the "Merger Consideration").

1.3 Consulting Agreements. In connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereby, each of the Principal Shareholders agrees to execute and to deliver at or prior to the Closing a Consulting Agreement in form and substance satisfactory to CACI, to the effect set forth in Exhibit 1.3.1 (the "Consulting Agreement"). In consideration of the execution and delivery of the Consulting Agreements, CACI and CASub shall pay or shall cause the Surviving Corporation to pay to each of the Principal Shareholders the sum set forth in Exhibit 1.3.2, in accordance with the schedule set forth in that Exhibit.

1.4 Closing.

1.4.1 The closing of the Merger (the "Closing") shall be held at the offices of CACI, 1100 North Glebe Road, Arlington, VA 22201, or at such other location as the parties hereto may mutually agree upon in writing, at 2:00 P.M., local time, on December 21, 1995 or on such other date and at such other time as the parties hereto may mutually agree upon in writing (the "Closing Date").

1.4.2 At the Closing, IMS shall deliver to CACI and CASub:

1.4.2.1 the Consulting Agreements, duly executed by the Principal Shareholders; and

1.4.2.2 the other instruments, agreements, certificates and documents referred to in Section 5.2.

1.4.3 At or before the Effective Time, CACI and/or CASub shall deliver:

1.4.3.1 to IMS or a disbursing agent acceptable to IMS, for distribution to the shareholders of IMS, the Merger Consideration;

1.4.3.2 to each of the Principal Shareholders, the initial payment provided in the respective Consulting Agreement with that Shareholder (collectively, the "Initial Consulting Fees"); and

1.4.3.3 to IMS and the Principal Shareholders, the other instruments, agreements, certificates and documents referred to in Section 5.3.

1.4.4 At the Closing, Acquisition and IMS shall execute and deliver the Merger Agreement attached hereto as Exhibit A.

1.5 Approval by IMS Shareholders. On or before the Closing Date, IMS will call a special meeting of its stockholders to be held on or before the Closing Date to submit this Agreement, the Merger Agreement, and related matters for the consideration and approval of the shareholders of IMS, which approval will be recommended by IMS's Board of Directors. The meeting will be called, held and conducted, and any proxies will be solicited, in compliance with applicable law. At the meeting, each of the Principal Shareholders will vote all shares of capital stock of IMS that he has the power to vote in favor of approval.

1.6 Actions Subsequent to the Closing.

1.6.1 On or before December 28, 1995, IMS and the Principal Shareholders shall cause the Merger Agreement to be delivered to CT Corporation (or such other agent as CACI and IMS may mutually agree upon in writing) (the "Agent") with instructions for the Agent to file the Merger Agreement with the Secretary of State of the State of Delaware on December 28, 1995 at 4:00 P.M. Eastern standard time unless the Agent shall have received, on or before December 28, 1995 at 3:00 P.M. Eastern standard time, from CACI, CASub, Acquisition or IMS, or their attorneys, instructions not to file the Merger Agreement with such Secretary of State.

1.6.2 On or before December 28, 1995 at 3:00 P.M., CACI, CASub and Acquisition shall cause the Merger Consideration and the Initial Consulting Fees to be wired to the client trust account of Michaels, Wishner & Bonner (NationsBank Account No. 02308282) such funds to be held and disbursed in accordance with the terms of the Escrow Agreement dated December 21, 1995 among the parties hereto and Michaels, Wishner & Bonner.

1.7 Divestiture of Excluded Assets. It is understood that the assets, agreements and contracts listed on Exhibit 1.7 (the "Excluded Assets") are not required for the conduct of the business of IMS by CACI or CASub and are not intended to be included in the business being acquired by CACI and CASub. Accordingly, prior to the Effective Time, IMS shall have (i) sold, distributed to its shareholders or otherwise disposed of the assets listed on Exhibit 1.7 and (ii) terminated or assigned to the Principal Shareholders the agreements and contracts listed on Exhibit 1.7. Notwithstanding any other provision of this Agreement, the disposition of the Excluded Assets in accordance with this Section 1.7 shall not constitute a breach of any representation, warranty, covenant or agreement of IMS or the Principal Shareholders.

Article 2

REPRESENTATIONS AND WARRANTIES OF IMS AND THE PRINCIPAL SHAREHOLDERS

Whenever any representation, warranty, covenant or agreement of IMS and the Principal Shareholders is qualified or limited as to "Sellers' Knowledge," the term "Sellers' Knowledge" shall be limited to the actual knowledge of (a) the Principal Shareholders and (b) the executive officer or officers of IMS and its Subsidiaries (as defined below) whose management responsibilities include the matters or operations referred to by such representation, warranty, covenant or agreement. IMS and the Principal Shareholders jointly and severally represent and warrant to CACI and CASub as follows:

2.1 Corporate Status of IMS. IMS is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. IMS is duly qualified to do business as a foreign corporation and is in good standing in all jurisdictions in which the character of the properties owned, leased or operated by IMS or the nature of the business transacted by IMS makes such qualification necessary, except where failure to be so qualified would not have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS.

2.2 Subsidiaries of IMS. Each of the corporations listed on Exhibit 3.2 (the "Subsidiaries"), except as set forth in that Exhibit, is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and has full corporate power to own, lease and operate its properties and to conduct its business as currently owned, leased, operated and conducted. Each of the Subsidiaries is duly qualified to do business as a foreign corporation and is in good standing in all jurisdictions in which the character of the properties owned, leased or operated by such Subsidiary or the nature of the business transacted by such Subsidiary makes such qualification necessary, except where failure to be so qualified would not have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of such Subsidiary. IMS has made available to CACI and CASub true, complete and correct copies of the certificate of incorporation, by-laws and other organizational documents of each of the Subsidiaries, each as in effect on the date hereof. All of the shares of capital stock of each Subsidiary are duly and validly issued, fully paid and nonassessable and are held of record and beneficially by IMS, free and clear of any and all covenants, conditions, restrictions, voting arrangements, liens, charges, encumbrances, options, claims and rights whatsoever. There are no agreements relating to or restricting the issuance, sale or transfer of shares of capital stock of any Subsidiary, or affecting the rights of IMS with respect thereto. There are no preemptive rights on the part of any Person and there are not, and as of the Closing there will not be, outstanding any options, warrants, agreements, commitments, conversion or other rights that obligate any Subsidiary to issue or sell any shares of its capital stock or other security. No Subsidiary has any obligation to acquire any class of securities (including debt securities) of any Person.

2.3 Authority for Agreement. IMS has the full corporate power to own, lease and operate its properties and to conduct its business as currently owned, leased, operated and conducted, to execute, deliver, and perform this Agreement, to consummate the other transactions contemplated herein and to carry out its obligations hereunder. The execution, delivery and performance of this Agree ment and the consummation of the transactions contemplated hereby have been duly and validly authorized by IMS's Board of Directors and stockholders.

2.4 No Default or Violation. The execution, delivery and performance of this Agreement and the consummation of the transactions

contemplated hereby by IMS do not and will not (a) conflict with or result in a material violation of any provision of the Certificate of Incorporation or By-Laws or other organizational documents of IMS, or (b) with or without the giving of notice or the lapse of time, or both, conflict with, or result in any material violation or breach of or constitute a material default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any material lien, charge or encumbrance on any of the assets or properties of IMS pursuant to, or right of termination under, any provision of any note, mortgage, indenture, lease, agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation to which IMS is a party or by which IMS or any of its assets or properties may be bound or which is applicable to IMS or any of its assets or properties. Other than in connection with or in compliance with the provisions of the Securities Act, the Exchange Act, the Hart-Scott-Rodino Antitrust Improvements Act (the "HSR Act") and applicable state securities laws, no authorization, consent, approval, license, order, or permit of, or declaration of, or filing with or notice to, any governmental body or authority or any other person or entity is necessary for the execution, delivery and performance of this Agreement by IMS or the consummation by IMS of the transactions contemplated hereby.

2.5 Corporate Documents. IMS has heretofore made available to CACI and CASub a true, complete and correct copy of IMS's Certificate of Incorporation and By-Laws, each as amended to date. Such Certificate of Incorporation and By-Laws are in full force and effect. IMS is not in violation of any provision of its Certificate of Incorporation or By-Laws, except for such violations that would not, individually or in the aggregate, have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS. The minute books of IMS (including the stock records), a copy of which has heretofore been provided to CACI and CASub, are true, complete and correct and are the only minute books of IMS.

2.6 Books and Records. The books of account, ledgers, order books, records and documents of IMS accurately and completely reflect all material information relating to the business of IMS, the location and condition of its assets, and the nature of all transactions giving rise to the obligations or accounts receivable of IMS.

2.7 Capitalization of IMS. IMS's authorized capital stock consists of 400,000 shares of Class A common stock, par value $0.01 per share, 125,000 shares of Class B common stock, par value $0.01 per share, and 25,000 shares of undesignated preferred stock, par value $1.00 per share. There are 75,833 shares of Class B common stock (the "Shares") issued and outstanding and no shares of Class A common stock or preferred stock issued and outstanding. An aggregate of 40,847.75 of the Shares are held, and as of the Effective Time will be held, of record and beneficially by the Principal Shareholders. All of the Shares are, and as of the Effective Time will be, duly and validly issued, fully paid and nonassessable. There are no dividends which have been authorized, declared or set aside but not paid or which are in arrears with respect to any shares of capital stock of IMS. There are no agreements relating to or restricting the issuance, sale or transfer of shares of capital stock of IMS. There are no preemptive rights on the part of any Person and there are not, and as of the Closing there will not be, outstanding any options, warrants, agreements, commitments, conversion or other rights that obligate IMS to issue or sell any shares of its capital stock or other security.

2.8 Financial Statements. IMS has previously delivered to CACI and CASub the audited balance sheets of IMS as of September 30, 1993, 1994 and 1995 (the "Audited Balance Sheets") and the related statements of income, changes in stockholders' equity, and cash flows of IMS for the fiscal years ended September 30, 1993, 1994 and 1995 (collectively, together with the Audited Balance Sheets, the "Audited Financial Statements"). The Audited Financial Statements have been prepared in accordance with generally accepted accounting principles applied consistently throughout the periods involved (except as disclosed in the footnotes thereto) and have been certified by Ernst & Young, LLP, IMS's independent auditors. The Audited Financial Statements present fairly the financial position, results of operations and cash flows of IMS at the dates and for the periods indicated. Attached hereto as Exhibit 2.8 is the unaudited balance sheet of IMS as of December 2, 1995 (the "Unaudited Balance Sheet") and the related statements of income, changes in stockholders' equity, and cash flows of IMS for the two month period then ended (collectively, the "Unaudited Financial Statements"). The Unaudited Financial Statements have been prepared in accordance with generally accepted accounting principles, applied consistently with those employed in the Audited Financial Statements, and present fairly the financial position and results of operations of IMS as of the date and for the period indicated, subject to the addition of notes and normal, non-material year-end adjustments consistent with past practice. Except to the extent set forth on the Unaudited Balance Sheet, IMS does not have any material liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, whether due or to become due and whether the amount thereof is readily ascertainable or not, other than (i) liabilities and obligations described in the footnotes to the 1995 Audited Financial Statements, (ii) liabilities and obligations incurred in the ordinary course of business since the date of the Unaudited Balance Sheet, none of which individually or in the aggregate has had or could reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS, and (iii) liabilities and obligations described in the Exhibits hereto.

2.9 Absence of Material Adverse Changes. Since September 30, 1995, IMS has conducted its business only in the ordinary course and consistent with prior practice and there has not occurred or arisen, whether or not in the ordinary course of business, any adverse Material Change in the business, operations, assets, financial condition, results of operations, properties or prospects of IMS. Specifically, except as described in Exhibit 2.9, IMS has not:

2.9.1 issued, sold, purchased, redeemed or granted any options, warrants, conversion or other rights to purchase or otherwise acquire any shares of its capital stock or any other security;

2.9.2 authorized, declared, set aside or paid any dividend or made any other distribution with respect to any share of its capital stock or other security;

2.9.3 incurred, discharged, satisfied or paid any obligation or liability, accrued, absolute, contingent or otherwise, whether due or to become

due, material to IMS other than current liabilities and current portion of long-term debt shown on the 1995 Audited Balance Sheet and current liabilities incurred since the date of the 1995 Audited Balance Sheet in the ordinary course of business and consistent with prior practice;

2.9.4 suffered any damage or destruction in the nature of a casualty loss or other loss that would be treated as an extraordinary item pursuant to Opinion No. 30 of the Accounting Principles Board, whether covered by insurance or not, that might reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS;

2.9.5 granted any increase in the compensation payable or to become payable by IMS to its directors, officers, managers, consultants or agents or any increase in benefits under any bonus, insurance, pension or other benefit plan made for or with any of such persons, other than increases that are provided to broad categories of employees and do not discriminate in favor of the aforementioned persons;

2.9.6 encountered any labor union organizing activity material to the business, operations, assets, financial condition, results of operations, properties or prospects of IMS, had any employee strike, work-stoppage, slow-down or lockout, or any substantial threat of any imminent strike, work-stoppage, slow-down or lock-out or had any adverse change in its relations with its employees, agents, customers or suppliers or any governmental or regulatory authorities, that, in any of the foregoing cases, has had or could reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS;

2.9.7 transferred or granted any rights under, or entered into any settlement regarding the breach or infringement of, any United States or foreign intellectual property, or modified any existing rights with respect thereto, other than in the ordinary course of business and consistent with prior practice;

2.9.8 cancelled or compromised any debts or waived or permitted to lapse any claims or rights of substantial value, or sold, leased, transferred or otherwise disposed of any of its properties or assets (real, personal or mixed, tangible or intangible), except in the ordinary course of business and consistent with prior practice;

2.9.9 made any material capital expenditure or commitment for any addition to property, plant or equipment not in the ordinary course of business and consistent with prior practice or in any event in excess of an aggregate of Five Thousand Dollars ($5,000);

2.9.10 made any change in any method of accounting or accounting practice;

2.9.11 paid, loaned or advanced any amount to, or sold, transferred or leased any properties or assets (real, personal or mixed, tangible or intangible) to, or entered into any agreement or arrangement with, any officer, director, "affiliate," officer of an "affiliate," director of an "affiliate," "associate" of an officer, "associate" of a director, or "associate" of an "affiliate" (as such terms are defined in the rules and regulations of the Securities and Exchange Commission), who exercised senior managerial responsibility with respect to IMS, except for normal business advances to employees consistent with prior practice;

2.9.12 granted any options to officers, employees, directors, or any affiliated parties;

2.9.13 agreed, whether in writing or otherwise, to take any action described in this Section 2.9; or

2.9.14 taken, failed to take or suffered to exist any action that, if taken, not taken, or suffered to exist after the date hereof, would constitute a breach of any of the covenants set forth in Section 4.

2.10 Title to Assets; Condition.

2.10.1 IMS has good title to, or a valid leasehold interest in, all of its properties and assets. Except as described on Exhibit 2.10.1, none of its properties or assets is subject to any mortgage, pledge, lien, security interest, lease or other encumbrance. All of IMS's properties and assets are in working condition.

2.10.2 Exhibit 2.10.3 sets forth a true, correct and complete list as of the date hereof of all leases, and all amendments, modifications and supplemental agreements thereto, of real property to which IMS is a party (the "Leases"). True, correct and complete copies of the Leases have been delivered by IMS to CACI and CASub. The Leases grant leasehold estates free and clear of all mortgages, liens, claims, charges, security interests, encumbrances and other restrictions and limitations whatsoever granted by or caused by the actions of IMS, and IMS enjoys a right of quiet possession as against any lien or other encumbrance on the properties subject to the Leases (collectively, the "Leased Properties"). The Leases are in full force and effect, are binding and enforceable against each of the parties thereto in accordance with their respective terms. No party to any Lease has sent written notice to the other claiming that such party is in default thereunder, which remains uncured. To Sellers' Knowledge, there has not occurred any event that would constitute a breach of or default in the performance of any material covenant, agreement or condition contained in any Lease, nor has there occurred any event that with the passage of time or the giving of notice or both would constitute such a breach or material default. IMS is not obligated to pay any leasing or brokerage commission relating to any Lease and will not have any enforceable obligation to pay any leasing or brokerage commission upon the renewal of any Lease. No material construction, alteration or other leasehold improvement work with respect to any of the Leases remains to be paid for or to be performed by IMS.

2.10.3 IMS is not in violation in any material respect of any law, regulation or ordinance (including, without limitation, laws, regulations or ordinances relating to building, zoning, environmental, city planning, land use or similar matters) relating to the Leased Properties. There are to Sellers' Knowledge no proceedings materially affecting the present or future use of the Leased Properties for the purposes for which they are used or the purposes for which they are intended to be used. All buildings, structures and fixtures used by IMS are in good operating condition and repair, normal wear and tear excepted, and are insured with coverages that are usual and customary for similar properties and similar businesses.

2.11 Intellectual Property. IMS owns, or is licensed or otherwise has the full right to use, the Intellectual Property listed on Exhibit 2.11(a). Exhibit 2.11(a) lists all Intellectual Property owned, licensed or used by IMS, together with the owner or licensor thereof. Exhibit 2.11(b) lists all third party licenses related to the Intellectual Property listed on Exhibit
2.11(a). All Intellectual Property that is identified on Exhibit 2.11(a) as owned by IMS is, together with the goodwill of the business associated with any Intellectual Property, owned by IMS free and clear of any and all agreements, judgments, orders, decrees, stipulations, liens, claims, tax liens, charges, security interests, encumbrances and licenses or sublicenses that would prevent the use of the Intellectual Property by IMS, CACI or CASub. The business and operations of IMS do not infringe upon or violate any intellectual property owned by any third party. IMS has not received, within the past three (3) years, notice of any claim that IMS has infringed or violated any intellectual property of any third party, or that any Intellectual Property identified on Exhibit 2.11(a) is invalid or violates or infringes upon the rights of any third party. IMS has not sent or otherwise communicated to another person, within the past three (3) years, any notice, charge, claim or other assertion of, nor does there exist, any present, impending or to Sellers' Knowledge threatened infringement or violation by any third party of any Intellectual Property listed on Exhibit 2.11(a) or any acts of unfair competition by any third party relating to such Intellectual Property. IMS maintains reasonable security measures to prevent disclosure or transfer to unauthorized persons of any trade secrets and confidential information that are proprietary to IMS.

2.12 Inventories. IMS has no inventory material to its business, operations, financial condition, results of operations or prospects.

2.13 Material Contracts. IMS has delivered to CACI and CASub or made available to CACI and CASub a true, correct and complete copy of each material contract to which IMS is a party and all amendments thereto (the "Material Contracts"), all of which are listed on Exhibit 2.13. All Material Contracts are in full force and effect. IMS has not received any notice of default, nor is it in default, nor does any condition exist which with or without notice or the lapse of time, or both, will render IMS in default, under any of the Material Contracts. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not, with or without the giving of notice or the lapse of time, or both, conflict with, or result in any violation or breach of or constitute a default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any lien, charge or encumbrance on any of the assets or properties of IMS pursuant to, or right of termination under, any provision of any Material Contract. To Sellers' Knowledge, the other parties to the Material Contracts are in compliance with all material terms and conditions of the Material Contracts. No party to a Material Contract has notified IMS of its intention to terminate or materially change the nature of its transaction or relationship with IMS under any such Material Contract.

2.14 Agreements, Contracts and Commitments. Except as set forth in Exhibit 2.14, IMS is not a party to:

2.14.1 any agreement relating to the issuance, transfer or sale of any shares of the capital stock or other securities of IMS;

2.14.2 any bonus, deferred compensation, pension, severance, profit-sharing, stock option, employee stock purchase or retirement plan, contract or arrangement or other employee benefit plan or arrangement;

2.14.3 any employment agreement that contains any severance pay liabilities or obligations;

2.14.4 any agreement for personal services, consultant services or employment;

2.14.5 any agreement of guarantee or indemnification of third parties

in an amount that could exceed Five Thousand Dollars ($5,000);

2.14.6 any agreement or commitment containing a covenant limiting or purporting to limit the freedom of IMS to compete with any person in any geographic area or to engage in any line of business;

2.14.7 any lease (other than equipment leases under which IMS is lessor) to which IMS is a party as lessor or lessee that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of IMS;

2.14.8 any joint venture agreement or profit-sharing agreement (other than with employees);

2.14.9 except for trade indebtedness incurred in the ordinary course of business, any loan or credit agreements providing for the extension of credit to IMS or any instrument evidencing or related in any way to indebtedness incurred in the acquisition of companies or other entities or indebtedness for borrowed money by way of direct loan, sale of debt securities, purchase money obligation, conditional sale, guarantee, or otherwise, that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of IMS;

2.14.10 any license agreement, either as licensor or licensee, or distributor, dealer, franchise, manufacturer's representative, sales agency or other similar agreement or commitment;

2.14.11 any contract or agreement, for the future sale by IMS of materials, products, services or supplies, that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of IMS;

2.14.12 any contract or agreement for the future purchase by IMS of any materials, equipment, services, or supplies, that either provides for payments in excess of Two Thousand Five Hundred Dollars ($2,500) and cannot be terminated by it without penalty upon less than ninety (90) days' notice or was not made in the ordinary course of business and consistent with prior practice;

2.14.13 any agreement that provides for the sale of goods or services that will result in a loss as a result of costs already incurred or expected to be incurred to complete the agreement;

2.14.14 any agreement or arrangement for the assignment, sale or other transfer by IMS of any agreement or lease (or right to payment thereunder) by which it leases materials, products or other property to a third party;

2.14.15 any contract or agreement that provides any discount;

2.14.16 any agreement or commitment for the acquisition, construction or sale of fixed assets owned or to be owned by IMS;

2.14.17 any contract or agreement not described above involving the payment or receipt by IMS of more than Five Hundred Dollars ($500) individually or Five Thousand Dollars ($5,000) in the aggregate other than contracts or agreements in the ordinary course of business for the purchase of inventory, supplies or services or for the sale of current requirements and consistent with prior practice, or for the sale or lease of finished goods or services in the ordinary course of business and consistent with prior practice; or

2.14.18 any contract or agreement not described above that was not made in the ordinary course of business and consistent with prior practice and that is material to the business, operations, assets, financial condition, results of operations, properties or prospects of IMS.

All agreements, contracts, plans, leases, instruments, arrangements, licenses and commitments listed in Exhibit 2.14 pursuant to this Section 2.14 are valid and in full force and effect and neither IMS nor, to Sellers' Knowledge, any other party thereto has breached any provision of, or defaulted under the terms of, nor are there any facts or circumstances that would reasonably indicate that IMS will or may be in such breach or default under, any such agreement, contract, plan, lease, instrument, arrangement, license or commitment, which breach or default has or could reasonably be expected to have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS. Exhibit 2.14 correctly identifies each contract the provisions of which would be materially and adversely affected by this Agreement and each contract under which the rights of any party would be altered as a result of the sale, merger, consolidation or other change of control of IMS.

2.15 Banking Facilities, Powers of Attorney, etc. Exhibit 2.15 attached hereto sets forth a true, correct and complete list of (i) each bank, savings and loan or similar financial institution with which IMS has an account or safety deposit box or other arrangement, and any numbers of the accounts or safety deposit boxes maintained by IMS thereat, (ii) the names of all persons authorized to draw on each such account or to have access to any such safety deposit box facility, and (iii) any outstanding powers of attorney executed on behalf of IMS in respect of IMS or its assets, liabilities or businesses. IMS has no general or special powers of attorney outstanding (whether as grantor or grantee thereof), nor any obligation or liability (whether actual, accrued, accruing, contingent or otherwise) as guarantor, surety, co-signer, endorser, co-maker, indemnitor or otherwise in respect of the obligation of any Person, except as endorser or maker of checks or letters of credit, respectively, endorsed or made in the ordinary course of business and consistent with prior practice.

2.16 Customers and Orders. During the period from December 2, 1995 through the Effective Time, IMS has not accepted, and will not accept, orders from any of the other contracting parties to the Material Contracts on any terms other than pursuant to one or more of the Material Contracts.

2.17 Compliance with Applicable Law. IMS has all requisite material licenses, permits and certificates from all foreign, federal, state and local authorities necessary for the conduct of its business as presently conducted, and to lease and operate the Leased Properties. IMS has conducted its business in material compliance with all applicable laws, statutes, ordinances, regula tions, rules, judgments, decrees, orders, permits, licenses, concessions, grants or other authorizations of any court or of any governmental entity or authority.

2.18 Litigation. Except as described in Exhibit 2.18, there is no Action of any kind, pending or, to Sellers' Knowledge, threatened, at law or in equity, by or before any court, arbitrator, governmental entity or authority, that involves, affects or relates to IMS that either singly or in the aggregate may have any material adverse effect on the business, operations, assets, financial condition, results of operations, prospects or properties of IMS. Neither IMS nor any of its Principal Shareholders or properties is subject to any order, writ, injunction, decree or judgment of any court, arbitrator or governmental entity or authority, that involves, affects or relates to IMS that either singly or in the aggregate may have any material adverse effect on the business, operations, assets, financial condition, results of operations, prospects or properties of IMS.

2.19 Insurance. Exhibit 2.19 attached hereto sets forth a true, correct and complete list of all fire, theft, casualty, general liability, workers' compensation, business interruption, environmental impairment, product liability, automobile and other insurance policies maintained by IMS

and all life insurance policies maintained on the lives of any of its directors, officers or employees (collectively, the "Insurance Policies"). All premiums due on the Insurance Policies or renewals thereof have been paid in full. To Sellers' Knowledge, the amounts and coverages of the Insurance Policies are those customarily carried by companies engaged in similar businesses and owning similar properties in the same general areas in which IMS operates and are adequate and customary for the type and scope of IMS's assets, properties and business. The Insurance Policies are sufficient for compliance with all Material Contracts to which IMS is a party or by which IMS is bound and all applicable laws and regulations of any governmental entity. IMS's workers' compensation insurance materially complies with all applicable statutory and regulatory requirements relating thereto. IMS has not received any written notices of any pending termination with respect to any of such policies. Exhibit 2.19 includes a true and complete listing of all claims made under IMS's Insurance Policies in excess of Five Thousand Dollars ($5,000), and the dispositions thereof, for the period from September 30, 1992 to the date hereof.

2.20 Tax Matters.

2.20.1 Except as disclosed in Exhibit 2.20.1, IMS has duly filed, within the times and in the manner prescribed by law, all Tax Returns that it was required to file. To Sellers' Knowledge, all such Tax Returns were correct and complete in all material respects. All Taxes owed by IMS (whether or not shown on any Tax Return) have been paid when due. IMS is not currently the beneficiary of any extension of time within which to file any Tax Return. No claim or inquiry with respect to any material amount of Taxes has ever been made by an authority in a jurisdiction where IMS did not file Tax Returns but where it is or may be subject to any Tax by that jurisdiction for any period ending on or before the Closing Date. There are no liens or other security interests on any of the properties or assets of IMS that arose in connection with any failure (or alleged failure) to pay any Tax.

2.20.2 All Taxes of IMS attributable to Tax periods or portions thereof ending on or prior to the Closing Date that have not yet been paid have in the aggregate been adequately reflected as a liability on the books of IMS in accordance with generally accepted accounting principles consistently applied.

2.20.3 IMS has withheld and paid all Taxes required to have been withheld and paid in connection with payments to foreign persons, sales and use Tax obligations with respect to any and all states, and amounts paid or owing to any employee, independent contractor, creditor, stockholder or other person.

2.20.4 Exhibit 2.20 hereto lists all federal and state income Tax Returns filed with respect to IMS for Tax periods ended on or after December 31, 1991, indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. Exhibit 2.20 also sets forth all deficiencies of Tax that have been asserted for all periods up to and including the date hereof.

2.20.5 There are no outstanding agreements or waivers extending the statute of limitations applicable to any Tax Return of IMS for any period.

2.20.6 IMS has delivered to CACI and CASub true, correct and complete copies of all United States federal income Tax Returns, examination reports, and statements of deficiencies assessed against, proposed in writing to be assessed against, or agreed to by any of the Company and its Subsidiaries for all Tax periods ending on or after December 31, 1991.

2.20.7 IMS has not filed a consent under Section 341(f) of the Internal Revenue Code of 1986, as amended (the "Code"), concerning collapsible corporations. IMS has not made any payments, is not obligated to make any payments, and is not a party to any agreement that could obligate it to make any payments that will be an "excess parachute payment" under Code
Section 280G. IMS has not been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii), nor has IMS been a passive foreign investment company as defined in Code Sections 1291-1297. IMS has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. IMS is not a party to any Tax allocation or sharing agreement. IMS has no liability for any Taxes of any person (other than its own) under Treas. Reg. Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise.

2.20.8 IMS has not made any elections under the Code, including, without limitation, elections under Code Section 1362 (relating to taxation as an S Corporation) or elections under Code Section 338 (relating to the treatment of certain stock purchases as asset acquisitions).

2.21 Employee Benefit Plans; Compliance with ERISA. Exhibit 2.21 contains a true, correct and complete list of all pension, profit sharing, retirement, deferred compensation, welfare, insurance, disability, bonus, vacation pay, severance pay and other similar plans, programs or agreements, and every material personnel policy, whether reduced to writing or not, relating to any persons employed by IMS and maintained by IMS or by any other member (hereinafter, "Affiliate") of a controlled group of corporations, group of trades or businesses under common control or affiliated service group which includes IMS (as defined for purposes of Section 414(b), (c) and
(m) of the Code) (collectively, the "IMS Plans"). Neither IMS nor any Affiliate has ever been obligated to contribute to any "multi-employer plan," as defined in Section 3(37) of ERISA. Neither IMS nor any Affiliate has incurred any "withdrawal liability" calculated under Section 4211 of ERISA and there has been no event or circumstance which would cause them to incur any such liability. Except as indicated in Exhibit 2.21, neither IMS nor any Affiliate has ever maintained an IMS Plan providing health or life insurance benefits to former employees (other than as required by Part 6 of Subtitle B of Title I of ERISA). Except as indicated in Exhibit 2.21, no IMS Plan which was subject to ERISA has been terminated; no proceedings to terminate any such IMS Plan have been instituted within the meaning of Subtitle C of Title IV of ERISA; and no reportable event within the meaning of Section 4043 of said Subtitle C has occurred with respect to any such IMS Plan, and no liability to the Pension Benefit Guaranty Corporation has been incurred. With respect to all the IMS Plans, IMS and every Affiliate are in material compliance with all requirements prescribed by all statutes, regulations, orders or rules currently in effect, and have in all material respects

performed all obligations required to be performed by them. Neither IMS nor any Affiliate, nor to Sellers' Knowledge any of its or their directors, officers, employees or agents, nor any trustee or administrator of any trust created under the IMS Plans, has engaged in or been a party to any "prohibited transaction" as defined in Section 4975 of the Code and Section 406 of ERISA which could subject IMS or CACI or their Subsidiaries, affiliates, directors or employees or the IMS Plans or the trusts relating thereto or any party dealing with any of the IMS Plans or trusts to any Tax or penalty on "prohibited transactions" imposed by Section 4975 of the Code. Neither the IMS Plans nor the trusts created thereunder have incurred any "accumulated funding deficiency," as such term is defined in Section 412 of the Code and regulations issued thereunder, whether or not waived.

Each IMS Plan intended to qualify under Section 401(a) of the Code has been determined by the Internal Revenue Service to so qualify, and the trusts created thereunder have been determined to be exempt from Tax under Section 501(a) of the Code; copies of all determination letters have been delivered to CACI and CASub; and to Sellers' Knowledge nothing has occurred since the date of such determination letters which might cause the loss of such qualification or exemption. With respect to each IMS Plan that is a "defined benefit plan" as defined in Section 3 (35) of ERISA, the present value of the actuarial accrued liability, determined on a plan termination basis, does not exceed the fair market value of the assets held under such IMS Plan, and there is no unpaid contribution for any IMS Plan year ended prior to the Closing as required under Section 412 of the Code. With respect to each IMS Plan which is a qualified profit sharing or stock bonus plan, all employer contributions accrued for plan years ending prior to the Closing under the IMS Plan terms and applicable law have been made.

To Sellers' Knowledge, there is no Action threatened or pending or that can reasonably be expected to be asserted with respect to any of the IMS Plans or any prior plan maintained by IMS, and there are no outstanding written requests, other than routine requests for information concerning such IMS Plans, by participants, beneficiaries or any government agency.

2.22 Employment-Related Matters. To Sellers' Knowledge, IMS is in compliance in all material respects with all applicable laws respecting employment, consulting, employment practices, wages, hours, and terms and conditions of employment. IMS is not a party to any collective bargaining agreement or other contract or agreement with any labor organization or other representative of any employees of IMS. There is no labor strike, dispute, slowdown, work stoppage, lockout or other labor controversy in effect or pending or to Sellers' Knowledge threatened against or otherwise affecting IMS. IMS has not experienced any labor controversy within the past three years. No labor representation question exists or to Sellers' Knowledge has been raised respecting any of IMS's employees. IMS has not closed any plant or facility, or effectuated any layoffs of employees or implemented any early retirement, separation or window program at any time from or after October 1, 1992 nor has IMS planned or announced any action or program for the future with respect to which IMS has or may have any material liability. IMS is in compliance in all material respects with its obligations pursuant to the Worker Adjustment and Retraining Notification Act of 1988, and all other notification and bargaining obligations arising under any collective bargaining agreement or statute relating to employment; provided, however, that nothing in this Section 2.22 shall be construed as any representation or warranty relating to the Code or ERISA.

2.23 Environmental.

2.23.1 To Sellers' Knowledge, IMS is in compliance in all material respects with all applicable Environmental Laws. IMS has not received any communication (written or oral), whether from a governmental authority, employee, or any other person that alleges that IMS is not in compliance with such laws. To Sellers' Knowledge, all material Permits and other governmental authorizations currently held by IMS pursuant to the Environmental Laws are in full force and effect and no other material Permits are required by IMS.

2.23.2 To Sellers' Knowledge, there is no Environmental Claim pending or threatened against or involving IMS or against any person or entity whose liability for any Environmental Claim IMS has or may have retained or assumed either contractually or by operation of law.

2.23.3 To Sellers' Knowledge, there are no past or present actions, activities, circumstances, conditions, events or incidents, including, without limitation, the release, threatened release, emission, discharge or disposal of any Material of Environmental Concern, that could form the basis of any Environmental Claim against IMS or against any person or entity whose liability for any Environmental Claim IMS may have retained or assumed either contractually or by operation of law.

2.23.4 Without in any way limiting the generality of the foregoing, to Sellers' Knowledge, (a) no polychlorinated biphenyls are or have been used or stored at any of the Leased Properties, and (b) no friable asbestos or asbestos-containing material is present at any of the Leased Properties.

2.24 Absence of Certain Payments. Neither IMS nor any director, officer, agent, employee or other person associated with or acting on behalf of IMS has used any funds of IMS for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, or made any direct or indirect unlawful payments to government officials or employees from corporate funds, or established or maintained any unlawful or unrecorded funds, or violated any provisions of the Foreign Corrupt Practices Act of 1977 or any rules or regulations promulgated thereunder.

2.25 Interests of Officers. Except as described in Exhibit 2.25, none of the officers or directors of IMS has any interest in any property, real or personal, tangible or intangible, including Intellectual Property used in the conduct of the business of IMS, except for rights under existing employee benefit plans.

2.26 No Brokers or Finders. Except as described in Exhibit 2.26, no broker or finder has acted for IMS in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commissions in respect of such transactions based upon agreements, arrangements or understandings made by or on behalf of IMS.

2.27 No Pending Actions. There is no Action pending or threatened to which IMS is a party or of which IMS is aware which questions or challenges the validity of this Agreement or any action taken or to be taken by IMS pursuant to this Agreement or in connection with the transactions contemplated hereby.

2.28 No Misrepresentations. No representation or warranty by IMS in this Agreement, nor any statement, certificate, list, exhibit or schedule furnished or to be furnished by or on behalf of IMS pursuant to this Agreement nor any document or certificate delivered to CACI or CASub pursuant to this Agreement, when taken together with the foregoing, contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make the statements not misleading.

2.29 No Implied Representations. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, IMS IS BEING MERGED ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS, AND EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF IMS AND THE PRINCIPAL SHAREHOLDERS EXPRESSLY CONTAINED HEREIN, IMS DISCLAIMS ALL WARRANTIES, EXPRESSED, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

Article 3

REPRESENTATIONS AND WARRANTIES OF CACI, CASUB, AND ACQUISITION

CACI, CASub, and Acquisition represent and warrant to IMS as follows:

3.1 Corporate Status of CACI, CASub, and Acquisition. CACI, CASub, and Acquisition are corporations duly organized, validly existing and in good standing under the laws of Delaware. CACI, CASub, and Acquisition are duly qualified to do business as foreign corporations and are in good standing in all jurisdictions in which the character of the properties owned, leased or operated by each or the nature of the business transacted by each makes such qualification necessary, except where failure to be so qualified would not have a materially adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of CACI and its Subsidiaries considered as a whole.

3.2 Authority for Agreement. CACI, CASub, and Acquisition have the full corporate power to execute, deliver, and perform this Agreement, to consummate the transactions contemplated hereby and to carry out their obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of CACI, CASub, and Acquisition and by CASub in its capacity as sole shareholder of Acquisition. No other corporate proceedings on the part of CACI or CASub including, without limitation, stockholder approval, are necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby.

3.3 No Default or Violation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby do not and will not (a) conflict with or result in a violation of any provision of the Certificate of Incorporation or By-Laws or other organizational documents of CACI, CASub, or Acquisition, or (b) with or without the giving of notice or the lapse of time, or both, conflict with, or result in any violation or breach of or constitute a default under, or require the consent of any other party to, or result in any right to accelerate or the creation of any lien, charge or encumbrance pursuant to, or right of termination under, any provision of any note, mortgage, indenture, lease, agreement or other instrument, permit, concession, grant, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation to which CACI, CASub, or Acquisition is a party or by which either of them or any of their assets or properties may be bound or which is applicable to either of them or any of their assets or their properties. Other than in connection with or in compliance with the provisions of the Securities Act, the Exchange Act, the HSR Act and applicable state securities laws, no authorization, consent, approval, license, order, or permit of, or declaration of, or filing with or notice to, any governmental body or authority or any other person or entity is necessary for the execution, delivery and performance of this Agreement by CACI and CASub or the consummation by CACI and CASub of the transactions contemplated hereby.

3.4 Responsible Prospective Contractor. Each of CACI and CASub is a "responsible prospective contractor," as defined in 48 C.F.R. Part 9, Section 9.101 and Section 9.104, and other applicable sections of the Federal Acquisition Regulation.

3.5 No Brokers or Finders. Except as described on Exhibit 3.5, no broker or finder has acted for CACI, CASub, or Acquisition in connection with this Agreement or the transactions contemplated hereby, and no broker or finder is entitled to any brokerage or finder's fee or other commissions in respect of such transactions based upon agreements, arrangements or understandings made by or on behalf of CACI, CASub, or Acquisition.

3.6 No Pending Actions. There is no Action pending or threatened to which CACI, CASub, or Acquisition is a party or of which CACI, CASub, or Acquisition is aware which questions or challenges the validity of this Agreement or any action taken or to be taken by CACI, CASub, or Acquisition pursuant to this Agreement or in connection with the transactions contemplated hereby.

3.7 No Misrepresentations. No representation or warranty by CACI, CASub, or Acquisition in this Agreement, nor any statement, certificate, list, exhibit or schedule furnished or to be furnished by or on behalf of CACI, CASub, or Acquisition pursuant to this Agreement nor any document or certificate delivered to IMS pursuant to this Agreement, when taken together with the foregoing, contains or shall contain any untrue statement of material fact or omits or shall omit to state a material fact necessary to make the statements not misleading.

Article 4

COVENANTS

It is further agreed as follows:

4.1 Conduct of Business. Between the date of this Agreement and the Effective Time, except as contemplated by this Agreement or as otherwise consented to by CACI and CASub in writing, IMS shall keep and observe the following covenants:

4.1.1 IMS shall conduct its operations and pay its accounts payable according to its ordinary and usual course of business consistent with prior practice and shall use its best efforts to preserve intact its business organization, facilities, good will, assets, prospects, and licenses, permits and certificates from federal, state and local authorities, retain its present officers, and to maintain satisfactory relationships with businesses, suppliers, distributors, customers and others having business relationships with it, and further:

4.1.1.1 shall maintain in full force and effect all contracts of insurance and indemnity specified in any Exhibit;

4.1.1.2 shall repair and maintain all of its tangible properties and assets in accordance with its usual and ordinary repair and maintenance standards;

4.1.1.3 shall promptly satisfy in all material respects all its obligations under the Material Contracts and with respect to other current liabilities;

4.1.1.4 shall confer on a regular and frequent basis with representatives of CACI and CASub to report material operational matters and the general status of ongoing operations; and

4.1.1.5 shall notify CACI and CASub of any material emergency or other material change in its business, operations, assets, financial condition, results of operations, properties or prospects and of any governmen tal complaints, investigations, inquiries or hearings (or communications indicating that the same may be contemplated).

4.1.2 IMS shall not, without the prior written consent of CACI and CASub:

4.1.2.1 amend its Certificate of Incorporation or By-Laws;

4.1.2.2 issue, sell, purchase, redeem or grant any options,

warrants, conversion or other rights to purchase or otherwise acquire any shares of its capital stock or other security;

4.1.2.3 authorize, declare, set aside or pay any dividend or make any other distribution with respect to any share of its capital stock or other security;

4.1.2.4 borrow or agree to borrow any funds or incur, or assume or become subject to, whether directly or by way of guaranty or otherwise, any obligation or liability (absolute or contingent), except obligations incurred in the ordinary course of business and consistent with prior practice;

4.1.2.5 pay, discharge or satisfy any claim, liability or obligation (absolute, accrued, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business and consistent with prior practice of obligations reflected on or reserved against in the Unaudited Balance Sheet or incurred since date thereof in the ordinary course of business and consistent with prior practice or in connection with this transaction;

4.1.2.6 grant or make any general increase (including any increase pursuant to any bonus, pension, insurance, profit-sharing or other plan or commitment) in the compensation of officers, managers, employees, agents, consultants or other personnel or any increase in the compensation or benefits payable or to become payable to any officer, manager, employee, agent, consultant or other personnel;

4.1.2.7 except as required by this Agreement or by applicable law, amend or adopt in any material respect, any agreement or plan (including severance arrangements) for the benefit of the employees of IMS;

4.1.2.8 make any capital expenditure or commitment for addition to IMS's assets, property, plant or equipment not in the ordinary course of business and consistent with prior practice or in any event in excess of an aggregate of Five Thousand Dollars ($5,000);

4.1.2.9 sell, transfer, dispose, mortgage, pledge, or otherwise encumber or agree to sell, transfer, dispose, mortgage, pledge or otherwise encumber any of its properties or assets, incur any Prepaid Expenses or enter into any Material Contracts, except in the ordinary course of business and consistent with prior practice;

4.1.2.10 amend, modify or cancel any Material Contract, other than amendments, modifications and cancellations that individually and in the

aggregate will not have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties, or prospects of IMS, CACI or CASub;

4.1.2.11 enter into an agreement, contract, or commitment that, if entered into prior to the date hereof, would be required to be listed on a Exhibit delivered to CACI or CASub pursuant to the terms of this Agreement;

4.1.2.12 amend, terminate or change in any material respect any lease, contract, undertaking or other commitment listed in any Exhibit or do any act or omit to do any act, or permit an act or omission to act, that will cause a breach of any such lease, contract, undertaking or other commitment;

4.1.2.13 transfer or grant any rights under, or enter into any settlement regarding the breach or infringement of, any United States or foreign Intellectual Property or modify any existing rights with respect thereto other than in the ordinary course of business and consistent with prior practice;

4.1.2.14 cancel or compromise any debts, or waive, release, transfer or permit to lapse any claims or rights of substantial value, or sell, lease, transfer or otherwise dispose of any of its properties or assets (real, personal or mixed, tangible or intangible), except in the ordinary course of business and consistent with prior practice;

4.1.2.15 make any change in any method of accounting or accounting practice;

4.1.2.16 enter any transaction which, in CACI's or CASub's reasonable judgment, may have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS, whether or not such transaction is in the ordinary course of business and consistent with prior practice; or

4.1.2.17 agree in writing or otherwise to take any of the foregoing actions or any action that would make any representation or warranty in this Agreement materially untrue or incorrect.

4.1.3 IMS will promptly advise CACI and CASub in writing of the commencement or threat of any Action against Seller or IMS, whether covered by insurance or not, (a) when the amount claimed exceeds One Thousand Dollars ($1,000) in any one case or Ten Thousand Dollars ($10,000) in the aggregate, or (b) when such Action or the threat thereof relates in any way to this Agreement or to any of the transactions contemplated hereby.

4.2 Payment of Taxes. IMS shall pay, promptly and when due, whether at the original time fixed therefor or pursuant to any extension of time to pay, any and all Taxes, fees and other charges which shall become due or shall have accrued on account of the operation and conduct of the business of IMS on or before the Closing Date; provided, however, that IMS shall not be required to pay any such Tax, fee or charge if they are contesting the validity thereof through proper proceedings, in good faith and with reasonable diligence, provided that in any event IMS shall promptly pay any such Tax, fee or charge if a failure to pay would have a material adverse effect on the business, operations, assets, financial condition, results of operations, properties or prospects of IMS, CACI or CASub or result in any lien on any of the properties or assets of IMS, CACI or CASub.

4.3 Filings and Submissions. The parties hereto shall cooperate with each other and promptly prepare and make all filings and notices required under the Securities Act, the Exchange Act, the HSR Act, any other federal or state securities laws and any other applicable laws and regulations relating to the sale of the Shares or the other transactions contemplated hereby. The parties hereto agree to cooperate and promptly respond to any inquiries or investigations initiated by the Federal Trade Commission, the Department of Justice or any other governmental entity or authority in connection with such filings and notices.

4.4 Release of Information. Except as required by law, no party to this Agreement shall announce or disclose to any non-party (other than the directors, officers, employees, attorneys, accountants, advisors or other representatives or agents who have a "need to know" in order to consummate this Agreement and the transactions contemplated hereby) the terms or provisions of the Letter of Intent or this Agreement without the prior consent of the other parties hereto (which consent shall not be unreasonably withheld). Each party shall consult with the other parties before issuing any press release or other public announcement referring to this Agreement, the Letter of Intent or the terms and conditions of the transactions contemplated hereby or thereby.

4.5 Confidentiality. Except as required by law, each party and its representatives will hold in strict confidence all documents and information concerning the other party furnished in connection with the transactions contemplated by this Agreement (except to the extent that such information can be shown to have been (a) in the public domain through no action by the party in violation of this Section 4.5, (b) in the party's possession at the time of disclosure and not acquired by the party directly or indirectly from the other party on a confidential basis or (c) disclosed by the other party to others on an unrestricted, non-confidential basis) and will not, without the consent of the other party, (i) release or disclose any such documents or information to any other person or (ii) use or permit others to use such documents or informa tion except in connection with this Agreement and the transactions contemplated hereby. In the event of the termination of this Agreement, each party shall return to the other parties all documents, work papers and other material so obtained by it, or on its behalf, and all copies, digests, abstracts or other materials relating thereto, whether so obtained before or after the execution hereof, and will comply with the terms of the confidentiality provisions set forth herein.

4.6 Further Assurances.

4.6.1 Generally. Subject to terms and conditions herein provided and to the fiduciary duties of the Board of Directors and officers of any party, each of the parties agrees to use his or its best reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective this Agreement and the other transactions contemplated hereby. In case at any time any further action, including, without limitation, the obtaining of waivers and consents under any agreements, material contracts or leases and the execution and delivery of any licenses or sublicenses for any software, is necessary, proper or advisable to carry out the purposes of this Agreement, the proper officers and directors of each corporate party to this Agreement are hereby directed and authorized to use their reasonable best efforts to effectuate all required action.

4.6.2 Novation of the Material Contracts. Each party agrees to use its best reasonable efforts to effect the novation of each Material Contract that may require novation under its terms or under applicable laws or regulations, and further agrees to provide all documentation necessary to effect each such novation, including, without limitation, all instruments, certifications, requests, legal opinions, audited financial statements, and other documents required by Part 42 of the Federal Acquisition Regulation to effect a novation of any contract with the Government. In particular and without limiting the generality of the foregoing, IMS shall continue to communicate with responsible officers of the Government and/or any Prime Contractor from time to time as may be appropriate and permissible, to request speedy action on any and all requests for consent to novation.

4.7 Defense of Claims and Litigation. At all times from and after the Closing, the Principal Shareholders shall consult, confer and cooperate in good faith on a reasonable basis with CACI, CASub and IMS (including, without limitation, the making available of witnesses and cooperation in discovery proceedings) in the conduct or defense of any Action related to the business of IMS before the Effective Time, or any matter which, directly or indirectly, arises therefrom, whether known at the Closing or arising thereafter, against CACI, CASub IMS or any of their affiliates by any third party. To the extent the indemnification provisions of this Agreement or of any other document delivered in connection with the transactions contemplated hereby apply to any such conduct or defense, they shall control as to the payment of costs and expenses.

4.8 Indemnification.

4.8.1 Indemnification of CACI, CASub and IMS. Subject to the limitations set forth in Sections 4.8.3 and 4.8.4, the Principal Shareholders shall indemnify and hold harmless CACI, CASub and IMS and their respective successors by merger or other operation of law (the "Successors"), directors, officers and assigns from and against all losses, liabilities, claims, damages, costs or expenses (including, without limitation, reasonable expenses of investigation and reasonable attorneys' fees and disbursements) suffered, incurred or paid:

4.8.1.1 that would not have been suffered, incurred or paid if all the representations, warranties, covenants and agreements of the Principal Shareholders and IMS in this Agreement or in any other instrument or document delivered to CACI, CASub, or Acquisition pursuant to this Agreement had been (with respect to representations and warranties) true and had been (with respect to covenants and agreements) fully performed and fulfilled;

4.8.1.2 as a result of any Action arising out of or relating to the conduct of the business of IMS before the Closing; and

4.8.1.3 as a result of any Action arising out of or relating to the failure of the Principal Shareholders to pay, promptly and when due, any Tax, fee or other charge which shall become due or shall have accrued on account of the conversion of the Shares owned by any of the Principal Shareholders, or any other Tax, fee or charge that any of the Principal Shareholders is obligated to pay hereunder on account of the Merger or the other transactions contemplated hereby.

Notwithstanding anything herein to the contrary, if the Principal Shareholders shall be required to indemnify CACI, CASub, IMS or any of their Subsidiaries or respective directors, officers, Successors or permitted assigns with respect to the same item of damage and amount, the satisfaction of such indemnity to one of such indemnitees shall discharge the Principal Shareholders' obligations to the others to the extent of the amount paid.

4.8.2 Indemnification of the Principal Shareholders. Subject to the limitations set forth in Sections 4.8.3 and 4.8.4, CACI, CASub and IMS shall indemnify and hold harmless the Principal Shareholders and their heirs, Successors and assigns from and against all losses, liabilities, claims, damages, costs or expenses (including, without limitation, reasonable expenses of investigation and reasonable attorney's fees and disbursements) suffered, incurred or paid:

4.8.2.1 that would not have been suffered, incurred or paid if all the representations, warranties, covenants and agreements of CACI and CASub in this Agreement or in any other instrument or document delivered to the Principal Shareholders pursuant to this Agreement had been (with respect to representations and warranties) true and had been (with respect to covenants and agreements) fully performed and fulfilled; and

4.8.2.2 as a result of any Action arising out of or relating to the conduct of the business of IMS after the Closing.

Notwithstanding anything herein to the contrary, if CACI, CASub or IMS shall be required to indemnify the Principal Shareholders or any of their respective heirs, Successors or assigns with respect to the same item of damage and amount, the satisfaction of such indemnity to one of such indemnitees shall discharge the obligations of CACI, CASub and IMS to the others to the extent of the amount paid.

4.8.3 Third Party Claims. The obligations and liabilities of a party for which indemnification is sought (an "Indemnifying Party") by a person or entity seeking indemnification (an "Indemnified Party") under this
Section 4.8 with respect to claims resulting from the assertion of liability by third parties shall be subject to the following conditions:

4.8.3.1 The Indemnified Party shall give written notice to the Indemnifying Party of the nature of the assertion of liability by a third party and the amount thereof promptly after the Indemnified Party learns of such assertion. The foregoing notwithstanding, failure of an Indemnified Party to comply with its obligations under this Section 4.8.3.1 shall affect its right to indemnity only to the extent such failure shall have a material adverse effect on the Indemnifying Party's ability to defend.

4.8.3.2 If any Action is brought by a third party against an Indemnified Party, the Action shall be defended by the Indemnifying Party and such defense shall include all appeals or reviews which counsel for the Indemnifying Party shall deem appropriate. Until the Indemnifying Party shall have assumed the defense of any such Action, or if the Indemnified Party shall have reasonably concluded that there are likely to be defenses available to the Indemnified Party that are different from or in addition to those available to the Indemnifying Party (in which case the Indemnifying Party shall not be entitled to assume the defense of such Action), all legal or other expenses reasonably incurred by the Indemnified Party shall be borne by the Indemnifying Party.

4.8.3.3 In any Action initiated by a third party and defended by the Indemnifying Party, subject to the confidentiality provisions of this Agreement, (a) the Indemnified Party shall have the right to be represented by advisory counsel and accountants, at its own expense, (b) the Indemnifying Party shall keep the Indemnified Party fully informed as to the status of such Action at all stages thereof, whether or not the Indemnified Party is represented by its own counsel, (c) the Indemnified Party shall make available to the Indemnifying Party, and its attorneys and accountants, all books and records of the Indemnified Party relating to such Action and (d) the parties shall render to each other such assistance as may be reasonably required for the proper and adequate defense of such Action.

4.8.3.4 In any Action initiated by a third party and defended by the Indemnifying Party, the Indemnifying Party shall not make any settlement of any claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed. Without limiting the generality of the foregoing, it shall not be deemed unreasonable to withhold consent to a settlement involving injunctive or other equitable relief against the Indemnified Party or its assets, employees or business.

4.8.4 Minimum Liability. The Principal Shareholders shall not be liable under Section 4.8.1, and CACI, CASub and IMS shall not be liable under
Section 4.8.2, unless and until the aggregate amount of liability under such
Section shall exceed $25,000, in which case the Indemnifying Party shall make indemnification thereunder for the aggregate amount of such liability, including, without limitation, such $25,000.

4.8.5 Limitation of the Principal Shareholders' Liability. The obligation of any Principal Shareholder to indemnify pursuant to Section 4.8.1 (i) shall not in any event exceed in the aggregate an amount equal to the aggregate amount paid or to be paid to that Principal Shareholder on account of his share of the Merger Consideration and pursuant to the Consulting Agreement to which he is a party, and (ii) shall be the exclusive remedy for any breach of this Agreement by that Principal Shareholder.

4.9 Indemnification of IMS Directors and Officers. CACI and CASUb agree that, until the third anniversary of the Closing, they will cause IMS to maintain indemnification provisions in its Certificate of Incorporation or By-Laws or both at least as favorable as those in effect at the date of this Agreement for the benefit of those persons who are officers and directors of IMS immediately before the Closing.

4.10 Annuity. CACI and CASub shall purchase one or more annuity contracts sufficient to fund the obligations of IMS to pay deferred compensation to the Principal Stockholders and to Mr. Howell Mei (together, the "Beneficiaries") under the IMS Deferred Compensation Plan, as amended by an Amendment dated December 21, 1995, and CACI and CASub shall consult with the Beneficiaries concerning their preferences with respect to the timing and amounts of payment under such Deferred Compensation Plan; provided, however, that in no event shall CACI and CASub be required to expend more than Seven Hundred Thousand Dollars ($700,000) (including, without limitation, reasonable expenses and reasonable attorneys' fees and disbursements) to satisfy its obligations under this Section 4.10.

Article 5

CONDITIONS PRECEDENT

5.1 Conditions to Obligations of Each Party. The obligations of CACI, CASub, Acquisition, the Principal Shareholders and IMS to effect the Merger and to consummate the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Effective Time of the following conditions and CACI, CASub, Acquisition, the Principal Shareholders and IMS shall exert their best efforts to cause each such condition to be so fulfilled:

5.1.1 No injunction or restraining or other order issued by a court of competent jurisdiction that prohibits or materially restricts the consummation of the Merger or any other material transaction contemplated by this Agreement shall be in effect (each party agreeing to use its best efforts to have any such injunction or other order lifted), and no Action shall have been commenced or threatened seeking any injunction or restraining or other order that seeks to prohibit, restrain, invalidate or set aside consummation of the Merger or any other material transaction contemplated hereby.

5.1.2 There shall not have been any action taken, and no statute, rule or regulation shall have been enacted, by any state or federal government agency since the date of this Agreement that would prohibit or materially restrict the Merger or any other material transaction contemplated hereby.

5.1.3 All filings with and notifications to, and all approvals and authorizations of, third parties (including, without limitation, governmental entities and authorities) required for the consummation of the Merger and the other material transactions contemplated hereby shall have been made or obtained and all such approvals and authorizations obtained shall be effective and shall not have been suspended, revoked or stayed by action of any governmental entity or authority.

5.1.4. Any waiting period (and any extension thereof) applicable to the sale of the Shares under the HSR Act shall have expired or been terminated.

5.2 Conditions to Obligations of CACI, CASub, and Acquisition. The obligations of CACI, CASub, and Acquisition to consummate the Merger and the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Effective Time of the following additional conditions and the Principal Shareholders and IMS shall exert their best efforts to cause each such condition to be so fulfilled:

5.2.1 Since the date of the Letter of Intent there shall not have been any adverse Material Change of any nature in the business, operations, assets, financial condition, results of operations, properties or prospects of IMS; and IMS shall have delivered to CACI and CASub a certificate to that effect, dated the Closing Date and signed by the President of IMS.

5.2.2 IMS shall have received, each in form and substance satisfactory to CACI and CASub, all approvals, authorizations, licenses, orders, waivers, Permits and other consents under any contract, Material Contract, plan, lease, instrument, arrangement, license, commitment or other agreement of IMS that are required (i) to consummate the Merger, (ii) to permit CACI and CASub to continue to conduct their businesses and the business of IMS as they are currently conducted or (iii) in connection with the transactions contemplated hereby; and all filings, registrations, covenants, approvals, orders, consents and authorizations by or with, and notifications to, all governmental authorities or regulators, domestic or foreign, or other Persons by IMS required to consummate the transactions contemplated by this Agreement shall have been made or received, and shall be in full force and effect.

5.2.3 CACI, CASub, and Acquisition shall have obtained all covenants, consents, approvals, authorizations, licenses, orders, waivers and other Permits and all transfers of Permits that they and their counsel reasonably deem necessary (i) to consummate the Merger, (ii) to permit CACI and CASub to continue to conduct their businesses and the business of IMS as they are currently conducted and (iii) in connection with the transactions contemplated hereby.

5.2.4 The execution of this Agreement and performance of the transactions contemplated hereby by appropriate officers of IMS shall have been authorized by the shareholders and the Board of Directors of IMS in accordance with applicable corporate law.

5.2.5 Dissenting shareholders' appraisal rights under Delaware law shall not have been claimed by the holders of more than five per cent (5%) of the outstanding Common Stock of IMS.

5.2.6 No information obtained by CACI, CASub, or Acquisition concerning IMS during CACI's and CASub's "due diligence" investigation of IMS shall have, in the sole judgment of CACI and CASub, adversely affected the value of this Agreement or the transactions contemplated hereby.

5.2.7 The Principal Shareholders shall have executed and delivered the Consulting Agreements.

5.2.8 IMS shall have performed in all material respects all of its covenants set forth herein that are required to be performed at or prior to the Effective Time; the representations and warranties of IMS contained in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Effective Time as if made at the Effective Time, except for representations and warranties made expressly as of a specified date (which representations and warranties shall be true and correct in all material respects as of such date); and IMS shall have delivered to CACI and CASub a certificate to that effect, dated the Closing Date and signed by one or more executive officers of IMS.

5.2.9 The lease arrangements for the premises occupied by IMS at 2 Research Place, Rockville, Maryland, shall have been amended to provide substantially as set forth in paragraph 5.D. of the Letter of Intent.

5.2.10 CACI and CASub shall have received from IMS and from such other essential parties such affidavits and certificates as CACI and CASub shall deem necessary to relieve CACI and CASub of any obligation to deduct and withhold any portion of the Purchase Price pursuant to Code Section 1445.

5.2.11 CACI and CASub shall have received an opinion or opinions of counsel to IMS in form and substance satisfactory to counsel to CACI and CASub, dated the Closing Date, to the effect set forth in Exhibit 5.2.11.

5.2.12 CACI and CASub shall have received from IMS all other documents consistent with the purposes of this Agreement, in form and substance satisfactory to CACI and CASub and their counsel, as CACI and CASub shall have reasonably requested (including but not limited

to evidence of payment of any broker's or finder's fee or other expense of the transaction for which IMS is responsible under this Agreement).

5.2.13 CACI and CASub shall have received on or before the Closing Date from the Principal Stockholders a guaranty of the payment in full of the receivables due to IMS in the amount of NT$30,494,000 in connection with the PFG-II-PHASE-III project with Institute for Information Industry of the Republic of China of Taiwan in form and substance satisfactory to counsel for CACI and CASub.

5.3 Conditions to Obligations of IMS and the Principal Shareholders. The obligation of IMS and the Principal Shareholders to consummate the Merger and the other transactions contemplated hereby shall be subject to the fulfillment at or prior to the Effective Time of the following additional conditions, and CACI, CASub, and Acquisition shall exert their best efforts to cause each such condition to be so fulfilled:

5.3.1 The shareholders of IMS shall have approved the Merger pursuant to applicable Delaware law and the Certificate of Incorporation and By- Laws of IMS.

5.3.2 CACI, CASub, and Acquisition shall have performed in all material respects all of their covenants set forth herein that are required to be performed at or prior to the Effective Time; the representations and warranties of CACI, CASub, and Acquisition contained in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Effective Time as if made at the Effective Time, except for representations and warranties made expressly as of a specified date (which representations and warranties shall be true and correct in all material respects as of such date); and CACI and CASub shall have delivered to IMS a certificate to that effect, dated the Closing Date and signed by the President or a Vice President of each of CACI and CASub.

5.3.3 IMS shall have received an opinion of counsel to CACI and CASub in form and substance satisfactory to counsel to IMS, dated the Closing Date, to the effect set forth in Exhibit 5.3.3.

5.3.4 IMS shall have received from CACI, CASub, and Acquisition all such other documents consistent with the purposes of this Agreement, in form and substance satisfactory to IMS and his counsel, as IMS shall have reasonably requested (including but not limited to evidence of payment of any broker's or finder's fee or other expense of the transaction for which CACI, CASub, or Acquisition is responsible under this Agreement).

Article 6

TERMINATION

6.1 Methods of Termination. This Agreement may be terminated, by written notice promptly given to the other parties hereto, at any time prior to the Effective Time:

6.1.1 By mutual written consent of the parties hereto.

6.1.2 By either CACI and CASub or IMS by notice to the other, if:

6.1.2.1 any injunction or restraining or other order issued by

a court of competent jurisdiction that prohibits or materially restricts the consummation of the sale of the Shares or any other material transaction contemplated by this Agreement shall be in effect, or any Action shall have been commenced or threatened seeking any injunction or restraining or other order that seeks to prohibit, restrain, invalidate or set aside consummation of the sale of the Shares or any other material transaction contemplated by this Agreement;

6.1.2.2 any action shall have been taken, or any statute, rule or regulation shall have been enacted, by any state or federal government agency since the date of this Agreement that would prohibit or materially restrict the sale of the Shares or any other material transaction contemplated by this Agreement; or

6.1.2.3 any filings with or notifications to, or any approvals or authorizations of, third parties (including, without limitation, governmental entities and authorities) required for the consummation of the sale of the Shares shall not have been made or obtained or any such approvals or authorizations obtained shall not be effective or shall have been suspended, revoked or stayed by action of any governmental entity or authority.

6.1.3 By CACI and CASub by notice to IMS:

6.1.3.1 if the Merger shall not have occurred on or before January 15, 1996, unless the absence of the occurrence shall be solely due to the failure of CACI, CASub, or Acquisition (or their Subsidiaries or affiliates) to perform in all material respects each of their respective material obligations under this Agreement required to be performed by it at or prior to the Effective Time;

6.1.3.2 in the event of a material breach by the Principal Shareholders or IMS of any representation, warranty, covenant or agreement contained herein which has not been cured or is not curable by the earlier of the Effective Time or the tenth day after written notice of that breach was given to the Principal Shareholders and IMS; or

6.1.3.3 if the Board of Directors of IMS shall have withdrawn or modified in any material respect its approval of this Agreement or the transactions contemplated hereby.

6.1.4 By IMS by notice to CACI and CASub:

6.1.4.1 if the Merger shall not have occurred on or before January 15, 1996, unless the absence of the occurrence shall be solely due to the failure of the Principal Shareholders or IMS (or the affiliates of either) to perform in all material respects each of their respective material obligations under this Agreement required to be performed by it at or prior to the Effective Time;

6.1.4.2 in the event of a material breach by CACI, CASub, or Acquisition of any representation, warranty, covenant or agreement contained herein which has not been cured or is not curable by the earlier of the Effective Time or the tenth day after written notice of that breach was given to CACI and CASub; or

6.1.4.3 if the Board of Directors of either CACI, CASub, or Acquisition shall have withdrawn or modified in any material respect its approval of this Agreement or the transactions contemplated hereby.

Each notice of breach under Section 6.1.3.2 or 6.1.4.2 and each notice of termination under this Section 6.1 shall set forth the facts believed to constitute the basis therefor, all with reasonable specificity in light of the facts then known.

6.2 Payments on Termination. If this Agreement shall be terminated, any payments or reimbursements of fees, costs, or expenses of any party shall be governed by the provisions of paragraphs 8 and 9 of the Letter of Intent.

6.3 Effect of Termination. In the event of termination under Section 6.1, this Agreement shall forthwith become void and there shall be no liability on the part of CACI, CASub, the Principal Shareholders or IMS, except that the provisions of this Article 6, Article 7 (other than the provisions of Section 7.5) and Sections 4.4 and 4.5 shall survive the termination and continue in effect, provided that the foregoing shall not relieve any party for liability for damages incurred as a result of any willful breach of this Agreement or as a result of actual fraud. No party's refusal to waive fulfillment of any condition precedent to its obligations under this Agreement shall constitute a breach of its duty under this Agreement.

Article 7

DEFINITIONS AND MISCELLANEOUS

7.1 Definitions of Certain Terms. As used herein, the following terms shall have the following meanings:

Acquisition: as defined in the Preamble hereof.

Action: any suit, claim, action, litigation, arbitration, dispute, investigation, inquiry, review, or proceeding.

Affiliate: as defined in Section 2.21 hereof.

Agent: as defined in Section 1.6.1 hereof.

Agreement: as defined in the Preamble hereof.

Audited Balance Sheets: as defined in Section 2.8 hereof.

Audited Financial Statements: as defined in Section 2.8 hereof.

CACI: as defined in the Preamble hereof.

CASub: as defined in the Preamble hereof.

Closing: as defined in Section 1.4.1 hereof.

Closing Date: as defined in Section 1.4.1 hereof.

Code: as defined in Section 2.20.7 hereof.

Effective Time: January 1, 1996 at 12:01 A.M. Eastern standard time.

Environmental Claim: any written notice by any governmental agency alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, fines or penalties) arising out of, based on or resulting from (a) the presence, or release into the environment, of any Material of Environmental Concern at any location, whether or not owned by IMS or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

Environmental Contamination: (a) an occurrence occurring or a condition existing at or before the Closing if such occurrence or condition was in violation of any Environmental Law or Permit existing at or before the Closing and if IMS, CACI, CASub, or Acquisition is specifically required to take remedial action with respect thereto by a governmental agency or a negotiated agreement, decree or clean-up plan with a governmental agency, regardless of when such occurrence or condition is discovered or when such remedial action is required, (b) any use, disposal or discharge of Materials of Environmental Concern before the Closing resulting in liability to a third party, regardless of when such use, disposal or discharge is discovered or
(c) an occurrence occurring or condition existing at or before the Closing if IMS, CACI, CASub, or Acquisition investigates or takes remedial action with respect thereto.

Environmental Laws: mean all Federal, state and local laws, rules and regulations relating to pollution or protection of the environment, or occupational or human health and safety, including, without limitation, laws, rules and regulations relating to handling, processing, storage, recycling, emission, discharge, disposal, treatment, transportation, release or threatened release of any Material of Environmental Concern or other waste or material into ambient air, surface water, ground water or land, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.), the Hazardous Material Transportation Act (49 U.S.C. 1801 et seq.), the Federal Water Pollution Control Act (38 U.S.C. 1251 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), the Occupational Safety and Health Act (29 U.S.C. 651 et seq.), the Emergency Planning and Community Right to Know Act (42 U.S.C. 11001 et seq.), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 135 et seq.), and the Food, Drug and Cosmetic Act (15 U.S.C. 2000 et seq.), in each case as these laws have been amended or supplemented.

ERISA: the Employee Retirement Income Security Act of 1974, as amended.

Exchange Act: the Securities Exchange Act of 1934, as amended.

Government: the Federal Government of the United States of America.

HSR Act: as defined in Section 2.4 hereof.

IMS: as defined in the Preamble hereof.

IMS Plans: as defined in Section 2.21 hereof.

Indemnified Party: as defined in Section 4.8.3 hereof.

Indemnifying Party: as defined in Section 4.8.3 hereof.

Initial Consulting Fees: as defined in Section 1.4.3.2 hereof.

Insurance Policies: as defined in Section 2.19 hereof.

Intellectual Property: patents, trademarks, service marks, trade names, mask works, software, programs, development tools, methodologies, specifications, processes, know-how, blueprints, drawings, designs, patterns, copyrights, formulae, inventions, technology, trade secrets, proprietary information, confidential information and other information and documents, and the registrations and applications therefor and the goodwill related thereto.

Knowledge: as defined in Article 2 hereof.

Leased Properties: as defined in Section 2.10.4 hereof.

Leases: as defined in Section 2.10.3 hereof.

Letter of Intent: the letter agreement dated October 25, 1995 by and between CACI and IMS.

Material Change: as to IMS, a circumstance or circumstances that may reasonably be expected to cause a net change in the book value of IMS of at least Two Hundred Thirty Thousand Dollars ($230,000) compared with the book value at August 25, 1995, exclusive of any change in the book value of "land", "investment in foreign subsidiary", or "deferred compensation plan" as carried on the books of IMS at that date.

Material Contracts: as defined in Section 2.13 hereof.

Materials of Environmental Concern: those substances or constituents which are regulated by, or form the basis of liability under, any Environmental Law.

Merger Consideration: as defined in Section 1.2 hereof.

Permit: all certificates, consents, permits, licenses, authorizations and approvals required under or relating to any Environmental Law.

Person: any individual, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or any other entity.

Prime Contractor: with respect to any Material Contract, the contracting party, other than the Government, to whom IMS may be liable for performance as a subcontractor.

Principal Shareholders: as defined in the Preamble hereof.

Securities Act: the Securities Act of 1933, as amended.

Shares: as defined in Section 1.1 hereof.

Subsidiary: any corporation, association, or other business entity a majority (by number of votes) of the shares of capital stock (or other voting interests) of which is owned by IMS, CACI or their respective Subsidiaries.

Successors: as defined in Section 4.8.1 hereof.

Tax: any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax or other fiscal charges of any kind whatsoever, including without limitation any interest, penalty, or addition thereto, whether disputed or not.

Tax Return: any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including without limitation any schedule or attachment thereto, and any amendment thereof.

Unaudited Balance Sheet: as defined in Section 2.8 hereof.

Unaudited Financial Statements: as defined in Section 2.8 hereof.

7.2 Brokerage. Each party shall be solely responsible for payment of any fee or charge of any broker, finder, financial advisor or intermediary engaged, employed, or consulted by that party in connection with negotiations or discussions incident to the execution of this Agreement or any of the transactions contemplated hereby.

7.3 Amendments and Supplements. This Agreement may be amended or supplemented by a written instrument signed by CACI, CASub, the Principal Shareholders and IMS and approved by their respective Boards of Directors.

7.4 Extensions and Waivers. The parties hereto may (a) extend the time for the performance of any of the obligations or other acts of the parties hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the covenants or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. No party's refusal to waive fulfillment of any condition precedent to its obligations under this Agreement shall constitute a breach of its duty under this Agreement. No party's failure to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy by such party preclude any other or further exercise thereof or the exercise of any other right or remedy. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate as a waiver of any subsequent breach.

7.5 Survival of Representations and Warranties. Notwithstanding any investigation conducted before or after the Closing and notwithstanding any knowledge or notice of any fact or circumstance which a party may have as the result of such investigation or otherwise, each party and its Successors and assigns shall be entitled to rely upon the representations, warranties and covenants of the others in this Agreement. Each of the representations, warranties and covenants contained in this Agreement, made in any document delivered hereunder or otherwise made in connection with the Closing hereunder shall survive the Closing until the third anniversary of the Closing.

7.6 Expenses. Each party shall pay its own expenses, including the fees of attorneys, accountants, investment bankers, valuation experts and others, in connection with the transactions contemplated hereby, whether or not they are completed, except that in the event of a conflict

between this Section 7.6 and Section 4.8, the latter Section shall control. The Principal Shareholders shall be responsible for payment of any and all Taxes arising out of the conversion of the Shares or the other transactions contemplated hereby.

7.7 Letter of Intent. The provisions of paragraphs 5.D, 6, 7, 8, 9, and 10 of the Letter of Intent are adopted and continued in effect as if incorporated in this Agreement. Except as stated in the preceding sentence, this Agreement supersedes the Letter of Intent and the letter dated October 24, 1995 from IMS to Dr. J.P. London as Chairman of the Board and Chief Executive Officer of CACI; and this Agreement, together with the Exhibits and related documents contemplated by this Agreement, constitutes the sole Agreement among the parties with respect to the subject matter hereof.

7.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard for its principles of conflicts of laws.

7.9 Alternative Dispute Resolution. In the event that any dispute arises under any provision of this Agreement, the parties agree to make reasonable efforts to resolve the dispute by negotiation, mediation, or alternative dispute resolution before any resort to legal remedies; provided, however, that no party shall be bound by the determination of any mediation or alternative dispute resolution proceeding without that party's prior written consent to the proceeding.

7.10 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered by hand sent via a reputable nationwide courier service or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice) and shall be deemed given on the date on which so hand-delivered or on the third business day following the date on which so mailed or sent:

To CACI:

CACI International Inc
1100 North Glebe Road
Arlington, VA 22201
Attn: Dr. J. P. London, Chairman

With copies to:

Jeffrey P. Elefante, Esq.
Senior Vice President and General Counsel CACI International Inc
1100 North Glebe Road
Arlington, VA 22201

and

David W. Walker, Esq.
Foley, Hoag & Eliot
One Post Office Square
Boston, MA 02109

To IMS and the Principal Shareholders:

IMS Technologies, Inc.
2 Research Place
Rockville, MD 20850
Attention: Mr. John Yeh

With a copy to:

Mark R. Eaton, Esq.
Michaels, Wishner & Bonner
1140 Connecticut Avenue, N.W.
Suite 900
Washington, DC 20036

7.11 Entire Agreement, Assignability, etc. This Agreement and the Exhibits and documents delivered at the Closing pursuant to Section 5: (a) constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, including, without limitation, the Letter of Intent, (b) are not intended to confer upon any person other than the parties hereto any rights or remedies hereunder, except as otherwise expressly provided herein, and (c) shall not be assignable by operation of law or otherwise. The representations and warranties of the parties shall not be enlarged or restricted by any statement in any document

referred to herein. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective legal representatives, Successors and permitted assigns, and shall inure to the benefit of the Indemnified Parties and their respective legal representatives, Successors and permitted assigns. All Exhibits mentioned in this Agreement shall be attached to this Agreement, and shall form an integral part hereof. All capitalized terms defined in this Agreement which are used in any Exhibit shall, unless the context otherwise requires, have the same meaning therein as given herein. The failure or omission by the Principal Shareholders and IMS, or either of them, to disclose information required by a particular Exhibit to this Agreement shall not constitute a breach of this Agreement if the same information is disclosed on another Exhibit to this Agreement.

7.12 Cumulative Rights and Remedies. Each party acknowledges that money damages alone will not adequately compensate another party for breach of a party's obligations under this Agreement and, therefore, agrees that in the event of the breach or threatened breach of any such obligation, in addition to all other remedies available, at law, in equity or otherwise, each party shall be entitled to injunctive relief compelling specific performance of, or other compliance with, the terms of this Agreement. All rights and remedies under this Agreement are cumulative and are in addition to and not exclusive of any other rights and remedies provided hereunder, under any other document delivered as part of a transaction contemplated hereby or otherwise by agreement or law, at equity or otherwise. Without limiting the generality of the foregoing, the parties expressly recognize that specific performance is not any party's sole remedy hereunder.

7.13 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the other provisions of this Agreement, each of which shall remain in full force and effect.

7.14 Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

In Witness Whereof, the parties have duly executed this Agreement as of the date first above written.

CACI International Inc
[SEAL]

/s/

By:
President

CACI, Inc.
[SEAL]

/s/

By:
President

IMS Technologies, Inc.
[SEAL]

/s/

By:
President

/s/

John Yeh

/s/

Joseph Yeh

/s/

James Yeh

/s/

Jeffry Yeh

Index of Exhibits

Exhibit A
Exhibit 1.3.1
Exhibit 1.3.2
Exhibit 1.7
Exhibit 3.2
Exhibit 2.8
Exhibit 2.9
Exhibit 2.10.1
Exhibit 2.10.2
Exhibit 2.10.3
Exhibit 2.11(a)
Exhibit 2.11(b)
Exhibit 2.13
Exhibit 2.14
Exhibit 2.15
Exhibit 2.18
Exhibit 2.19
Exhibit 2.20
Exhibit 2.21
Exhibit 2.25
Exhibit 2.26
Exhibit 3.5
Exhibit 5.2.11
Exhibit 5.3.3

EXHIBIT 10.7

$50,000,000

REVOLVING CREDIT AGREEMENT

by and among

CACI International Inc

The Subsidiaries of CACI International Inc

Listed on The Signature Pages Hereof

and

The Banking Institutions From Time To Time a Party Hereto

with

NationsBank, N.A., as Agent

Dated as of July 26, 1996

TABLE OF CONTENTS

ARTICLE VII

EVENTS OF DEFAULT

ARTICLE VIII

THE AGENT

ARTICLE IX

MISCELLANEOUS

SCHEDULES

Schedule I	Bank Commitments
Schedule 5.5	Litigation
Schedule 5.6	Defaults
Schedule 5.12	Foreign Subsidiaries

EXHIBITS

Exhibit A	Form of Revolving Note
Exhibit B	Form of Money Market Note
Exhibit C	Form of Pledge Agreement
Exhibit D	Form of Backlog Report

REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT, dated as of July 26, 1996 (this "Agreement"), is by and among (i) CACI INTERNATIONAL INC, a Delaware corporation (the "Representative Borrower"), (ii) THE SUBSIDIARIES OF THE REPRESENTATIVE BORROWER LISTED ON THE SIGNATURE PAGES HEREOF (each such subsidiary and the Representative Borrower, together with their respective permitted successors and assigns, a "Borrower" and, collectively, the "Borrowers"), (iii) THE BANKING INSTITUTIONS FROM TIME TO TIME A PARTY TO
THIS AGREEMENT (each, a "Bank" and, collectively, the "Banks") and (iv) NATIONSBANK, N.A., a national banking association and in its separate capacity as agent for the Banks hereunder (in such capacity, the "Agent").

W I T N E S S E T H:

WHEREAS, the Borrowers have requested the Banks to make available to the Borrowers a revolving line of credit, in an aggregate principal amount not in excess of $50,000,000, to enable them to finance stock or asset acquisitions, the re-purchase of capital stock of the Representative Borrower and the Borrowers' general corporate purposes and working capital requirements, in each case subject to the limitations provided herein; and

WHEREAS, the Banks are willing to extend such revolving line of credit to the Borrowers, and the Agent is willing to act as "Agent", upon the terms and subject to the conditions and provisions set forth herein; and

WHEREAS, as a condition precedent to the making of any Loan or the issuance of any Standby Letter of Credit as contemplated herein, the Pledgors shall have executed and delivered to the Agent, for the benefit of the Banks, the Pledge Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Borrowers, the Banks and the Agent hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.1 DEFINITIONS. As used in this Agreement, and unless the context requires a different meaning, the following terms shall have the meanings indicated (such meanings to be, when appropriate, equally applicable to both the singular and plural forms of the terms defined):

"Accumulated Funding Deficiency" has the meaning ascribed to that term in ERISA Section 302.

"Acquisition Consideration" has the meaning specified in Section 6.2(e)(i) of this Agreement.

"Administrative Fee" has the meaning specified in Section 3.7(b) of this Agreement.

"Affected Advance" has the meaning specified in Section 3.8(e) of this Agreement.

"Affiliate" means, with respect to a Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" or "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to vote 10% or more of the securities having voting power for the election of directors of such Person or otherwise to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"Agent" has the meaning specified in the preamble of this Agreement and shall include any successor Agent appointed pursuant to Section 8.7 hereof.

"Agent Lending Office" or "Lending Office of the Agent" means the Agent's offices at NationsBank, N.A., 8300 Greensboro Drive, Fifth Floor, McLean, Virginia 22102, or such other office in the United States of America of Agent as it may from time to time designate to the Representative Borrower or the Banks by written notice.

"Agreement" shall have the meaning specified in the preamble hereof.

"Applicable L/C Margin" means, for any period, in the event the Senior Funded Debt to EBITDA ratio calculated pursuant to Section 6.1(e) hereof is (a) less than or equal to 1.00 to 1.00, then 0.80%, (b) greater than 1.00 to 1.00 but less than or equal to 1.50 to 1.00, then 0.90%, and (c) greater than 1.50 to 1.00, then 1.00%.

"Applicable LIBOR Rate" means, for any period, in the event the Senior Funded Debt to EBITDA ratio calculated pursuant to Section 6.1(e)

hereof is (a) less than or equal to 1.00 to 1.00, LIBOR plus 0.80%, (b) greater than 1.00 to 1.00 but less than or equal to 1.50 to 1.00, LIBOR plus 0.90%, and (c) greater than 1.50 to 1.00, LIBOR plus 1.00%.

"Applicable Money Market Rate" means, for any period, in the event the Senior Funded Debt to EBITDA ratio calculated pursuant to Section 6.1(e) hereof is
(a) less than or equal to 1.00 to 1.00, the Federal Funds Rate plus 1.10%,
(b) greater than 1.00 to 1.00 but less than or equal to 1.50 to 1.00, the Federal Funds Rate plus 1.20%, and (c) greater than 1.50 to 1.00, the Federal Funds Rate plus 1.30% (it being understood and agreed that any change in the Applicable Money Market Rate due to a change in the Senior Funded Debt to EBITDA ratio shall take effect on the first day of the month after the quarterly financial statements required to be delivered pursuant to Section 6.1(b) shall have been delivered).

"Applicable Prime Rate" means, for any period, in the event the Senior Funded Debt to EBITDA ratio calculated pursuant to Section 6.1(e) hereof is (a) less than or equal to 1.00 to 1.00, the Bank Prime Rate plus 0.00%, (b) greater than 1.00 to 1.00 but less than or equal to 1.50 to 1.00, the Bank Prime Rate plus 0.00%, and (c) greater than 1.50 to 1.00, the Bank Prime Rate plus 0.00%.

"Authorized Officer" means any of the Chief Executive Officer, Chief Financial Officer or Treasurer of any Person which is a corporation, partnership, or other business organization.

"Bank" or "Banks" have the meanings specified in the preamble of this Agreement.

"Bank Availability" shall mean, as of any date of determination and with respect to each Bank, the amount determined by deducting (x) the amount of such Bank's Pro Rata Share of the Total Outstanding Amount from (y) the amount of such Bank's Pro Rata Share of the Revolving Loan Commitment.

"Bank Prime Rate" means, for any period, a fluctuating interest rate per annum equal to the rate of interest publicly announced by the Agent as its prime rate in effect from time to time (which rate may not be the lowest rate of interest charged by the Agent to commercial borrowers).

"Bankruptcy Code" shall mean Title 11 of the United States Code or any similar or successor federal law for the relief of debtors, as the same may be amended from time to time.

"Benefit Plan" means any employee benefit plan (including a Multiemployer Benefit Plan), the funding requirements of which (under ERISA Section 302 or
Section 412 of the Code) are, or at any time within six years immediately preceding the time in question were, in whole or in part, the responsibility of any Borrower or an ERISA Affiliate.

"Borrower" has the meaning specified in the preamble of this Agreement.

"Borrowing Notice" has the meaning specified in Section 2.2(a) of this Agreement.

"Business Day" means any day on which commercial banks are open for business (and not required or authorized by law to close) in Fairfax County, Virginia, and Charlotte, North Carolina.

"CACI Limited" shall mean CACI Limited, a United Kingdom corporation and, except as otherwise permitted by the proviso contained in Section 6.1(q) hereof, an indirect, wholly-owned subsidiary of the Representative Borrower.

"CACI N.V." shall mean CACI N.V., a corporation organized under the laws of The Netherlands and, except as otherwise permitted by the proviso contained in Section 6.1(q) hereof, an indirect, wholly-owned subsidiary of the Representative Borrower.

"Capital Expenditures" shall mean all expenditures classified as capital expenditures in accordance with GAAP.

"Capital Lease" of any Person shall mean any lease of any property (whether real, personal or mixed) by such Person (as lessee or guarantor or other surety) which would, in accordance with GAAP, be required to be classified and accounted for as a capital lease on a balance sheet of such Person.

"Cash Equivalents" shall mean securities or other instruments of the type described in (A) clauses (i) and (ii) of the definition of Permitted Investment provided such obligations have a maturity of not more than twelve
(12) months from the date purchased, (B) clause (iii) of the definition of Permitted Investment provided such instruments have a maturity of not more than 270 days from the date purchased, and (C) clause (v) of the definition of Permitted Investment provided such commercial paper has a maturity of not greater than six (6) months from the date purchased.

"Change in Control" means one or more of the following events:

(a) if any Person (including a person as defined in Section 3(a)(9), Section 13(d) or Section 14(d) of the Exchange Act) is or becomes the

owner or beneficial owner, directly or indirectly, of securities of the Representative Borrower representing fifty percent (50%) or more of the combined voting power of the Representative Borrower's then outstanding securities (the term "beneficial owner" as used herein shall include but not be limited to any person with the attributes or interests described in Rule 13d-3 (as now in effect or as amended) promulgated under the Exchange Act); or

(b) (i) the shareholders of the Representative Borrower approve one or more mergers, consolidations or combinations of the Representative Borrower with any other corporations or entities which, if consummated prior to the Maturity Date, would result in (A) the voting securities of the Representative Borrower outstanding the day following the Effective Date (together with any voting securities issued by the Representative Borrower permitted under Section 6.2(c) herein) representing less than 50% of the combined voting power of the voting securities of the Representative Borrower or such surviving entity immediately after consummation of any such merger, consolidation or combination, or (B) after giving effect to such merger, consolidation or combination, a change in the person holding the Office of Chief Executive Officer, President, Chief Operating Officer or Chief Financial Officer of the Representative Borrower relative to the person holding such respective office immediately prior to giving effect to such merger, consolidation or combination, or (ii) the shareholders of the Representative Borrower approve a plan of liquidation of the Representative Borrower or an agreement for the sale, disposition or transfer by the Representative Borrower of all or substantially all the assets of the Representative Borrower and its Consolidated Subsidiaries.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitment" shall mean, with respect to each Bank's commitment to make Revolving Loans and to issue (or participate in the issuance of) Standby Letters of Credit, the aggregate Dollar amount set forth on Schedule I hereto opposite such Bank's name under the heading "Commitment" or assigned to it in accordance with Section 9.8(c), as such amount may be reduced or otherwise adjusted from time to time in accordance with the provisions of this Agreement.

"Consolidated Cash Flow" means, as computed at any time and from time to time, the sum of the Borrowers' and their respective Subsidiaries' earnings before depreciation, amortization, lease and rental expenses, and interest expense less Capital Expenditures, as determined in accordance with GAAP.

"Consolidated Fixed Charges" means, as computed at any time and from time to time, the sum of the Borrowers' and their respective Subsidiaries' interest expense, lease and rental expenses, dividends paid, declared or accumulated on any class of capital stock and payments of principal due (during the period as to which such computation relates) under any Indebtedness, as determined in accordance with GAAP.

"Consolidated Net Income" shall mean, for any period, the consolidated net income of the Borrowers and their respective Subsidiaries for any period, as determined in accordance with GAAP.

"Consolidated Net Worth" means, as computed at any time and from time to time, the excess of Consolidated Total Assets over Consolidated Total Liabilities.

"Consolidated Tangible Net Worth" means, as computed at any time and from time to time, (i) Consolidated Net Worth less (ii) all of the Borrowers' and their respective Subsidiaries', taken as a whole, intangible assets (including, without limitation, good will, organization expenses, research and development expenses (including software development expenses), patents, trademarks, trade names, copyrights, franchises, purchased contract costs, all as determined in accordance with GAAP).

"Consolidated Total Assets" means all assets of the Borrowers and their respective Subsidiaries, computed at any time and from time to time on a consolidated basis, which would be classified, in accordance with GAAP, as total assets of a corporation conducting a business the same as, or similar in nature to, the business conducted by the Borrowers and their respective Subsidiaries.

"Consolidated Total Liabilities" means all liabilities of the Borrowers and their respective Subsidiaries, computed at any time and from time to time on a consolidated basis, which would be classified, in accordance with GAAP, as total liabilities of a corporation conducting a business the same as, or similar in nature to, the business conducted by the Borrowers' and their respective Subsidiaries.

"Consolidated Subsidiary" means with respect to any Person, at any time, any Subsidiary or other Person the accounts of which would be consolidated with those of such first Person in its consolidated financial statements as of such time.

"Credit Agreement Related Claim" means any claim (whether civil, criminal or administrative and whether sounding in tort, contract or otherwise) in any way arising out of, related to, or connected with, this Agreement or any other Loan Document or the relationships established hereunder or thereunder.

"Default Rate" means the rate of interest applicable under Section 3.3 of this Agreement from time to time.

"Dollars", "U.S.$" and the sign "$" mean such coin or currency of the United States of America as at the time shall constitute legal tender for the payment of public and private debts.

"Domestic Subsidiary" shall mean any Subsidiary that is created under the laws of any State of the United States of America or the District of

Columbia.

"Drawing" has the meaning specified in Section 2.3(e) of this Agreement.

"EBITDA" means, as at the end of any Fiscal Quarter, all of the Borrowers' and their respective Subsidiaries' earnings before interest, taxes, depreciation and amortization for such fiscal quarter and the immediately preceding three fiscal quarters, as determined in accordance with GAAP. For the avoidance of doubt, EBITDA shall be computed based on a rolling four quarter basis.

"Effective Date" has the meaning specified in Section 4.1 of this Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any Person, including a Subsidiary or other Affiliate, that is a member of any group of organizations within the meaning of Code Sections 414(b), (c), (m) or (o) of which any Borrower is a member.

"Event of Default" has the meaning specified in Section 7.1 of this Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor Federal statute.

"Facility Amount" shall mean $50,000,000.00.

"Federal Funds Rate" means, for any day, the rate per annum (rounded upward to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (x) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day and (y) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to the Money Market Bank on such day on such transactions as determined by the Money Market Bank.

"Fee Payment Date" means (x) in the case of the Unused Portion Fee, the first Business Day following the end of any Fiscal Quarter (or part thereof), and
(y) in the case of the Agent Fee, the first Business Day following each annual anniversary of the Effective Date.

"Fiscal Quarter" means the quarter, during any Fiscal Year, ending March 31, June 30, September 30 and December 31.

"Fiscal Year" has the meaning specified in Section 6.1(a) of this Agreement.

"Fixed Charge Coverage Ratio" means the ratio of Consolidated Cash Flow to Consolidated Fixed Charges.

"Foreign Subsidiary" shall mean any Subsidiary that is not created or organized under the laws of any State of the United States of America or the District of Columbia.

"Form 8-K" means Form 8-K of the Exchange Act.

"Form 10-K" means Form 10-K of the Exchange Act.

"Form 10-Q" means Form 10-Q of the Exchange Act.

"Funding Date" shall mean the date on which any loan shall be made by a Bank to the Borrowers hereunder.

"GAAP" has the meaning specified in Section 1.2 of this Agreement.

"Governmental Body" means (i) the United States of America or any State thereof or any department, agency, commission, board, bureau or instrumentality of the United States of America or any State thereof, and
(ii) any quasi-governmental body, agency or authority (including any central bank) exercising regulatory authority over the Bank pursuant to applicable law in respect of the transactions contemplated by this Agreement.

"Indebtedness" means all (i) indebtedness, obligations and liabilities now existing or hereafter arising for money borrowed by any Borrower or any Subsidiary thereof, whether or not evidenced by a note, indenture or other agreement (including, without limitation, the Revolving Notes and the Money Market Note), (ii) reimbursement or indemnification obligations in respect of any letter of credit issued for the account of any Borrower or any Subsidiary thereof, (iii) reimbursement or indemnification obligations in respect of any guarantee issued on behalf of any Borrower or any Subsidiary thereof, (iv) obligations of any Borrower or any Subsidiary thereof as lessee under any Capital Lease, (v) all amounts owing by any Borrower or any Subsidiary thereof under purchase money mortgages or other purchase money liens or conditional sales or other title retention agreements and (vi) all indebtedness secured by purchase money mortgages, liens, security interests, conditional

sales or other title retention agreements upon property owned by any Borrower or any Subsidiary thereof (whether or not such Borrower or Subsidiary has assumed or become liable for the payment of such indebtedness).

"Indemnified Person" has the meaning specified in Section 9.10(b) of this Agreement.

"Initial Fiscal Quarter" has the meaning specified in Section 6.1(e).

"Interest Payment Date" means (x) in the case of Revolving Loans bearing interest at the Applicable Prime Rate, the last Business Day of the calendar month (or part thereof) in which interest accrues on such Revolving Loans,
(y) in the case of LIBOR Loans, the earlier of (A) the last Business Day of the Fiscal Quarter in which interest accrues on such LIBOR Loans and (B) the expiration of LIBOR Period in respect of such LIBOR Loans and (z) in the case of any Money Market Loans, on the last Business Day of the Money Market Period in respect of such Money Market Loans.

"Interest Period" means any 30-day period in respect of which interest accrues on the Revolving Loans.

"Issuing Bank" shall mean, initially, the Agent and, thereafter, such other Bank as from time to time shall agree to act as the issuer of the Standby Letters of Credit by notice to the Banks, the Agent and the Representative Borrower.

"L/C Fee" has the meaning specified in Section 2.3(b) of this Agreement.

"L/C Fee Payment Date" means the first Business Day of the calendar month following each Fiscal Quarter.

"LIBOR" means, with respect to any LIBOR Period, (x) the per annum interest rate (rounded upward to the nearest 1/100th of 1%) determined on the basis of the offered rates for Dollar deposits for a term comparable to such LIBOR Period and in an amount substantially equal to the outstanding amount of the Revolving Loans in respect of which such determination is made which appear on the Telerate Screen Page 3750 as of 11:00 a.m. (London time) on the day that is two LIBOR Business Days prior to the first day of such LIBOR Period, divided by (y) a number equal to 1.00 minus the LIBOR Reserve Rate.

"LIBOR Business Day" means any day on which commercial banks are open for international business (including dealings in Dollar deposits) in London or such other Euro-dollar interbank market as may be selected by the Bank in its sole discretion.

"LIBOR Conversion" has the meaning specified in Section 3.8 of this Agreement.

"LIBOR Conversion Notice" has the meaning specified in Section 3.8 of this Agreement.

"LIBOR Loans" means the Revolving Loans which bear interest at the Applicable LIBOR Rate.

"LIBOR Period" means the 30-day, 60-day, 90-day or 180-day interest period selected by the Representative Borrower pursuant to any LIBOR Conversion Notice.

"LIBOR Reserve Rate" means, for any day with respect to a LIBOR Loan, the maximum rate (expressed as a decimal) at which a Bank would be required to maintain reserves under Regulation D of the Board of Governors of the Federal Reserve System, as amended from time to time (or any successor or similar regulations relating to such reserve requirements), against "LIBOR Liabilities" (as that term is used in Regulation D), if such liabilities were outstanding. The LIBOR Reserve Rate shall be adjusted automatically on and as of the effective date of any change in the LIBOR Reserve Rate.

"Lien" of any Person shall mean any mortgage, deed of trust, lien, pledge, adverse interest in property, charge, security interest or other encumbrance in or on, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease with respect to, any property or asset owned or held by such Person, or the signing or filing of any security agreement with respect to any of the foregoing authorizing any other party as the secured party thereunder to file any financing statement.

"Loan" shall mean any Revolving Loan (whether bearing interest at the Applicable Prime Rate or Applicable LIBOR Rate) or Money Market Loan, and "Loans" shall mean, collectively, all Revolving Loans (whether bearing interest at the Applicable Prime Rate or Applicable LIBOR Rate) and Money Market Loans.

"Loan Documents" means this Agreement, the Revolving Notes, the Money Market Note and the Pledge Agreement.

"Mandatory Borrowing" shall have the meaning specified in Section 2.4(e) hereof.

"Maturity Date" means July 1, 1999.

"Money Market Borrowing Notice" shall have the meaning specified in Section 2.4(c) hereof.

"Money Market Loan" shall have the meaning specified in Section 2.4(a) hereof.

"Money Market Note" means the promissory note jointly and severally issued by the Borrowers to NationsBank, N.A. pursuant to this Agreement in respect of the Money Market Loans, substantially in the form (appropriately completed) of Exhibit B to this Agreement, and any other promissory note issued in exchange or substitution therefor.

"Money Market Period" shall have the meaning specified in Section 2.4(c) hereof.

"Money Market Subfacility" shall have the meaning specified in Section 2.4(a) hereof.

"Multiemployer Plan" means any "multiemployer plan" as defined in ERISA
Section 4001(a)(3) to which any Borrower or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding three plan years made or accrued an obligation to make contributions.

"Note" means each of the Revolving Notes and the Money Market Note.

"Obligations" shall mean all now existing or hereafter arising indebtedness, obligations, liabilities and covenants of the Borrowers to the Banks and the Agent, their respective Affiliates or permitted successors and assigns or any other Indemnified Person, in each case arising under or evidenced by this Agreement or any other Loan Document, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due.

"Optional Prepayment" means the optional prepayment of Revolving Loans pursuant to Section 3.6(b) hereof or the optional prepayment of Money Market Loans pursuant to Section 2.4(f) hereof, as the context shall require.

"Permitted Investment" means each of (i) direct obligations of the United States of America, and agencies thereof; (ii) obligations fully guaranteed by the United States of America; (iii) certificates of deposit issued by, or bankers' acceptance of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of the United States of America or one of the states thereof having combined capital and surplus and retained earnings of at least $100,000,000; (iv) bearer note deposits with, or certificates of deposit issued by, or promissory notes of, any subsidiary incorporated under the laws of Canada (or any province thereof) of any bank, trust company or national banking association described in clause (iii) or (vi); (v) commercial paper of companies having a rating assigned to such commercial paper by Standard & Poor's Corporation or Moody's Investors Service, Inc. (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the United States of America) equal to either of the two highest ratings assigned by such organization; (vi) U.S. dollar-denominated time deposits with any Canadian bank having a combined capital and surplus and retained earnings of at least $100,000,000, having a rating of A, its equivalent or better by Moody's Investors Service, Inc. or Standard & Poor's Corporation (or, if neither such organization shall rate such institution at any time, by any nationally recognized rating organization in the United States of America); (vii) Canadian Treasury Bills fully hedged to U.S. dollars; (viii) bonds or other debt instruments of any company, if such bonds or other debt instruments, at the time of their purchase, are rated in either of the two highest rating categories by Standard & Poor's Corporation or Moody's Investors Service, Inc. (or, if neither such organization shall rate such obligations at such time, by any nationally recognized rating organization in the United States of America);
(ix) if such investment is to be made by any Borrower or any Subsidiary thereof not organized or created under the laws of any State of the United States of America or the District of Columbia or any territory of the United States of America, each of (A) direct obligations of the countries of France, The Federal Republic of Germany, the United Kingdom, The Netherlands or Switzerland (each, an "E.C. State") and agencies thereof, (B) obligations fully guaranteed by any E.C.State; (C) certificates of deposit issued by, or bankers' acceptance of, or time deposits with, any bank, trust company or national banking association incorporated or doing business under the laws of any E.C. State having combined capital and surplus retained earnings of the local currency counter value of at least $100,000,000; (D) commercial paper of companies having a rating assigned to such commercial paper by Standard & Poor's Corporation or Moody's Investors Service, Inc. (or, if neither such organization shall rate such commercial paper at any time, by any nationally recognized rating organization in the relevant E.C. State) equal to either of the two highest ratings assigned by such organization; (E) bonds or other debt instruments of any company, if such bonds or other debt instruments, at the time of their purchase, are rated in either of the two highest rating categories by Standard & Poor's Corporation or Moody's Investors Service, Inc., (or, if neither such organization shall rate such obligations at such time, by any nationally recognized rating organization in the relevant E.C. State); or (x) any investment provided the aggregate amount of all such investments shall not exceed $1,000,000.00.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"Pledge Agreement" shall have the meaning specified in Section 4.1(i)(C) hereof.

"Pledgor" shall mean each of the Representative Borrower and CACI N.V.

"Potential Change In Control" means one or more of the following events:

(a) the Representative Borrower enters into an agreement, the consummation of which would result in the occurrence of a Change In Control; or

(b) the Board of Directors of the Representative Borrower adopts a resolution, the effect of which would result in the occurrence of a Change in Control.

"Potential Event of Default" means an event, condition or circumstance which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Prepayment Date" has the meaning specified in the first sentence of Section 9.3 of this Agreement.

"Prohibited Transaction" shall have the meaning ascribed to such term in **ERISA.**

"Pro Rata Share" shall mean, as of any date of determination and with respect to any Bank, a fraction (expressed as a percentage), the numerator of which shall be the amount of such Bank's Commitment and the denominator of which shall be the aggregate amount of Commitments of all Banks, as such Commitments may be reduced or otherwise adjusted from time to time in accordance with the provisions of this Agreement; provided, however, that if all of the Commitments are terminated or reduced to zero hereunder, the Pro Rata Share shall mean, as of any date of determination and with respect to any Bank, a fraction (expressed as a percentage), the numerator of which shall be the sum of the aggregate amount of such Bank's Revolving Loans then outstanding plus the aggregate amount of such Bank's participation in any outstanding Standby Letter of Credit and the denominator of which shall be the sum of the aggregate amount of all Revolving Loans then outstanding plus all Standby Letters of Credit then outstanding.

"Regulatory Change" means any applicable law, interpretation, directive, request or guideline (whether or not having the force of law), or any change therein or in the administration or enforcement thereof, that becomes effective or is implemented or first required or expected to be complied with after the date hereof, whether the same is (i) the result of an enactment by a government or any agency or political subdivision thereof, a determination of a court or regulatory authority, or otherwise or (ii) enacted, adopted, issued or proposed before or after the date hereof, including any such that imposes, increases or modifies any tax, reserve requirement, insurance charge, special deposit requirement, assessment or capital adequacy require-

ment, but excluding any such that imposes, increases or modifies any income or franchise tax imposed upon any Bank by any jurisdiction (or any political subdivision thereof) in which any Bank or any office is located.

"Reportable Event" means any event or condition described in ERISA Section 4043(b), other than an event or condition with respect to which the 30-day notice requirement has been waived.

"Representative Borrower" has the meaning specified in the preamble of this Agreement.

"Representative Borrower Account" means the bank account of the Representative Borrower maintained with the Agent for general purposes and assigned the account number designated by the Agent in writing to the Representative Borrower.

"Required Banks" shall mean, except as otherwise provided in Section 8.9(i) hereof, as of any date of determination, such Banks whose Pro Rata Shares of the Revolving Loan Commitment, in the aggregate, are greater than fifty percent (50%); provided, however, that for so long as only two financial institutions constitute Banks hereunder (it being understood that, solely for the purposes of determining the number of financial institutions constituting Banks under this proviso, each financial institution, together with its Affiliates, shall constitute a single Bank), Required Banks shall mean, except as otherwise provided in Section 8.9(i) hereof, as of any date of determination, such Banks whose Pro Rata Shares of the Revolving Loan Commitment, in the aggregate, constitute one hundred percent (100%).

"Revolving Loan" has the meaning specified in Section 2.1 of this Agreement.

"Revolving Loan Commitment" shall mean the commitment of the Banks to make Revolving Loans and issue (or participate in the issuance of) Standby Letters of Credit in an aggregate amount of up to the Facility Amount, as such amount may be reduced or otherwise adjusted from time to time in accordance with the provisions of this Agreement.

"Revolving Note" means any promissory note jointly and severally issued to a Bank by the Borrowers pursuant to this Agreement, substantially in the form (appropriately completed) of Exhibit A to this Agreement, and any other promissory note issued in exchange or substitution thereof, and "Revolving Notes" means, collectively, all such promissory notes so issued.

"SEC" means the Securities and Exchange Commission or any similar Federal agency.

"Securities Act" means the Securities Act of 1933, as amended, and any successor Federal Statute.

"Senior Funded Debt" means, as of any date of determination, the sum of (i) all Indebtedness less (ii) all Subordinated Debt.

"Stamp Taxes" has the meaning specified in Section 9.5 of this Agreement.

"Standby Letter of Credit" has the meaning specified in Section 2.3 of this Agreement.

"Subordinated Debt" means, with respect to any Borrower or any Subsidiary thereof, any Indebtedness which is subordinate in right of payment to the indebtedness owed to the Banks hereunder pursuant to one or more subordination agreements in form and substance satisfactory to the Banks in their sole discretion.

"Subsidiary" shall mean any corporation, limited liability company, partnership, trust or other entity a majority of the capital stock (or equivalent ownership or controlling interest) of which at the time out-

standing, having ordinary voting power for the election of directors (or equivalent controlling interest or person), is owned by any Borrower directly or indirectly.

"Target" has the meaning specified in Section 6.2(e) of this Agreement.

"Termination Event" means, with respect to any Benefit Plan, (i) any Reportable Event with respect to such Benefit Plan, (ii) the termination of such Benefit Plan, or the filing of a notice of intent to terminate such Benefit Plan, or the treatment of any amendment to such Benefit Plan as a termination under ERISA Section 4041(c), (iii) the institution of proceedings to terminate such Benefit Plan under ERISA Section 4042 or (iv) the appointment of a trustee to administer such Benefit Plan under ERISA Section 4042.

"Total Outstanding Amount" has the meaning specified in Section 2.1(a) of this Agreement.

"U.K. Debt" has the meaning specified in Section 4.1(iii) of this Agreement.

"Unused Portion Fee" has the meaning specified in Section 3.7(a) of this Agreement.

Section 1.2 ACCOUNTING TERMS. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles ("GAAP") consistently applied in the United States.

Section 1.3 TIME PERIOD COMPUTATIONS. In the computation of a period of time specified in this Agreement from a specified date to a subsequent date, the word "from" means "from and including" and the words "to" and "until" mean "to but excluding".

ARTICLE II

GENERAL PROVISIONS OF REVOLVING CREDIT FACILITY

Section 2.1 THE REVOLVING LOANS.

(a) REVOLVING LOAN BORROWINGS. Subject to the terms and conditions of this Agreement, each Bank severally and not jointly agrees to make revolving loans (each individually, a "Revolving Loan" and, collectively, the "Revolving Loans") to the Borrowers, at any time and from time to time on and after the Effective Date until one Business Day prior to the Maturity Date in an amount which shall not exceed such Bank's Pro Rata Share of the Revolving Loan Commitment; provided, however, that (i) the sum of the aggregate outstanding amount of all Revolving Loans plus the aggregate outstanding amount of all Money Market Loans plus the aggregate outstanding amount of all Standby Letters of Credit (such sum, the "Total Outstanding Amount") shall at no time exceed the Facility Amount and (ii) the aggregate outstanding amount of all Revolving Loans made by each individual Bank pursuant to this Section 2.1 plus the aggregate outstanding amount of all Standby Letters of Credit made by the Issuing Bank and deemed made by each other Bank pursuant to Section 2.3 hereof shall at no time exceed such Bank's Pro Rata Share of the Revolving Loan Commitment. Within the limits and subject to the terms and conditions set forth in this Agreement, the Borrowers may borrow pursuant to this Section 2.1 and Section 2.2 hereof, may prepay pursuant to Section 3.6(b), and reborrow under this Section 2.1 hereof.

(b) THE REVOLVING NOTES; MATURITY. The Revolving Loans made by each Bank pursuant hereto shall be evidenced by a separate Revolving Note. Each Revolving Note shall be issued on or before the Effective Date and shall bear interest for the period from the initial Funding Date thereof until paid in full on the unpaid principal amount thereof at the rate specified in Section 3.1 of this Agreement. Each Bank is hereby authorized to record in the books and records of such Bank (without making any notation in such Bank's Revolving Note or any schedule thereto) the amount and Funding Date of each Revolving Loan made by such Bank, and the amount and date of each payment or prepayment of any Revolving Loan. No failure to so record nor any error in so recording shall affect the obligations of the Borrowers to repay the actual outstanding principal amount of the Revolving Loans, with interest thereon, as provided in this Agreement. The aggregate principal amount of the Revolving Loans shall be payable on the Maturity Date.

Section 2.2 REVOLVING LOAN BORROWING PROCEDURES.

(a) NOTICE OF REVOLVING BORROWING. Whenever the Borrowers desire to borrow Revolving Loans under Section 2.1 hereof, the

Representative Borrower shall deliver to the Agent irrevocable written notice (each such notice, a "Borrowing Notice"), no later than 10:00 A.M. (Eastern time) on the Funding Date (or, in the case of a LIBOR Conversion as permitted by Section 3.8 hereof, at least three (3) LIBOR Business Days prior to the applicable LIBOR Period, as more fully described in Section 3.8(a) hereof), specifying (i) that the Borrowers wish to effect Revolving Loans, (ii) the amount of the Revolving Loans thereby requested (which shall not be less than $100,000 and shall be in multiples of $1,000), (iii) the requested Funding Date of such Revolving Loans, which date shall be a Business Day, and (iv) whether the requested Revolving Loans will bear interest at the Applicable Prime Rate or Applicable LIBOR Rate. Each Borrowing Notice shall be accompanied by the officer's certificate contemplated by Section 4.2(vi) hereof. In lieu of delivering the above-described Borrowing Notice, and only with the consent of the Agent in its sole discretion at such time, the Representative Borrower may give the Agent telephonic notice of any such proposed borrowing by the time required under this Section 2.2(a); provided that, in the event the Agent so consents, such notice shall be confirmed in writing by delivery to the Agent promptly (but in no event later than 12:00 noon (Eastern time) on the Funding Date of the requested Revolving Loans) of a Borrowing Notice (it being understood that any such telephonic notice shall be irrevocable). Notwithstanding anything contained herein to the contrary, if on any Interest Payment Date the credit balance in the Representative Borrower Account is insufficient to permit the debit contemplated by the second sentence of
Section 3.4(a) of this Agreement, the Agent, without any notice or other authorization being required, shall (and is hereby irrevocably instructed by the Representative Borrower to) effect Revolving Loans in an amount sufficient to permit such debit to be implemented or, if the amount of such debit is greater than the aggregate Bank Availability, in the amount of such unused portion.

(b) MAKING OF REVOLVING LOANS. Promptly after receipt of a Borrowing Notice under clause (a) of this Section 2.2 (or telephonic notice if the Agent so consents thereto), the Agent shall notify each Bank by telecopy or telex or other customary form of teletransmission of the requested borrowing. Each Bank shall make the amount of its Revolving Loan available to the Agent in Dollars and in immediately available funds, not later than 3:00 P.M (Eastern time) on the Funding Date specified in the Borrowing Notice. After the Agent's receipt of the proceeds of such Revolving Loans from the Banks, the Agent shall (unless it shall have learned that any of the conditions precedent set forth in Section 4.2 hereof have not been satisfied) make the proceeds of such Revolving Loans available to the Borrowers on such Funding Date and shall disburse such funds in Dollars to the Borrowers in immediately available funds by crediting the Representative Borrower Account.

(c) FAILURE TO FUND BY BANK. Unless the Agent shall have been notified by any Bank prior to 12:00 P.M. (Eastern time) on any Funding Date in respect of Revolving Loans requested under a Borrowing Notice that such Bank does not intend to make available to the Agent such Bank's Revolving Loan on such Funding Date, the Agent may assume that such Bank has made such amount available to the Agent on such Funding Date and the Agent in its sole discretion may, but shall not be obligated to, make available to the Representative Borrower a corresponding amount on such Funding Date. If such corresponding amount is not in fact made available to the Agent by such Bank on or prior to 3:00 P.M. (Eastern time) on a Funding Date, such Bank agrees to pay and the Representative Borrower (on behalf of the Borrowers) agrees to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrowers until the date such amount is paid or repaid to the Agent, at (i) in the case of such Bank, the Federal Funds Rate, and (ii) in the case of the Borrowers, the Applicable Prime Rate. If such Bank shall pay to the Agent such corresponding amount, such amount so paid shall constitute such Bank's Revolving Loan, and if both such Bank and the Representative Borrower shall have paid and repaid, respectively, such corresponding amount, the Agent shall promptly pay over to the Representative Borrower such corresponding amount in same day funds, but the Borrowers shall remain obligated for all interest thereon. Nothing contained in this Section 2.2(b) shall be deemed to relieve any Bank of its obligation hereunder to make its Revolving Loan on any Funding Date.

Section 2.3 STANDBY LETTERS OF CREDIT.

(a) GENERALLY. Subject to and in accordance with the terms and conditions set forth herein, the Representative Borrower may request the Issuing Bank, from time to time during the period commencing on the Effective Date and ending 10 Business Days prior to the Maturity Date, to issue, and subject to the terms hereof the Issuing Bank shall issue, for the account of the Borrowers but on behalf of any Borrower, one or more standby letters of credit (each, a "Standby Letter of Credit") pursuant to the Issuing Bank's customary letter of credit application. The aggregate outstanding amount at any time and from time to time of all Standby Letters of Credit shall not exceed $10,000,000. The Issuing Bank shall have no obligation to issue any Standby Letter of Credit if, after giving effect to the issuance thereof, the Total Outstanding Amount shall then exceed the Facility Amount (it being understood that the Issuing Bank shall, upon request of the Representative Borrower, issue a Standby Letter of Credit in an amount that would, after giving effect to the issuance thereof, not cause the Facility Amount to be exceeded).

(b) STANDBY LETTER OF CREDIT FEE; MATURITY. The Representative Borrower shall, among other things, pay to the Issuing Bank on each L/C Fee Payment Date, in arrears, a fee (the "L/C Fee") per annum (calculated on the basis of a 360 day year and the actual number of days elapsed), computed by multiplying the Applicable L/C Margin for the Fiscal Quarter immediately preceding the applicable L/C Fee Payment Date by the daily average of the aggregate of all Standby Letters of Credit outstanding during such Fiscal Quarter. All Standby Letters of Credit issued by the Issuing Bank as contemplated by this Section 2.3 shall expire no later than the Maturity Date. Notwithstanding that the Issuing Bank shall have no obligation to issue any Standby Letter of Credit the expiration date of which shall extend beyond the Maturity Date, if the expiration date of any Standby Letter of Credit shall in fact extend beyond the Maturity Date, then on the last Business Day immediately preceding the Maturity Date, there shall be deemed to have been made Revolving Loans in the outstanding amount of all Standby Letters of Credit the expiration date of which shall occur after the Maturity Date, the proceeds of which the Issuing Bank shall deposit in a collateral account at the Issuing Bank or an Affiliate thereof in order to collateralize such Standby Letters of Credit, which collateral account shall bear interest for the account of the Representative Borrower based upon investment of the funds as agreed between the Issuing Bank and the Representative Borrower.

(c) STANDBY LETTER OF CREDIT REQUEST PROCEDURE. Whenever a Borrower desires that a Standby Letter of Credit be issued on its behalf, the Representative Borrower shall give the Issuing Bank (with copies to be sent to the Agent and each other Bank) at least five (5) Business Days' prior written notice therefor. The execution and delivery of each request for a Standby Letter of Credit shall be deemed to be a

representation and warranty by the Representative Borrower that such Standby Letter of Credit may be issued in accordance with, and will not violate the requirements of, this Section 2.3. Unless the Issuing Bank has received notice from the Agent or any Bank before it issues the respective Standby Letter of Credit that one or more of the conditions specified in Section 4.2 are not then satisfied, or that the issuance of such Standby Letter of Credit would violate this Section 2.3, then the Issuing Bank may issue the requested Standby Letter of Credit for the account of the Borrowers in accordance with the terms of this Agreement and, with respect to any matters not specifically covered by this Agreement, in accordance with the Issuing Bank's usual and customary practices as in effect from time to time.

(d) LETTER OF CREDIT PARTICIPATIONS.

(i) Immediately upon the issuance by the Issuing Bank of any Standby Letter of Credit, the Issuing Bank shall be deemed to have sold and transferred to each Bank (other than the Issuing Bank), and each such Bank shall be deemed irrevocably and unconditionally to have purchased and received from the Issuing Bank, without recourse or warranty, an undivided interest and participation, in proportion to such Bank's Pro Rata Share, in such Standby Letter of Credit, each drawing made thereunder and the obligations of the Borrowers under this Agreement with respect thereto, and any collateral therefor. Upon any change in a Bank's Pro Rata Share of the Revolving Loan Commitment, it is hereby agreed that with respect to all outstanding Standby Letters of Credit, there shall be an automatic adjustment to the participations pursuant to this Section 2.3(d) to reflect the new Pro Rata Share of the Revolving Loan Commitment of the assigning and assignee Banks.

(ii) In determining whether to pay under any Standby Letter of Credit, the Issuing Bank shall have no obligation relative to the Banks other than to confirm that any documents required to be delivered under such Standby Letter of Credit appear to have been delivered and that they appear to comply on their face with the requirements of such Standby Letter of Credit. Any action taken or omitted to be taken by the Issuing Bank under or in connection with any Standby Letter of Credit, if taken or omitted in the absence of gross negligence or wilful misconduct, shall not create for the Issuing Bank any resulting liability to any Bank.

(iii) Upon the request of any Bank, the Issuing Bank shall furnish to such Bank copies of any Standby Letter of Credit to which the Issuing Bank is party and such other documentation relating to such Standby Letter of Credit as may reasonably be requested by such Bank.

(iv) As between the Borrowers on the one hand and the Issuing Bank and the Banks on the other hand, the Borrowers assume all risks of the acts and omissions of, or misuse of the Standby Letters of Credit by the respective beneficiaries of such Standby Letters of Credit. Without limiting the generality of the foregoing, neither the Issuing Bank nor any other Bank shall be responsible (except in the case of its gross negligence or willful misconduct) for the following:

(A) the form, validity, sufficiency, accuracy, genuineness or legal effect of any documents submitted by any party in connection with the application for and issuance of or any drawing under such Standby Letters of Credit, even if it should in fact prove to be in any respects invalid, insufficient, inaccurate, fraudulent or forged;

(B) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Standby Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason;

(C) failure of the beneficiary of any such Standby Letter of Credit to comply fully with conditions required in order to draw upon such Standby Letter of Credit, other than material conditions or instructions that expressly appear in such Standby Letter of Credit;

(D) errors, omissions, interruptions or delays in the transmission or delivery of any messages by mail, cable, telegraph, telecopier, telex or otherwise, whether or not they are encoded;

(E) errors in interpretation of technical terms;

(F) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Standby Letter of Credit or the proceeds thereof;

(G) the misapplication by the beneficiary of any such Standby Letter of Credit of the proceeds of any drawing of any such Standby Letter of Credit; and

(H) any consequences arising from causes beyond the control of the Issuing Bank, including without limitation any acts of governments.

(v) The obligations of the Banks to make payments to the Agent for the account of the Issuing Bank with respect to Standby Letters of Credit shall be irrevocable and not subject to any qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances, including, without limitation, any of the following circumstances:

(A) any lack of validity or enforceability of this Agreement or any of the other Loan Documents;

(B) the existence of any claim, setoff, defense or other right which any Borrower may have at any time against a beneficiary named in a Standby Letter of Credit, any transferee of any Standby Letter of Credit (or any Person for whom any such transferee may be acting), the Agent, the Issuing Bank, any Bank, or any other Person, whether in connection with this Agreement, any Standby Letter of Credit, the

transactions contemplated herein or any unrelated transactions;

(C) any draft, certificate or any other document presented under the Standby Letter of Credit shall prove to be forged, fraudulent, invalid or insufficient in any respect or any statement therein shall prove to be untrue or inaccurate in any respect;

(D) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Loan Documents;

(E) the occurrence of any Event of Default or Potential Event of Default; or

(F) the termination of this Agreement or any Commitment.

(e) Standby Letter of Credit Drawings Constitute Revolving Loans. The Issuing Bank shall promptly notify the Agent, and the Agent shall promptly notify each Bank, in each case by telecopy or telex or other customary form of teletransmission, of any drawing under any Standby Letter of Credit (each drawing, a "Drawing"). Each Drawing shall immediately be deemed to be and for all purposes of this Agreement shall constitute a Revolving Loan hereunder in the amount of such drawing. Each Bank shall promptly and unconditionally pay to the Agent for the account of the Issuing Bank an amount equal to such Bank's Pro Rata Share of such Drawing in same day funds. Such payment shall be made to the Agent at the Agent Lending Office. If the Agent delivers such notice to such Bank prior to 2:00 P.M. (Eastern time) on any Business Day, such Bank shall make its required payment on the same Business Day. If and to the extent such Bank shall not have made available to the Agent for the account of the Issuing Bank such Bank's Pro Rata Share of such Drawing, such Bank agrees to pay to the Agent for the account of the Issuing Bank, promptly upon demand, such amount, together with interest thereon, for each day from such date until the date such amount is paid to the Agent for the Account of the Issuing Bank at the Federal Funds Rate plus 100 basis points. The failure of any Bank to make available to the Agent for the Account of the Issuing Bank its Pro Rata Share of any Drawing shall not relieve any other Bank of its obligation hereunder to make available to the Agent for the Account of the Issuing Bank its Pro Rata Share of any Drawing on the date so required; provided, however, that no Bank shall be responsible for the failure of any other Bank to make available to the Agent for the account of the Issuing Bank such other Bank's Pro Rata Share of such Drawing.

Section 2.4 MONEY MARKET LOAN SUBFACILITY.

(a) MONEY MARKET SUBFACILITY. Subject to the terms and conditions hereof, NationsBank, N.A., in its individual capacity (as such, the "Money Market Bank"), shall, in its sole and absolute discretion from and after the Effective Date until one Business Day prior to the Maturity Date, make certain revolving credit loans (each, a "Money Market Loan" and, collectively, the "Money Market Loans") to the Borrowers; provided, however, that (i) the aggregate principal amount of all Money Market Loans shall at no time exceed $6,000,000.00 (such amount, the "Money Market Subfacility"), and
(ii) the sum of the aggregate amount of all Revolving Loans (whether bearing interest at the Applicable Prime Rate or Applicable LIBOR Rate) plus the aggregate amount of all Money Market Loans plus the aggregate amount of all Standby Letters of Credit shall at no time exceed the Facility Amount.

(b) THE MONEY MARKET NOTE; MATURITY. The Money Market Loans made by the Money Market Bank pursuant hereto shall be evidenced by a separate Money Market Note. The Money Market Note shall be issued on or before the Effective Date and shall bear interest for the period from the date of the initial funding of any Money Market Loan until paid in full on the unpaid principal amount thereof. The Money Market Bank is hereby authorized to record in its books and records (without making any notation on the Money Market Note or any schedule thereto) the amount and date of funding of each Money Market Loan made by it, and the amount and date of each payment or prepayment of any Money Market Loan. No failure to so record nor any error in so recording shall affect the obligations of the Borrowers to repay the actual outstanding principal amount of the Money Market Loans, with interest thereon, as provided in this Agreement. The aggregate principal amount of the Money Market Loans shall be payable on the Maturity Date.

(c) MONEY MARKET LOAN BORROWING PROCEDURE. Whenever the Borrowers desire to borrow Money Market Loans under this Section 2.4, the Representative Borrower shall, on behalf of the Borrowers, deliver to the Money Market Bank irrevocable written notice (each such notice, a "Money Market Borrowing Notice"), and the Money Market Bank may, in its sole and absolute discretion and upon such other arrangements as shall be specifically agreed to by the Money Market Bank and the Representative Borrower, make a Money Market Loan to the Borrowers on the date (which shall be a Business Day), at the time and in the amount so agreed; provided, however, that (i) the principal amount of any Money Market Loan made hereunder shall not be less than $1,000,000.00 (and shall be in multiples of $1,000.00) and (ii) an individual Money Market Loan shall be offered by the Money Market Bank for a period of not less than 1 but not more than 29 days (any such period, a "Money Market Period").

(d) INTEREST ON MONEY MARKET LOANS. Subject to the provisions of clause
(e) of this Section 2.4, in the event that the Money Market Bank shall make any Money Market Loan pursuant to Section 2.4 hereof, the aggregate principal amount of Money Market Loans outstanding from time to time shall bear interest at a rate per annum equal to the Applicable Money Market Rate for the applicable Money Market Period.

(e) REPAYMENT OF MONEY MARKET LOANS. Each Money Market Loan made by the Money Market Bank hereunder shall be due and payable upon the expiration of the Money Market Period relating to such Money Market Loan. The Money Market Bank may, at any time and in its sole and absolute discretion, by written notice to the Representative Borrower and the Agent (which shall promptly deliver a copy thereof to the other Banks), demand repayment of its Money Market Loans then outstanding by way of a Revolving Loan borrowing (a "Mandatory Borrowing"), in which case the Representative Borrower, on behalf of the Borrowers, shall be deemed to have requested a Revolving Loan

borrowing in the amount of the then outstanding Money Market Loans which shall bear interest at the Applicable Prime Rate; provided, however, that, in the following circumstances, any such demand shall also be deemed to have been given one Business Day prior to each of (i) the Maturity Date, (ii) the occurrence of any Event of Default described in clause (g), (h) or (i) of
Section 7.1 hereof, (iii) upon acceleration of the Obligations hereunder, whether on account of an Event of Default described in clause (g), (h) or (i) of Section 7.1 or any other Event of Default, and (iv) the exercise of remedies in accordance with the provisions of Section 7.1 hereof. Each Bank hereby irrevocably agrees to make such Revolving Loans promptly upon any such request or deemed request on account of Mandatory Borrowing, in the amount (but in proportion to each Bank's Pro Rata Share) and in the manner specified in the preceding sentence and on the same such date notwithstanding that (A) the amount of the Mandatory Borrowing may not comply with the minimum amount for borrowings of Revolving Loans otherwise required hereunder, (B) whether any conditions specified in Section 4.2 are then satisfied, (C) whether a Default or an Event of Default then exists, (D) failure of any such request or deemed request for Revolving Loans to be made by the time otherwise required in Section 2.2 hereof, (E) the date of such Mandatory Borrowing, or (F) any reduction in the Revolving Loan Commitment or termination of the Commitments relating thereto immediately prior to such Mandatory Borrowing or contemporaneous therewith. In the event that any Mandatory Borrowing cannot for any reason be made on the date otherwise required above (including, without limitation, as a result of the commencement of a proceeding in bankruptcy with respect to any Borrower), then each Bank hereby agrees that it shall forthwith purchase (as of the date the Mandatory Borrowing would otherwise have occurred, but adjusted for any payments received from the Borrowers on or after such date and prior to such purchase) from the Money Market Bank such participations in the then outstanding Money Market Loans as shall be necessary to cause each such Bank to share in such Money Market Loans ratably based upon its respective Pro Rata Share of the Revolving Loan Commitment (determined before giving effect to any termination of the Revolving Loan Commitments pursuant to the last paragraph of Section 7.1), provided that (1) all interest payable on the Money Market Loans shall be for the account of the Money Market Bank until the date as of which the respective participation of each other Bank is purchased, and (2) at the time any purchase of participations pursuant to this sentence is actually made, the purchasing Bank shall be required to pay to the Money Market Bank interest on the principal amount of such participation purchased for each day from and including the day upon which the Mandatory Borrowing would otherwise have occurred to but excluding the date of payment for such participation, at the rate equal to, if paid within 2 Business Days of the date of the Mandatory Borrowing, the Federal Funds Rate, and thereafter at a rate equal to the Applicable Prime Rate.

(f) OPTIONAL PREPAYMENT OF MONEY MARKET LOANS. Subject to the provisions of this clause (f) and Section 3.9 hereof, the Representative Borrower may, at its sole option and on behalf of the Borrowers, prepay the principal amount of the Money Market Loans in whole or in part (in an amount of $10,000 or more and in multiples of $1,000) at any time and from time to time, without premium or penalty. In respect of each Optional Prepayment of a Money Market Loan proposed to be made by the Representative Borrower, the right of the Representative Borrower to make such Optional Prepayment is subject to the Agent's receipt from the Representative Borrower, no later than 12:00 P.M. on the Business Day specified therein as the date on which such Optional Prepayment is to be made, of a written notice (which shall be irrevocable) specifying (i) that the Representative Borrower desires to prepay such Money Market Loan, (ii) the principal amount of such Optional Prepayment, and (iii) the date (which shall be a Business Day) on which such Optional Prepayment will be made. Any Optional Prepayment of a Money Market Loan made by the Representative Borrower as permitted hereunder shall be paid to the Agent for the account of the Money Market Bank no later than 12:00 P.M. (Eastern Time) on the applicable prepayment date.

Section 2.5 MANDATORY REDUCTION IN REVOLVING LOAN COMMITMENT. From time to time during the term of this Agreement, to the extent that the sum of (i) the product of five (5) times EBITDA of CACI Limited (it being understood that, for the purposes of this Section 2.5, the words "Borrowers' and their respective Subsidiaries'" appearing in the definition of EBITDA shall be deemed deleted and the words "CACI Limited" shall be deemed substituted therefor) minus (ii) the aggregate sum of all Indebtedness of CACI Limited (it being understood that, for the purposes of this Section 2.5, each reference to the words "Borrower or any Subsidiary thereof" or "Borrower or Subsidiary" in the definition of Indebtedness shall be deemed deleted and the words "CACI Limited" shall be deemed substituted therefor) minus (iii) the aggregate sum of all income taxes payable by CACI Limited (net of the aggregate sum of all income taxes receivable of CACI Limited) shall be less than $12,000,000.00 (in Dollars), then the Facility Amount shall, without notice to the Borrowers, automatically be reduced on a dollar for dollar basis by the amount of such deficit, and the Revolving Loan Commitment and each Bank's Commitment hereunder shall also be reduced in proportion to each Bank's Pro Rata Share; provided, however, that the Facility Amount, as so reduced, and the Revolving Loan Commitment and each Bank's Commitment, also as so reduced, shall be increased (and, in the case of each Bank's Commitment, such increase shall be in proportion to each Bank's Pro Rata Share) from time to time upon and to the extent of any reduction in such deficit (it being understood that the Facility Amount shall at no time exceed $50,000,000.00). Upon the occurrence of a deficit as calculated by this
Section 2.5, the Representative Borrower shall make such prepayments of the Loans and/or Standby Letters of Credit as shall then be required pursuant to
Section 3.6(a)(ii) hereof.

ARTICLE III

INTEREST, FEES AND REPAYMENT

Section 3.1 INTEREST ON THE REVOLVING LOANS.

(a) APPLICABLE PRIME RATE. The initial Revolving Loan and, except as provided pursuant to clause (b) of this Section 3.1, the aggregate principal amount of the Revolving Loans outstanding from time to time shall bear interest at a rate per annum equal to the Applicable Prime Rate until the entire principal amount of the Revolving Loans shall have been repaid. Any change in the rate of interest on the Revolving Loans resulting from a change in the Bank Prime Rate shall be effective as of the opening of business on the day on which such change in the Bank Prime Rate is effective.

(b) LIBOR RATE. In the event the Representative Borrower shall effect a LIBOR Conversion in accordance with the provisions of Section 3.8 of this Agreement, the aggregate principal amount of the Revolving Loans that are the subject of such LIBOR Conversion shall bear interest at a rate per annum equal to the Applicable LIBOR Rate.

Section 3.2 REGULATORY CHANGES. If, after the date of this Agreement, any Regulatory Change

(i) shall subject any Bank to any tax, duty or other charge with respect to its obligation to make or maintain any Loan or its Commitment, or shall change the basis of taxation of payments to such Bank of the principal of or interest on the Loans or in respect of any other amounts due under this Agreement in respect of its obligation to make any Loan or maintain its Commitment (except for changes in the rate of tax on the overall net income of such Bank); or

(ii) shall impose, modify or deem applicable any reserve, assessment, special deposit, capital adequacy, capital maintenance or similar requirement against assets of, deposits with or for the account of, or credit extended by, such Bank or shall impose on such Bank any other condition affecting (x) the obligation of the Bank to make or maintain the Loans or its Commitment, or (y) the Revolving Notes or the Money Market Note; and the result of any of the foregoing is to increase the cost to such Bank of making or maintaining any Loan or maintaining its Commitment or to reduce the amount of any sum received or receivable by such Bank under, or the rate of return attributable to, this Agreement or under the Revolving Notes or the Money Market Note, such Bank shall, within 30 days after the effective date of such Regulatory Change, provide written notice to the Representative Borrower of such Regulatory Change (it being agreed by the parties hereto that if such notice is given after 30 days' of the effective date of such Regulatory Change, the Borrowers shall be liable to the Banks for the additional amounts payable pursuant to this Section 3.2 only to the extent such additional amounts accrue from and after the date of the giving of such notice), together with a certificate describing in reasonable detail such increase or reduction, as the case may be, then, within 30 days after delivery of such notice by such Bank to the Representative Borrower if such Regulatory Change shall impose costs in excess of those costs, or reduce the amount of any such sum or rate of return below the amount or rate, applicable on the date of this Agreement, the Representative Borrower, on behalf of the Borrowers, shall pay to such Bank for the account of such Bank such additional amount or amounts as will compensate such Bank for such increase or reduction. A certificate of such Bank setting forth the basis for the amount of said increase or reduction, as the case may be, shall be conclusive in the absence of manifest error.

Section 3.3 INTEREST AFTER DUE DATE. In the event the Borrowers shall fail to make any payment of the principal amount of or interest on any of the Revolving Loans or Money Market Loans, or of the Unused Portion Fee, the Administrative Fee or the L/C Fee, in each case when due (whether by demand, acceleration or otherwise), the Representative Borrower, on behalf of the Borrowers, shall pay to the Agent for the account of the Banks interest on such unpaid amount, payable from time to time on demand, from the date such amount shall have become due to the date of payment thereof, accruing on a daily basis, at a per annum rate (the "Default Rate") equal to the sum of (x) the greater of the Applicable Prime Rate or Applicable LIBOR Rate determined on and, in the case of any continuing default, from time to time after the date of such default plus (y) two percent (2%).

Section 3.4 PAYMENT AND COMPUTATIONS.

(a) PAYMENTS. All payments required or permitted to be made to the Agent, to the Agent for the account of the Banks, or to any Bank under this Agreement or under any Note shall be made in Dollars (i) if to the Agent, at the Lending Office of the Agent in immediately available funds and (ii) if to any Bank, to it in immediately available funds at an account specified by such Bank in writing to the Representative Borrower. The Representative Borrower, on behalf of the Borrowers, hereby irrevocably instructs and authorizes the Agent to effect each payment of interest on the Loans due on each Interest Payment Date, and of each payment of the Unused Portion Fee and the Administrative Fee due on the applicable Fee Payment Date by debiting the Representative Borrower Account on such Interest Payment Date or Fee Payment Date, as the case may be, with the aggregate amount thereof, in each case, after giving effect to the crediting to the Representative Borrower Account of the proceeds of the Revolving Loan, if any, made on such Interest Payment Date or Fee Payment Date, as the case may be, in accordance with Section 2.1(b) of this Agreement. The Agent shall provide to the Representative Borrower an invoice showing the amount of such debit and the manner in which it was calculated.

(b) COMPUTATIONS. Interest on the unpaid portion of the Revolving Loans, the Money Market Loans, the Unused Portion Fee and the Administrative Fee shall each be calculated for the actual number of days (including the first day but excluding the last day) elapsed and shall be computed on the basis of a year of 360 days.

(c) INTEREST AND FEE PAYMENT DATES. The Unused Portion Fee and interest on the Loans shall be payable in arrears (i) in the case of the Revolving Loans and Money Market Loans, on each Interest Payment Date and (ii) in the case of the Unused Portion Fee, on each Fee Payment Date. The Administrative Fee, if any, shall be payable in advance on each Fee Payment Date. The L/C Fee shall be payable in arrears as provided in Section 2.3(b) hereof.

(d) APPLICATION OF PAYMENTS; APPORTIONMENT.

(i) Apportionment of Payments and Prepayments. Unless a Bank shall be in default of its obligations to advance any Revolving Loan or reimburse the Agent as provided herein, all payments and prepayments of principal and interest in respect of outstanding Revolving Loans and all payments of fees and all other payments in respect of any other Obligations (other than with respect to Money Market Loans) shall be allocated among such of the Banks as are entitled thereto in proportion to their respective Pro Rata Share. All payments and prepayments of principal and interest and other amounts in respect of the Money Market Loans shall be allocated only to the Money Market Bank.

(ii) Upon the occurrence and during the continuance of an Event of Default, the Agent shall, unless otherwise specified by the Required Banks as provided in the last paragraph of this clause (ii), apply all payments (including the proceeds of any collateral obtained upon the exercise by the Agent of any remedy specified in the Pledge Agreement) in respect of any Obligations:

(A) first, and except as otherwise provided in Section 4(b)(ii)
of the Pledge Agreement, to pay interest on and then principal of any portion of the Loans which the Agent may have advanced on behalf of any Bank for which the Agent has not then been reimbursed by such Bank or the Borrowers;

(B) second, to pay Obligations in respect of any fees, expense reimbursement or indemnities due to the Agent;

(C) third, to pay Obligations in respect of any fees, expense reimbursement, indemnities, increased costs or breakage then due to the Banks, pro rata;

(D) fourth, to the ratable payment of overdue interest or late charges, if any, then due the Banks;

(E) fifth, to the ratable payment of interest due in respect of the Revolving Loans and Money Market Loans;

(F) sixth, to the ratable payment or prepayment of principal due in respect of the Revolving Loans and Money Market Loans;

(G) seventh, to the ratable payment of all other Obligations;

provided, however, that no Bank which shall be in default of its obligations to fund Revolving Loans or reimburse the Agent as provided herein shall be entitled to its ratable share of payments in respect of any Obligations prior to the payment to all non-defaulting Banks of all amounts due such Banks as provided herein.

The order of priority set forth in this Section 3.4(d)(ii) is set forth solely to determine the rights and priorities of the Agent and the Banks as among themselves. The order of priority set forth in clauses (C) through (G) of this Section 3.4(d)(ii) may at any time and from time to time be changed by the Required Banks without necessity of notice to or consent of or approval by the Borrowers, or any other Person. The order of priority set forth in clauses (A) and (B) of this Section 3.4(d)(ii) may be changed only with the prior written consent of the Agent.

Section 3.5 PAYMENT AT MATURITY. Any outstanding principal amount of the Revolving Notes or the Money Market Note theretofore not repaid, together with any accrued and unpaid Unused Portion Fee, Administrative Fee or L/C Fee, any accrued and unpaid interest thereon, together with any other amounts due and payable in accordance with the provisions hereof (including pursuant to Section 9.10 hereof) shall be due and payable in full on the Maturity Date, and this Agreement shall not terminate until all Obligations shall have been paid in full.

Section 3.6 PREPAYMENTS; CERTAIN EARLY REPAYMENTS.

(a) MANDATORY PREPAYMENT OF LOANS AND STANDBY LETTERS OF CREDIT.

(i) Upon the termination of this Agreement pursuant to the first sentence of Section 9.3 of this Agreement, the Representative Borrower, on behalf of the Borrowers, shall on the Prepayment Date (x) prepay the Loans in full together with interest accrued on the aggregate principal amount of the Loans to the Prepayment Date, and (y) pay to the Agent, for the account of the Banks all other amounts payable pursuant to Sections 3.9 and 9.3 of this Agreement.

(ii) If at any time the Total Outstanding Amount shall be greater than the Facility Amount (as adjusted pursuant to Section 2.5 hereof), the Representative Borrower shall, on behalf of the Borrowers and without notice from the Bank, prepay that portion of the Loans and/or the Standby Letters of Credit, as the case may be, in an amount equal to such excess.

(b) OPTIONAL PREPAYMENTS OF REVOLVING LOANS. Subject to the terms and conditions of clause (c) below and Section 3.9 hereof, the Representative Borrower may, at its sole option and on behalf of the Borrowers, prepay the principal amount of the Revolving Loans (whether bearing interest at the Applicable Prime Rate or Applicable LIBOR Rate) in whole or in part (in an amount of $10,000 or more and in multiples of $1,000) at any time and from time to time, without premium or penalty.

(c) OPTIONAL PREPAYMENT PROCEDURE. In respect of each Optional Prepayment of Revolving Loans (whether bearing interest at the Applicable Prime Rate or Applicable LIBOR Rate) proposed to be made by the Representative Borrower, the right of the Representative Borrower to make such Optional Prepayment is subject to the Agent's receipt from the Representative Borrower, no later than 12:00 P.M. on the Business Day specified therein as the date on which such Optional Prepayment is to be made (unless such Optional Prepayment shall relate to LIBOR Loans, in which case such notice shall be given no later than 12:00 P.M., London time), of a written notice (which shall be irrevocable) specifying (i) that the Representative Borrower desires to prepay the Revolving Loans, (ii) the principal amount of such Optional Prepayment, and
(iii) the date (which shall be a Business Day or, if such Optional Prepayment relates to a LIBOR Loan, a LIBOR Business Day) on which such Optional Prepayment will be made. Any Optional Prepayment of Revolving Loans made by the Representative Borrower as permitted hereunder shall be paid to the Agent for the account of the Banks no later than 12:00 P.M. (Eastern Time) on the applicable prepayment date

(except that any prepayment of a LIBOR Loan shall be paid no later than 10:00 A.M. (Eastern Time) on the applicable prepayment date).

Section 3.7 UNUSED PORTION FEE, AGENT FEE AND L/C FEE.

(a) UNUSED PORTION FEE. For each Fiscal Quarter (or part thereof) during the period from the Effective Date until the Maturity Date, the Representative Borrower, on behalf of the Borrowers, shall pay to the Agent for the account of the Banks pro rata based upon each Bank's Pro Rata Share of the Revolving Loan Commitment, an unused portion fee (the "Unused Portion Fee") determined by subtracting the sum of the aggregate outstanding amount of all Revolving Loans and Standby Letters of Credit (computed on the basis of the daily average for such Fiscal Quarter) from the Facility Amount. The Unused Portion Fee shall be computed at a rate per annum equal to, in the event the Senior Funded Debt to EBITDA ratio calculated pursuant to Section 6.1(e) hereof is (i) less than or equal to 1.00 to 1.00, then 0.09%, (ii) greater than 1.00 but less than or equal to 1.50 to 1.00, then 0.17%, and
(iii) greater than 1.50 to 1.00, then 0.25%. The Unused Portion Fee shall be due and payable in arrears on the Fee Payment Date to which such Unused Portion Fee relates and on the Maturity Date, and shall be calculated on the basis of a 360 day year and the actual days elapsed.

(b) ADMINISTRATIVE FEE. The Representative Borrower, on behalf of the Borrowers, shall pay to the Agent, as compensation for the services of the Agent hereunder, a fee (the "Administrative Fee") equal to $5,000.00 per annum for each Bank (other than the Agent) a party hereto either on the date hereof or by way of assignment (but not participation) pursuant to Section 9.8(c) hereof; provided, however, that no Administrative Fee shall be due and payable by the Representative Borrower with respect to any Bank if such Bank shall, after the execution hereof by the initial Banks, become a party hereto pursuant to the assignment provisions contained in Section 9.8(c) hereof without the consent of the Representative Borrower. The Administrative Fee payable by the Representative Borrower, on behalf of the Borrowers, as contemplated by this clause (b) shall be due on the applicable Fee Payment Date (and the Borrowers shall not be entitled to any credit if any Bank as to which such fee shall have been paid ceases to be a Bank hereunder for the entire year in respect of which such fee shall have been due and payable).

(c) L/C FEE. The Borrowers shall pay the L/C Fee in accordance with the provisions of Section 2.3(b) hereof.

Section 3.8 LIBOR CONVERSION.

(a) CONVERSION. So long as no Event of Default or Potential Event of Default shall have occurred and be continuing, the Representative Borrower, on behalf of the Borrowers, shall have the right to convert all or part of the outstanding Revolving Loans bearing interest at the then Applicable Prime Rate to loans bearing interest at the then Applicable LIBOR Rate (such conversion, a "LIBOR Conversion"); provided, however, that the LIBOR Period to which such LIBOR Conversion shall relate will not extend beyond the Maturity Date. In order to effect a LIBOR Conversion, the Representative Borrower, on behalf of the Borrowers, shall give the Agent irrevocable written notice (such notice, a "LIBOR Conversion Notice") at least three LIBOR Business Days prior to the first day of the LIBOR Period to which such LIBOR Conversion shall apply, stating that (i) the Representative Borrower wishes to effect a LIBOR Conversion, (ii) the aggregate principal amount of outstanding Revolving Loans which the Representative Borrower wishes to bear interest at the Applicable LIBOR Rate (it being understood and agreed that no LIBOR Conversion shall be permitted in an amount less than $2,000,000.00),
(iii) the applicable LIBOR Period being elected by the Representative Borrower (it being understood that no change in LIBOR with respect to any LIBOR Loans may be effected during any applicable LIBOR Period) and (iv) the Business Day on which the LIBOR Period is to be effective.

(b) NOTICE OF LIBOR RATE TO REPRESENTATIVE BORROWER. In the event the Representative Borrower has requested a LIBOR Conversion, the Agent shall give written notice to the Representative Borrower and the Banks of the LIBOR rate as promptly as reasonably possible after such rate is determined. The Agent's determination of the LIBOR rate shall be conclusive in the absence of manifest error.

(c) SUCCESSIVE NOTICE OF LIBOR CONVERSION. Subject to the provisions of clause (a) of this Section 3.8, the Representative Borrower may, on behalf of the Borrowers, by executing a LIBOR Conversion Notice at least three LIBOR Business Days prior to the first day of the LIBOR Period to which such LIBOR Conversion Notice shall apply, execute successive LIBOR Conversions with respect to any Revolving Loan then outstanding and bearing interest at the Applicable Prime Rate together with any then outstanding LIBOR Loans the LIBOR Period in respect of which is scheduled to expire on or before the start of the LIBOR Period specified in such LIBOR Conversion Notice. If, with respect to any LIBOR Loans, the Agent shall not have received a LIBOR Conversion Notice for the next immediately succeeding LIBOR Period which complies with the provisions of clause (a) of this Section 3.8, such LIBOR Loans shall, immediately upon the expiration of the then current LIBOR Period and without any notice to any Borrower, bear interest at the Applicable Prime Rate in accordance with the provisions of Section 3.1(a) of this Agreement.

(d) MARKET DISRUPTION, ETC. In the event that the Agent (i) shall have determined (which determination shall be conclusive and binding upon the Borrowers) that by reason of circumstances affecting the London interbank market either adequate or reasonable means do not exist for ascertaining the LIBOR rate elected by the Representative Borrower pursuant to the terms hereof or (ii) the Agent shall have determined (which determination shall be conclusive and binding on the Borrowers) that the applicable LIBOR rate will not adequately and fairly reflect the cost to the Agent of maintaining or funding loans bearing interest based on such LIBOR rate, with respect to any portion of the Revolving Loans that the Representative Borrower has requested be made as a LIBOR Loan (each, an "Affected Advance"), the Agent shall promptly notify the Representative Borrower (by telephone or otherwise, to be promptly confirmed in writing), with a copy to the Banks, of such determination. If the Agent shall give such notice, (x) any Affected Advances shall be made as advances which shall bear interest at the Applicable Prime Rate, and (y) any outstanding LIBOR Loan shall, from and after the last day of the then current LIBOR Period applicable thereto, bear interest at the Applicable Prime Rate. Until any notice under clauses (i) or

(ii) of this Section 3.8(d) has been withdrawn by the Agent, no amounts outstanding or to be advanced hereunder shall bear interest based upon LIBOR.

Section 3.9 BREAKAGE, ETC.. In the event of the prepayment of any LIBOR Loan or Money Market Loan (whether by way of acceleration or otherwise or due to an Optional Prepayment of any LIBOR Loan pursuant to Section 3.6(b) hereof or of any Money Market Loan pursuant to Section 2.4(f)), the Representative Borrower, on behalf of the Borrowers, shall pay to each Bank whose LIBOR Loan or Money Market Loan has been so prepaid any loss or expense which such Bank may incur or sustain directly as a result of such prepayment, including without limitation, an amount equal to (i) an amount of interest which would have accrued on the amount so prepaid for the period beginning on the date of such prepayment and ending on the last day of the applicable LIBOR Period, in the case of LIBOR Loans, or the applicable Money Market Period, in the case of Money Market Loans (such period, the "Breakage Period"), in each case at the Applicable LIBOR Rate or Applicable Money Market Rate, as the case may be, minus (ii) the amount of interest (as reasonably determined by each affected Bank) which would have accrued to such Bank on such amount by placing such amount on deposit for the Breakage Period with (A) in the case of LIBOR Loans, leading banks in the London interbank market, and (B) in the case of Money Market Loans, members of the Federal Reserve System.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.1 CONDITIONS PRECEDENT TO EFFECTIVE DATE. The Revolving Loan Commitment of the Banks hereunder shall become effective at a closing at the offices of Crowell & Moring, 1001 Pennsylvania Avenue, N.W., Washington, D.C. 20004 only on the day (the "Effective Date") on which all of the following conditions precedent shall have been fulfilled to the satisfaction of the Banks; provided, however, that in the event the Effective Date shall have not occurred on or prior to August 28, 1996, the Banks shall have no further obligations hereunder:

(i) the Agent, on behalf of the Banks, shall have received from the Representative Borrower the following instruments, agreements, certificates and payments, as the case may be, on or prior to the Effective Date:

(A) One Revolving Note, dated the Effective Date, for each Bank, payable to the order thereof in the amount of such Bank's Pro Rata Share of the Revolving Loan Commitment and duly executed by each Borrower;

(B) The Money Market Note, dated the Effective Date, payable to the order of NationsBank, N.A. in the amount of $6,000,000.00 and duly executed by each Borrower;

(C) the Agent shall have received from the Pledgors a Pledge Agreement, substantially in the form of Exhibit C hereto (the "Pledge Agreement"), together with certificates representing all shares of capital stock pledged thereunder and undated stock powers duly executed in blank;

(D) The results of a search, upon the records maintained with the appropriate Secretary of State and county recorder offices of all jurisdictions deemed advisable by the Banks, regarding Uniform Commercial Code financing statements, if any, on file with such offices and naming any Borrower or any Subsidiary thereof as debtor, which results shall be satisfactory to the Banks;

(E) An opinion or opinions of counsel to the Borrowers, in form and substance satisfactory to the Banks;

(F) A certified copy of the resolutions of the Board of Directors of each Borrower and the Pledgors authorizing the execution and delivery of this Agreement and the other Loan Documents to which they are a party;

(G) A copy of the charter documents and by-laws of each Borrower and any Subsidiary thereof, together with all amendments thereto, certified by the Secretary of such Borrower as being true, complete and correct and in effect as of the Effective Date;

(H) An incumbency certificate of the Secretary, an Assistant Secretary or an Assistant Treasurer of each Borrower and CACI N.V. certifying the names and true signatures of each officer of such Borrower and CACI N.V. authorized to execute the Loan Documents to which each is a party and, in the case of the Representative Borrower, of each Authorized Officer authorized to execute the Loan Documents;

(I) By wire transfer of immediately available funds, the Administrative Fee with respect to each Bank as to which the Agent shall be entitled to a fee in accordance with Section 3.7(b) hereof;

(J) A certificate of an Authorized Officer of the Representative Borrower, dated the Effective Date, certifying that the matters contained in clauses (iii), (iv) and (v) of Section 4.2 hereof are true and correct; and

(K) A certificate of an Authorized Officer of the Representative Borrower, dated the Effective Date, certifying, in form and substance satisfactory to the Banks, the Borrowers' compliance with Section 6.1(m) hereof, having attached to such certificate a summary in reasonable detail of the Representative Borrower's and its Subsidiaries' insurance coverage. Upon request of the Banks, the Representative Borrower shall deliver an insurance report of an independent insurance broker as to due compliance with Section 6.1(m) hereof.

(ii) the Representative Borrower shall have disclosed to the Banks promptly from time to time any material developments or changes in the Borrowers' and their respective Subsidiaries', taken as a whole, financial condition, assets, liabilities or prospects, including without limitation amendments to their charter documents or the Representative Borrower's Form 10-K or 10-Q and the exhibits thereto, and any material amendments, changes or terminations of any material contracts or the award of or loss of any material bid or proposal. Any such material developments, changes or amendments shall not have affected adversely the assumptions contained in the credit analysis of the Borrowers performed by the Banks prior to the execution of this Agreement;

(iii) the Representative Borrower shall have delivered to the Banks a true, correct and complete copy of the loan documents relating to that certain unsecured loan facility made to CACI Limited by the financing institution or institutions named therein in the aggregate amount of up to 500,000 Pound Sterling (the "U.K. Debt"), certified as of the Effective Date by an Authorized Officer of CACI Limited as such and that each such loan document remains in full force and effect and that no default or event that, with the lapse of time or the giving of notice or both, would constitute an event of default exists thereunder;

(iv) the Representative Borrower shall have delivered to the Banks (A) the Representative Borrower's Form 10-K for the Fiscal Year ending June 30, 1995 and Form 10-Q for the Fiscal Quarter ending March 31, 1996, and (B) such other unaudited consolidated financial statements of the Representative Borrower and its Consolidated Subsidiaries as any Bank shall reasonably request, together with, in each case, an officer's certificate, dated the Effective Date, from each of the Representative Borrower's Chief Financial Officer and Treasurer, stating that, to their personal knowledge after having performed such due diligence as would customarily be performed by a corporate officer in their position but no additional due diligence, the Representative Borrower's Form 10-K and Form 10-Q and unaudited consolidated financial statements, if any, attached thereto as of the Effective Date do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(v) all legal matters incident to this Agreement shall be satisfactory to counsel for the Banks, and the Representative Borrower, on behalf of the Borrowers, shall have reimbursed the Banks for their fees and expenses and the fees and expenses of the Banks' counsel in connection with the preparation or review, as the case may be, of the Loan Documents and all matters incident thereto (it being understood that such statement may not reflect the final statement of fees and expenses incurred by the Banks' counsel in connection with such preparation or review);

(vi) all Schedules delivered hereunder by any Borrower shall be in form and substance satisfactory to the Banks; and

(vii) the Banks shall have received such other documents, instruments, certificates, opinions, agreements and information as the Banks or their counsel shall reasonably request in their discretion in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, current consolidated and consolidating financial statements of the Borrowers and their respective Subsidiaries, a report describing the aggregate amount and current age status of accounts receivable of any Borrower, and a report describing the current status of goods or services on backlog with any Borrower or Subsidiary thereof).

Section 4.2 FURTHER CONDITIONS PRECEDENT TO LOANS AND STANDBY LETTERS OF CREDIT. The obligation of the Agent, on behalf of the Banks, to make any Revolving Loan, and the obligation of the Money Market Bank to make any Money Market Loan, and the obligation of the Issuing Bank to issue any Standby Letter of Credit shall be subject to the fulfillment to the satisfaction of the Banks, in the case of Revolving Loans and Standby Letters of Credit, and the Money Market Bank, in the case of Money Market Loans, of the further conditions precedent that, on the Funding Date for such Revolving Loan or Money Market Loan or the issuance date for such Standby Letter of Credit, as the case may be:

(i) the Agent shall have received a Borrowing Notice (except as otherwise provided in the last sentence of Section 2.2(a) of this Agreement) in accordance with Section 2.2(a) or the Money Market Bank shall have received a Money Market Borrowing Notice in accordance with Section 2.4(c) or the Issuing Bank shall have received a request for a Standby Letter of Credit in accordance with Section 2.3(c), as the case may be, in each case executed by an Authorized Officer of the Representative Borrower (or other officer of the Representative Borrower designated by such Authorized Officer as having authority to execute such notice);

(ii) the prospect of payment of all obligations and liabilities outstanding or to become outstanding under this Agreement is not impaired due to acts or events materially bearing upon the financial condition of the Borrowers and their respective Consolidated Subsidiaries (taken as a whole), as determined by the Required Banks (or, in the case of Money Market Loans, the Money Market Bank) in their sole discretion;

(iii) since the date of the most recent financial statements or projections provided to the Banks, there shall have been no material adverse change in the Borrowers' or their respective Consolidated Subsidiaries' (taken as a whole) financial condition or in the Borrowers' or their respective Consolidated Subsidiaries' (taken as a whole) assets or prospects, in each case as determined by the Required Banks (or, in the case of Money Market Loans, the Money Market Bank) in their sole discretion;

(iv) the representations and warranties of the Borrowers and the Pledgors contained in Article V of this Agreement and in the Pledge Agreement are true and correct as of such Funding Date (or, in the case of Standby Letters of Credit, the date of issuance thereof) as though made on and as of such Funding Date (or, in the case of Standby Letters of Credit, the date of issuance thereof) (and, if any such representation and warranty shall not be true and correct, the Representative Borrower shall describe in writing to the Agent the nature of such misrepresentation and warranty);

(v) No event has occurred and is continuing, or would result from such Revolving Loan or Money Market Loan after giving effect to the application of the proceeds therefrom or from the issuance of such Standby Letter of Credit if the beneficiary thereof were to fully draw upon

such Standby Letter of Credit on the date of issuance, which constitutes an Event of Default or would constitute a Potential Event of Default; and

(vi) the Agent shall have received a certificate, addressed to the Banks (or, in the case of a Money Market Loan, the Money Market Bank), of an Authorized Officer of the Representative Borrower, dated the date of the Borrowing Notice, certifying that the matters contained in clauses (iii),
(iv) and (v) of this Section 4.2 are true and correct.

ARTICLE V

REPRESENTATIONS

In order to induce the Banks and the Agent to enter into this Agreement and make the Loans contemplated by the terms hereof, the Representative Borrower represents and warrants with respect to itself and each other Borrower and CACI N.V. and any Subsidiary of any thereof, as the context shall require, as of the date hereof and as of the Effective Date that:

Section 5.1 EXISTENCE, POWER AND AUTHORITY. Each Borrower and each Subsidiary thereof is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, with full corporate power and authority to carry on its business as currently con-

ducted and to own or hold under lease its property; each Borrower and each Subsidiary thereof is duly qualified to do business as a foreign corporation in good standing in each other jurisdiction in which the conduct of its business or the maintenance of its property requires it to be so qualified and where the failure to be so qualified would have a material adverse effect on the financial condition, business or operation of such Borrower or Subsidiary; and, each Borrower and CACI N.V. has full corporate power and authority to execute and deliver the Loan Documents to which they are a party and to carry out the transactions contemplated thereby.

Section 5.2 AUTHORIZATION; ENFORCEABLE OBLIGATIONS. As of the Effective Date and thereafter, each Loan Document to which the Borrowers and CACI N.V. are a party has been duly authorized, executed and delivered by each Borrower and CACI N.V. and constitutes legal, valid and binding obligations of such Borrower and CACI N.V. enforceable against such Borrower and CACI N.V. in accordance with their respective terms (except as such enforceability may be limited by general principles of the law of equity or by any applicable bankruptcy, reorganization, insolvency, moratorium or similar laws and laws affecting creditors' rights generally).

Section 5.3 NO LEGAL BAR. The execution, delivery and performance by each Borrower and CACI N.V. of the Loan Documents to which they are a party
(i) do not violate the certificate of incorporation, by-laws or any preferred stock provision of such Borrower or CACI N.V., (ii) do not violate or conflict with any law, governmental rule or regulation or any judgment, writ, order, injunction, award or decree of any court, arbitrator, administrative agency or other governmental authority applicable to such Borrower or CACI N.V. or any indenture, mortgage, contract, agreement or other undertaking or instrument to which such Borrower or CACI N.V. is a party or by which their respective property may be bound and/or (iii) do not and will not result in the creation or imposition of any lien, mortgage, security interest or other encumbrance on any of its property pursuant to the provisions of any such indenture, mortgage, contract, agreement or other undertaking or instrument.

Section 5.4 CONSENTS. The execution, delivery and performance by each Borrower and CACI N.V. of the Loan Documents to which they are a party do not require any consent, which has not been obtained, of any other Person
(including, without limitation, stockholders of such Borrower or CACI N.V.)
or any consent, license, permit, authorization or other approval of, any giving of notice to, exemption by, any registration, declaration or filing with, or any taking of any other action in respect of, any court, arbitrator, administrative agency or other governmental authority.

Section 5.5 LITIGATION. Except as set forth on Schedule 5.5 hereto, there is no action, suit, investigation or proceeding by or before any court, arbitrator, administrative agency or other governmental authority pending or, to the knowledge of each Borrower or CACI N.V., threatened (i) which involves any of the transactions contemplated by this Agreement or (ii) against or affecting such Borrower or CACI N.V. or any Subsidiary of any thereof which could in the reasonable judgment of the Representative Borrower materially adversely affect the financial condition, business or operation of such Borrower or CACI N.V. or any Subsidiary of any thereof.

Section 5.6 NO DEFAULT. Except as set forth on Schedule 5.6 hereto in writing, neither any Borrower or CACI N.V. nor any Subsidiary of any thereof is in default under any material order, writ, injunction, award or decree of any court, arbitrator, administrative agency or other governmental authority binding upon it or its property, or any material indenture, mortgage, contract, agreement or other undertaking or instrument to which it is a party or by which its property may be bound, and nothing has occurred which would materially adversely affect the ability of any of them to carry on their respective business or perform their respective obligations under any such material order, writ, injunction, award or decree or any such material indenture, mortgage, contract, agreement or other undertaking or instrument.

Section 5.7 FINANCIAL CONDITION. The financial statements of the Borrowers (including the Representative Borrowers' Form 10-K and Form 10-Q) and their Subsidiaries, copies of which have been furnished to the Banks, were prepared in accordance with GAAP and are complete and correct and fairly and accurately present the financial condition of the Borrowers and their Subsidiaries (taken as a whole) as of their dates and the results of their operations for the periods then end. There has been no material adverse change in the financial condition of

the Representative Borrower and the other Borrowers (taken as a whole) or the results of their operations since the date of such financial statements.

Section 5.8 USE OF PROCEEDS. None of the proceeds of the Revolving Loans or the Money Market Loans shall be used to purchase or carry, or reduce or retire or refinance any credit incurred to purchase or carry, any margin stock (within the meaning of Regulations G, U and X of the Board of Governors of the Federal Reserve system) or to extend credit to others for the purchasing or carrying of any margin stock. No Borrower is engaged in the business of extending credit for the purpose of purchasing or carrying any margin stock.

Section 5.9 BORROWER NOT AN INVESTMENT COMPANY. No Borrower is an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

Section 5.10 TAXES. The Borrowers and their Subsidiaries have filed or caused to be filed all tax returns which are required to be filed by them and have paid or caused to be paid all taxes which have been shown to be due and payable by such returns or (except to the extent being contested in good faith and for the payment of which adequate reserves have been provided) tax assessments received by any Borrower or any Subsidiary thereof to the extent that such taxes have become due and payable.

Section 5.11 ENVIRONMENTAL MATTERS. The Borrowers and their Subsidiaries conduct their respective operations in compliance with all applicable laws and regulations concerning the discharge of substances into the environment and other environmental control matters, except to the extent that non- compliance would not have a material adverse effect on the business, results of operations or condition (financial or otherwise) of the Borrowers (taken as a whole). No Borrower or any Subsidiary thereof has any liability, contingent or otherwise, under any law, ordinance or regulation relating to the storage, transport, disposal or release of "oil", "petroleum products", "hazardous substance", "hazardous waste", "hazardous material", "hazardous chemical substance", "refuse" or any other term of similar import (as such terms are defined in any such law, ordinance or regulation), except to the extent that any such liability would not have a material adverse effect on the business, results of operations or condition (financial or otherwise) of the Borrowers (taken as a whole).

Section 5.12 SUBSIDIARIES. There are no Affiliates or Subsidiaries (consolidated or otherwise, direct or indirect) of the Representative Borrower other than (i) the other Borrowers, (ii) the Foreign Subsidiaries set forth on Schedule 5.12 hereof and (iii) in the case of Affiliates, certain other Persons disclosed in writing to the Banks prior to the date hereof. The Representative Borrower is the holder (either directly or indirectly) of all of the outstanding shares of capital stock of each Borrower (other than the Representative Borrower) and, except as otherwise provided in the proviso contained in Section 6.1(q) hereof, of each Foreign Subsidiary. All Foreign Subsidiaries other than CACI Limited, CACI Virgin Islands, Inc., a corporation organized under the laws of the United States Virgin Islands, and CACI Nederland B.V., a corporation organized under the laws of The Netherlands, are non-operating companies. Except for CACI N.V. and CACI Limited, no Foreign Subsidiary is material to the financial condition or assets of the Borrowers and their Consolidated Subsidiaries, taken as a whole.

ARTICLE VI

COVENANTS

Section 6.1 AFFIRMATIVE COVENANTS. The Representative Borrower covenants and agrees for itself, each other Borrower, CACI N.V. and any Subsidiary of any thereof, as the context shall require, that, so long as this Agreement shall remain in effect or any Obligation shall remain unpaid:

(a) AUDITED ANNUAL FINANCIALS. The Representative Borrower shall deliver to the Agent and each Bank, as soon as available but within 90 days of the end of each fiscal year of the Representative Borrower ending June 30 (each such year, a "Fiscal Year"), a full and complete set of the annual audited consolidated financial statements (including statements of financial condition, income, cash flows and changes in shareholders' equity), together with all notes thereto, of the Representative Borrower and its Consolidated Subsidiaries prepared in accordance with GAAP and certified by an independent accounting firm of national recognition reasonably acceptable to the Required Banks (which certificate shall be accompanied by an unqualified opinion of such accounting firm of such statements).

(b) QUARTERLY FINANCIAL STATEMENTS. The Representative Borrower shall deliver to the Agent and each Bank, as soon as available but within 45 days following the end of each of the Representative Borrower's Fiscal Quarters, internally prepared consolidated and consolidating financial statements of the Representative Borrower and its Consolidated Subsidiaries (including a balance sheet, income statement and statement of cash flows), together with
(i) a report detailing the aggregate amount and current age status of accounts receivable of the Representative Borrower and any of its Consolidated Subsidiaries, (ii) a report, substantially in the form of Exhibit D hereof, describing the current status of goods or services on backlog with the Representative Borrower or any such Consolidated Subsidiary and (iii) a worksheet, in reasonable detail, of the calculation described in
Section 2.5 hereof, in each case as of the end of such Fiscal Quarter. The financial statements and reports required to be delivered under this clause
(b) shall be accompanied by a certificate of an Authorized Officer of the Representative Borrower, to the effect that the information contained therein is true and accurate as of the date of such certificate.

(c) EXCHANGE ACT AND SECURITIES ACT FILINGS. The Representative Borrower shall deliver to each Bank and the Agent, within 5 days following the filing with the SEC, copies of all filings by it or any of its Subsidiaries under the Exchange Act (including reports on Forms 10-Q, 10-K and 8-K) and registration statements filed with the SEC under either the Securities Act or the Exchange Act. The Representative

Borrower shall deliver to each Bank and the Agent copies of all of the Representative Borrower's Annual Reports and Proxy Statements and, at the request of such Bank, any other shareholder communication.

(d) TAX FORMS. From time to time, each Borrower that is not created or organized under the laws of any State of the United States of America or the District of Columbia shall cooperate with each Bank and shall execute and deliver to such Bank in a timely manner such forms (including Internal Revenue Service Forms) and certificates as such Bank shall reasonably request, in each case for the purpose of confirming that such Bank is capable, under the provisions of any applicable tax treaty concluded with the United States of America or any other applicable law, of receiving payments of interest hereunder without deduction or withholding of any tax. In the event that any such tax shall be required to be withheld or deducted, the Representative Borrower shall pay to such Bank an amount that would fully indemnify such Bank for such withheld or deducted amount.

(e) SENIOR FUNDED DEBT TO EBITDA RATIO. The Borrowers and their respective Subsidiaries, taken as a whole, shall maintain, for (and at all times during) each Fiscal Quarter beginning with the Fiscal Quarter ending June 30, 1996 (the "Initial Fiscal Quarter"), a ratio of Senior Funded Debt to EBITDA of not greater than 2.50 to 1.00.

(f) CONSOLIDATED TANGIBLE NET WORTH. The Borrowers and their respective Subsidiaries, taken as a whole, shall maintain, for (and at all times during) each Fiscal Quarter beginning with the Initial Fiscal Quarter, a Consolidated Tangible Net Worth of not less than (i) $25,000,000.00 plus (ii) fifty percent (50%) of Consolidated Net Income (computed on a cumulative basis for each Fiscal Quarter during the term of this Agreement, from the Initial Fiscal Quarter to the date of determination without deducting any net losses during any Fiscal Quarter in which there was a net loss) plus (iii) the net proceeds from the issuance of any capital stock of the Representative Borrower as determined on a cumulative basis.

(g) CONSOLIDATED FIXED CHARGE COVERAGE RATIO. The Borrowers and their respective Subsidiaries, taken as a whole, shall at all times maintain, for (and at all times during) each Fiscal Quarter beginning with the Initial Fiscal Quarter, a ratio of Consolidated Cash Flow to Consolidated Fixed Charges of not less than 1.65 to 1.00. The ratio contemplated by this clause
(g) shall be computed on a rolling four quarter basis and shall include the Fiscal Quarter for which such ratio shall be determined plus the immediately preceding three Fiscal Quarters.

(h) QUICK ASSETS TO SENIOR FUNDED DEBT. The Borrowers and their respective Subsidiaries, taken as a whole, shall maintain, for (and at all times during) each Fiscal Quarter beginning with the Initial Fiscal Quarter a ratio of (i) the sum of all cash and Cash Equivalents of the Borrowers and their respective Subsidiaries plus the sum of the net current accounts receivable of all Borrowers and their respective Subsidiaries to (ii) Senior Funded Debt of not less than 1.50 to 1.00.

(i) PAYMENT OF DEBTS AND TAXES. Each Borrower and any Subsidiary thereof shall pay all debts, liabilities, taxes, assessments and other governmental charges when due in the ordinary course; provided, however, that no such debt, liability, tax, assessment or other governmental charge need be paid if such is being contested in good faith by appropriate legal proceedings promptly initiated and diligently conducted and if such reserves or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor.

(j) CONDUCT OF BUSINESS. Each Borrower and its Subsidiaries shall continue to engage in business of the same general type as now conducted by such Borrower or Subsidiary. Each Borrower and its Subsidiaries will conduct and manage their respective business and affairs in the ordinary course, and shall take all steps necessary and reasonable for the purpose of preserving the value of their respective business and assets.

(k) PRESERVATION OF CORPORATE EXISTENCE. Each Borrower and any Subsidiary thereof shall at all times preserve and keep in full force and effect their respective corporate existence and their respective rights, privileges, licenses and franchises which are necessary in the normal conduct of their business; provided, however, that without the consent of the Required Banks, the Representative Borrower may cause any non-operating Subsidiary not a party to any Loan Document or CACI Nederland B.V. to cease its corporate existence so long as the assets of such entity are distributed to its parent company prior to such cessation.

(l) BOOKS AND RECORDS. Each Borrower and any Subsidiary thereof shall at all times keep and maintain complete and accurate books, accounts and records of its operations and affairs in accordance with customary and sound business practices, and shall permit each Bank and the Agent and their respective officers, employees, agents and representatives to, from time to time upon reasonable notice, have access to its place of business, examine such books, accounts and records and make copies thereof and discuss the affairs and finances of such Borrower or such Subsidiary with any of their respective officers or directors.

(m) INSURANCE. Each Borrower and any Subsidiary thereof shall maintain in full force and effect policies of insurance with responsible and reputable insurance companies or associations in such amounts as are within an acceptable range for and covering such risks as are usually and customarily insured against by companies engaged in similar businesses and owning similar properties in the same general area in which such Borrower or Subsidiary is engaged.

(n) COMPLIANCE WITH LAWS. Each Borrower and any Subsidiary thereof shall comply with all applicable laws, rules, regulations and orders of any governmental or regulatory body or authority, a breach of which could have a material adverse effect on the financial condition or business of the Representative Borrower and its Consolidated Subsidiaries (taken as a whole).

(o) COMPLIANCE WITH LOAN DOCUMENTS. Each Borrower and CACI N.V. shall comply with the terms and agreements contained in each Loan Document to which they are a party.

(p) BANKING RELATIONSHIP WITH THE AGENT. The Representative Borrower shall maintain with the Agent the Representative Borrower Account.

(q) PARENT OWNERSHIP OF CONSOLIDATED SUBSIDIARIES. The Representative Borrower will, at all times, either directly or indirectly own all of the shares of each class of capital stock of each other Borrower and any Subsidiary thereof; provided, however, that, in the case of any Foreign Subsidiary, not more than three percent (3%) of such shares may be owned by Persons other than any Borrower or Subsidiary thereof. So long as any Obligation remains outstanding, the Representative Borrower shall continue to consolidate the accounts of each its Foreign and Domestic Subsidiaries on the consolidated financial statements of the Representative Borrower.

(r) NOTICE OF DEFAULT. The Representative Borrower shall, promptly after becoming aware thereof, deliver to each Bank and the Agent notice of any Event of Default and Potential Event of Default.

(s) NOTICE OF ENVIRONMENTAL CLAIMS. The Representative Borrower shall deliver to each Bank and the Agent a copy of any notice or other communication (i) alleging any violation by any Borrower or any Subsidiary thereof of any laws or regulations concerning the discharge of substances into the environment and other environmental control matters or (ii) under which any Borrower or Subsidiary shall admit to any such violation. Each copy of any such notice shall be delivered to the Banks and the Agent promptly following the receipt or issuance thereof by such Borrower or Subsidiary.

(t) PAYMENTS PARI PASSU. Under applicable laws in force from time to time, the claims and rights of the Banks and the Agent against the Borrowers under the Loan Documents will not be subordinate to, and will rank at least pari passu with, the claims and rights of each other unsecured creditor of the Borrowers and their Subsidiaries.

Section 6.2 NEGATIVE COVENANTS. The Representative Borrower covenants and agrees for itself, each other Borrower, CACI N.V. and any Subsidiary of any thereof that, so long as this Agreement shall remain in effect or any Obligation shall remain unpaid:

(a) LIENS. The Borrowers and all Subsidiaries thereof, taken as a whole, shall not, directly or indirectly, create, incur, assume, grant, pledge or permit to exist any Lien on the property or assets of the Borrowers and Subsidiaries, taken as a whole, whether now owned or hereafter acquired, or any income or profits therefrom, other than:

(i) any Lien (other than a Lien arising out of a purchase money security interest) which, together with all such other similar Liens, are no greater than $250,000;

(ii) any Lien which shall constitute a purchase money security interest which, together with all such other similar Liens, are no greater than $5,000,000; and

(iii) the Lien granted by the Pledgors under the Pledge Agreement.

(b) INDEBTEDNESS. No Borrower or any Subsidiary thereof shall, directly or indirectly, create, incur, assume or otherwise become or remain directly or indirectly liable with respect to, any Indebtedness, other than:

(i) the Indebtedness incurred hereunder and evidenced by the Revolving Notes and the Money Market Note;

(ii) the Indebtedness incurred by CACI Limited under the loan documents evidencing the U.K. Debt;

(iii) the Indebtedness evidenced by the Standby Letters of Credit, if any, issued by the Bank in accordance with Section 2.3 hereof;

(iv) Indebtedness of the type described in clauses (i) and (ii) of
Section 6.2(a) which does not exceed (in each case in the aggregate and as to the Borrowers and their Subsidiaries, taken as a whole) the respective amounts set forth in such clauses (i) and (ii) of Section 6.2(a);

(v) (A) any guarantee, suretyship agreement, other similar arrangement effecting the assumption of a debt or obligation of any other Borrower or Subsidiary thereof, or the endorsement of any promissory note or other instrument of obligation of any other Borrower or Subsidiary thereof, in each case which is entered into in the ordinary course of any Borrower's or Subsidiary's business and is necessary and beneficial in connection with the operation thereof, or (B) any guarantee, suretyship agreement, other similar arrangement effecting the assumption of a debt or obligation of any Person (other than any Borrower or Subsidiary thereof), or the endorsement of any promissory note or other instrument of obligation of any Person (other than any Borrower or Subsidiary thereof), in each case which is entered into in the ordinary course of any Borrower's or its Subsidiaries' business, is necessary and beneficial in connection with the operation thereof and the aggregate amount of all such guarantees, suretyship agreements, or other similar arrangements shall not exceed in the aggregate $1,000,000.00; and

(vi) trade debt, operating leases, accounts payable and other similar indebtedness incurred in the ordinary course of any Borrower's or its

Subsidiaries' business.

(c) CAPITAL STOCK. Without the prior written consent of the Required Banks, no Borrower or any Subsidiary thereof shall, directly or indirectly, repurchase, redeem or retire any of their capital stock, create new classes of capital stock, declare or pay any cash dividends on their capital stock, except that the Representative Borrower may:

(i) repurchase from time to time the capital stock of the Representative Borrower provided such repurchases do not, throughout the term of this Agreement, exceed in the aggregate $10,000,000.00 and, provided further, that after giving effect to any such repurchase, the Borrowers shall be in compliance with all provisions of this Agreement (including, without limitation, all financial ratios contained in Section 6.1 hereof based on the financial statements most recently provided by the Representative Borrower to the Banks);

(ii) declare and pay dividends or make other distributions on its capital stock if the Borrowers would be in compliance with all provisions of this Agreement, including without limitation the financial ratios contained in Section 6.1 hereof after giving effect to the payment or distribution thereof; and

(iii) issue securities authorized under stock incentive plans described in the Representative Borrower's Form 10-K or Proxy Statement.

(d) LOAN. No Borrower (or any Subsidiary thereof) shall, directly or indirectly, make any loans or advances to any corporate officers or directors, or any employees, or any insiders or affiliates (as defined in the Exchange Act) or to any Subsidiary of any thereof not a party hereto, other than:

(i) travel, relocation and other salary advances made in the ordinary course of any Borrower's or its Subsidiaries' business;

(ii) loan to any Subsidiary of any Borrower not a party hereto proceeds of the Revolving Loans or Money Market Loans for the purpose of financing the acquisition of any Target as contemplated by, and in accordance with the limitations contained in, Section 6.1(e) hereof (provided such Subsidiary shall agree to be bound by the Loan Documents in accordance with
Section 6.2(h) hereof); and

(iii) loans to any officer of the Representative Borrower for the purpose of enabling such officer to purchase securities of the type described in Section 6.2(c)(iii) hereof; provided that the aggregate amount of all loans made pursuant to this clause and outstanding from time to time shall not exceed $500,000.00.

(e) NO MERGER OR ACQUISITION. Without the prior written consent of the Required Banks, no Borrower or any Subsidiary thereof shall acquire, whether by stock or asset purchase, merger, consolidation or other business combination, any corporation, partnership, joint venture or other business organization (any such entity, the "Target"); provided, however, that the Representative Borrower or any direct or indirect Consolidated Subsidiary thereof may acquire, either by way of stock or asset acquisition, merger, consolidation or otherwise, one or more Targets if:

(i) during the period beginning on the Effective Date and ending on the first anniversary thereof, the aggregate consideration (whether such consideration shall consist of stock, cash, the assumption of debt, or otherwise, and whether or not paid at closing or deferred) (any such consideration, "Acquisition Consideration") paid for all Targets acquired during such period shall not exceed $30,000,000.00;

(ii) during the period beginning on the Effective Date and ending on the second anniversary thereof, the aggregate Acquisition Consideration paid for all Targets acquired during such period shall not exceed $40,000,000.00;

(iii) during the period beginning on the Effective Date and ending on the third anniversary thereof, the aggregate Acquisition Consideration paid for all Targets acquired during such period shall not exceed $50,000,000.00;

(iv) the Borrowers and their respective Subsidiaries shall, after giving effect to the acquisition of any such Target as provided above, be in compliance with all of the terms of this Agreement including the financial covenants described in Sections 6.1(e), Section 6.1(f) and 6.1(g) hereof as determined on a pro-forma basis, provided further that:

(A) in the case of calculating the pro-forma Senior Funded Debt to EBITDA ratio pursuant to Section 6.1(e) hereof, (1) Senior Funded Debt shall be determined after giving effect to the acquisition of the Target, and
(2) EBITDA shall be determined on the basis of the lesser of (x) EBITDA for the 12 months immediately preceding the month of such acquisition with out taking into account such acquisition and (y) pro-forma EBITDA for the 12 months immediately preceding the month of such acquisition after taking into account such acquisition;

(B) in the case of calculating pro-forma compliance with the Fixed Charge Coverage Ratio pursuant to Section 6.1(g) hereof, Consolidated Cash Flow shall be determined on the basis of the lesser of (1) Consolidated Cash Flow for the 12 months immediately preceding the month of such acquisition without taking into account such acquisition (in which case Consolidated Fixed Charges shall be determined on the basis of the 12 months immediately preceding the month of such acquisition without taking into account such acquisition) and (2) pro-forma Consolidated Cash Flow for the 12 months immediately preceding the month of such acquisition after taking into account such acquisition (in

which case Consolidated Fixed Charges shall be determined on the basis of the pro-forma Consolidated Fixed Charges for the 12 months immediately preceding the month of such acquisition after taking into account such acquisition); and

(C) in addition to complying with the pro-forma Fixed Charge Coverage Ratio as provided in clause (B) above, the Fixed Charge Coverage Ratio pursuant to Section 6.1(g) hereof shall, on a pro forma basis after giving effect to such acquisition, be equal to or greater than 1.20 to 1.00, where for the purposes of such computation Consolidated Cash Flow shall be determined on the basis of the lesser of (1) Consolidated Cash Flow for the 12 months immediately preceding the month of such acquisition without taking into account such acquisition (in which case Consolidated Fixed Charges shall be determined on the basis of the 12 months immediately preceding the month of such acquisition without taking into account such acquisition plus 20% of all indebtedness of whatever nature to be incurred or assumed in connection with such acquisition), and (2) pro-forma Consolidated Cash Flow for the 12 months immediately preceding the month of such acquisition after taking into account such acquisition (in which case Consolidated Fixed Charges shall be determined on the basis of the pro-forma Consolidated Fixed Charges for the 12 months immediately preceding the month of such acquisition after taking into account such acquisition plus 20% of all indebtedness of whatever nature to be incurred or assumed in connection with such acquisition);

(v) such acquisition, merger, consolidation (or otherwise) is not hostile or pursued by way of tender offer, proxy contest or other contested manner (unless the Required Banks shall have waived in writing compliance with this clause (v)); and

(vi) three (3) Business Days prior to consummation thereof, the Representative Borrower shall have delivered to the Agent (which shall promptly deliver a copy to the Banks) a certificate, executed by an Authorized Officer of the Representative Borrower, demonstrating in sufficient detail compliance with the financial covenants contained in this
Section 6.2(e) and, further, certifying that, after giving effect to the consummation of such acquisition, merger, consolidation (or otherwise), the representations and warranties of the Borrowers contained herein will be true and correct and that the Borrowers, as of the date of such consummation, will be in compliance with all other terms and conditions contained herein.

(f) MODIFICATIONS OF U.K. DEBT. CACI Limited shall not amend or modify in any respect any of the agreements or instruments delivered in connection with the U.K. Debt, the effect of which would, as a result thereof, contravene any of the provisions contained herein, increase the aggregate amount of the loan facility thereunder (which, as of the date hereof, is 500,000 Pounds Sterling) or otherwise adversely effect the ability of the Borrowers to make any payments of the principal of, or interest on, any Loan or of any Unused Portion Fee or Administrative Fee or L/C Fee or of any other amounts payable hereunder, in each case in accordance with the provisions hereof.

(g) FISCAL YEAR. The Representative Borrower and the other Borrowers shall not, without the prior written consent of the Required Banks, make any material change in accounting policies or reporting practices, including a change in their Fiscal Year.

(h) ADVANCES TO SUBSIDIARIES AND AFFILIATES. No Borrower shall, without the prior written consent of the Required Banks, make any advances (either directly or indirectly), whether such advances are made from the proceeds of the Revolving Loans, any Money Market Loan or Standby Letters of Credit or otherwise, to any of their respective Subsidiaries or Affiliates not a party hereto unless any such Subsidiary or Affiliate shall have entered into an agreement and/or instrument (in form and substance acceptable to the Required Banks) pursuant to which such Subsidiary or Affiliate shall have agreed to be bound by all of the terms, conditions, covenants and agreements contained herein and in the other Loan Documents, and such Subsidiary or Affiliate shall have delivered such documents, certificates and opinions as any Bank may reasonably request to implement such agreement.

(i) CREATION OF SUBSIDIARIES. No Borrower or any Subsidiary thereof shall create or cause to be formed any Subsidiary without the consent of the Required Banks unless such Subsidiary is a Consolidated Subsidiary of any Borrower and agrees to be bound by the terms and conditions of this Agreement pursuant to an agreement of the type and to the extent described in clause
(h) above.

(j) DISPOSITION OF ASSETS. No Borrower or Subsidiary thereof shall, without the prior written consent of the Required Banks, sell, transfer or otherwise dispose of (including by way of a sale and leaseback transaction) any its assets (whether real or personal) other than in the ordinary and usual course of its business.

(k) PERMITTED INVESTMENTS. No Borrower or Subsidiary thereof shall, without the prior written consent of the Required Banks, make any investment in any security (whether consisting of debt or equity or a partnership, limited liability company or other interest) or like instrument except for Permitted Investments (it being understood and agreed that this clause (k) shall not prohibit the investment in any Target to the extent permitted by the provisions of Section 6.2(e) hereof).

ARTICLE VII

EVENTS OF DEFAULT

Section 7.1. EVENTS OF DEFAULT. If one or more of the following events or conditions (each, an "Event of Default") shall occur and be continuing, that is to say:

(a) the Borrowers shall default in the payment of principal of any Revolving Note or the Money Market Note when due; or

(b) the Borrowers shall default in the payment of interest on any Loan, or of the Unused Portion Fee, the Administrative Fee, any L/C Fee or of any other fee, expense or other amount payable hereunder after the same becomes due and payable for more than three (3) Business Days after notice thereof has been given by the Agent to the Representative Borrower (which notice may be telephonic); or

(c) any Borrower shall default in any payment of principal of or interest on, or fees and expenses relating to any other obligation for borrowed money
(including without limitation the obligations arising under the U.K. Debt) beyond any period of grace provided with respect thereto or in the performance of any other agreement, term or condition contained in any instrument or agreement evidencing, securing, guaranteeing or otherwise relating to any such obligation and shall not have cured such default within any period of grace provided by such agreement and such obligation, either individually or in the aggregate, is for an amount in excess of $250,000 of the Indebtedness of the Borrowers; or

(d) any written representation or warranty made by any Borrower or Pledgor in or pursuant to this Agreement or any other Loan Document or in any other documents, certificates, financial statements or reports furnished by any Borrower or Pledgor or any Subsidiary of any thereof in connection with the transactions contemplated hereby shall prove to have been false or misleading in any material respect as of the time made or furnished; or

(e) (i) any Borrower shall default in the performance or observance of any covenant, condition or agreement contained in clause (c), (d), (h), (j), (k),
(l), (m), (s) or (t) of Section 6.1 and such default shall remained unremedied for more than ten (10) Business Days, or (ii) any Borrower shall default in the performance or observance of any other covenant, condition or agreement contained in Section 6.1 or any covenant, condition or agreement contained in Section 6.2; or

(f) any Borrower shall default in the performance or observance of any other covenant, condition or provision hereof or in any other Loan Document or any Pledgor shall default in the performance or observance of any covenant, condition or provision in the Pledge Agreement, and such default shall not be remedied within thirty (30) days after written notice thereof is received by the Representative Borrower (or, in the case of a default under the Pledge Agreement, the applicable Pledgor) from any Bank or the Agent; or

(g) a proceeding (other than a proceeding commenced by any Borrower or any Subsidiary thereof, as the case may be) shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of such Borrower or Subsidiary in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such Borrower or Subsidiary or for any substantial part of its total assets, or for the winding-up or liquidation of its affairs and such proceedings shall remain undismissed or unstayed and in effect for a period of thirty (30) consecutive days or such court shall enter a decree or order granting the relief sought in such proceeding; or

(h) any Borrower or any Subsidiary thereof, as the case may be, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of such Borrower or Subsidiary or for any substantial part of its total assets, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing; or

(i) a judgment or order shall be entered against any Borrower or any Subsidiary thereof, by any court, and (i) in the case of a judgment or order for the payment of money, either (A) such judgment or order shall continue undischarged and unstayed for a period of fifteen (15) days in which the aggregate amount of all such judgments and orders exceeds $100,000 or (B) enforcement proceedings shall have been commenced upon such judgment or order and (ii) in the case of any judgment or order for other than the payment of money, such judgment or order could, in the reasonable judgment of any Bank, together with all other such judgments or orders, have a materially adverse effect on the Borrowers and their respective Subsidiaries taken as a whole; or

(j) subject to the proviso contained in Section 6.1(p) hereof, the Representative Borrower shall cease to own (either directly or indirectly) 100% of the outstanding capital stock of the Borrowers and their respective Subsidiaries; or

(k) the occurrence of a material adverse change in the financial condition, properties or assets of the Representative Borrower and its Consolidated Subsidiaries, taken as a whole; or

(l) (i) any Termination Event shall occur with respect to any Benefit Plan (it being understood and agreed that the termination of the Representative Borrower's defined contribution plan in connection with the Representative Borrower's reorganization of its Benefit Plans shall not constitute an Event of Default hereunder provided such plan is fully funded at the time of termination), (ii) any Accumulated Funding Deficiency, whether or not waived, shall exist with respect to any Benefit Plan, (iii) any Person shall engage in any Prohibited Transaction involving any Benefit Plan, (iv) any Borrower or any ERISA Affiliate shall be in "default" (as defined in ERISA Section 4219(c)(5)) with respect to payments owing to a Multiemployer Benefit Plan as a result of such Borrower's or any ERISA Affiliate's complete or partial withdrawal (as described in ERISA Section 4203 or 4205) from such Multiemployer Benefit Plan, (v) any Borrower or any ERISA Affiliate shall fail to pay when due an amount that is payable by it to the Pension Benefit Guaranty Corporation or to a Benefit Plan under Title IV of ERISA, or (vi) a proceeding shall be instituted by a fiduciary of any Benefit Plan against any Borrower or any ERISA Affiliate to enforce ERISA Section 515 and such proceeding shall not have been dismissed within 30 days thereafter, except that no event or condition referred to in clauses (i) through (vi) shall constitute an Event of Default if it, together with all other such events or conditions at the time existing, has not had, and in the reasonable determination of the Required Banks will not have, a materially adverse effect on the Borrowers and their respective

Subsidiaries, taken as whole; or

(m) if (i) any Borrower or any Subsidiary thereof shall be suspended or debarred from contracting with the United States Government and such suspension or debarment shall not have been lifted within fifteen (15) days after the imposition thereof, or (ii) the United States Government shall have terminated any contract to which any Borrower or any Consolidated Subsidiary thereof is a party and such termination would have a material adverse effect upon the financial condition or prospects of the Representative Borrower and its Consolidated Subsidiaries, taken as a whole;

(n) the occurrence of a Change in Control or a Potential Change in Control;

then, and upon any such event, the Agent, with the consent of the Required Banks, may (1) upon notice to the Representative Borrower, on behalf of the Borrowers, declare the entire outstanding principal amount, if any, of the Revolving Notes, the Money Market Note, any and all accrued and unpaid interest thereon, any and all accrued and unpaid Unused Portion Fee, Administrative Fee and L/C Fees, and any and all other amounts payable by the Borrowers to the Banks or the Agent under this Agreement or the Revolving Notes or the Money Market Note to be forthwith due and payable, whereupon the entire outstanding principal amount, if any, of the Revolving Notes and the Money Market Note, together with any and all accrued and unpaid interest thereon, any and all accrued and unpaid Unused Portion Fee, Administrative Fee and fees in respect of Standby Letters of Credit, and any and all other such amounts and such reimbursement shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrowers; provided, however, that in the event of the entry of an order for relief with respect to any Borrower or its Subsidiary under the Bankruptcy Code, any principal amount of the Revolving Notes and the Money Market Note then outstanding, together with any and all accrued and unpaid interest thereon, any and all accrued and unpaid Unused Portion Fee, Administrative Fee and any fee in respect of any Standby Letter of Credit, and any and all such other amounts shall thereupon automatically become and be due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrowers; (2) terminate or reduce the Revolving Loan Commitment; (3) exercise any rights and remedies available to it under any Loan Document (including without limitation the Pledge Agreement) or under applicable laws, including without limitation any rights and remedies of a secured party under the Uniform Commercial Code in effect in the Commonwealth of Virginia and under any other applicable laws.

ARTICLE VIII

THE AGENT

Section 8.1 APPOINTMENT OF AGENT.

(a) APPOINTMENT GENERALLY. Each of the Banks hereby designates and appoints NationsBank, N.A. as the Agent of such Bank under this Agreement and the other Loan Documents, and each of the Banks hereby irrevocably authorizes the Agent to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers as are set forth herein and therein, together with such other powers as are incidental thereto. The Agent agrees to act as such on the express conditions contained in this Article VIII.

(b) AGENT ACTS FOR BANKS. The provisions of this Article VIII are solely for the benefit of the Agent and the Banks and the Borrowers shall have no right (including as third party beneficiary) to rely on or enforce any of the provisions hereof. In performing its functions and other duties under this Agreement and the other Loan Documents, the Agent shall act solely as agent for the Banks and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for the Borrowers or any of their Affiliates.

Section 8.2 NATURE OF DUTIES; NON-RELIANCE ON AGENT AND OTHER BANKS.

(a) The Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement or in the other Loan Documents. The duties of the Agent shall be mechanical and administrative in nature. The Agent shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Bank and is not a trustee for the Banks. Nothing in this Agreement or any of the other Loan Documents, expressed or implied, is intended to or shall be construed to impose upon the Agent any obligations in respect of this Agreement or any of the other Loan Documents except as expressly set forth herein and therein. If the Agent seeks the consent or approval of the Banks to the taking or refraining from taking of any action hereunder, the Agent shall send notice thereof to each Bank. The Agent shall promptly notify each Bank at any time the Required Banks or all of the Banks, as the case may be, have instructed the Agent to act or refrain from acting pursuant hereto. The Agent may execute any of its duties hereunder or under any other Loan Document by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(b) Each Bank expressly acknowledges that neither the Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Agent or any Affiliate thereof hereinafter taken, including any review of the affairs of any Borrower or any Subsidiary thereof, shall be deemed to constitute any representation or warranty by the Agent to any Bank. Each Bank represents to the Agent that it has, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, assets, operations, property, financial and other conditions, prospects and creditworthiness of the Borrowers and their Subsidiaries and made its own decision to make its Loans and issue or participate in the issuance of Standby Letters of Credit hereunder and enter into this Agreement and the other Loan Documents to which it is a party. Each Bank covenants that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and

decisions in taking or not taking action under this Agreement or any other Loan Document to which it is a party, and to make such investigations as it deems necessary to inform itself as to the business, assets, operations, property, financial and other conditions, prospects and creditworthiness of the Borrowers and their Subsidiaries. Except for notices, reports and other documents expressly required to be furnished to the Banks by the Agent hereunder, the Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning the business, operations, assets, property, financial and other conditions, prospects or creditworthiness of the Borrowers and their Subsidiaries which may come into the possession of the Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 8.3 RIGHTS, EXCULPATION, ETC. Neither the Agent nor any of its Affiliates nor any of their respective officers, directors, employees, agents, attorneys or consultants shall be liable to any Bank for any action taken or omitted by it or such Person hereunder or under any of the other Loan Documents, or in connection herewith or therewith, except that (i) the Agent shall be obligated on the terms set forth herein for performance of its express obligations hereunder, and (ii) neither the Agent nor any such other Person shall have any liability hereunder or under any other Loan Document except to the extent arising out of its own gross negligence or willful misconduct (as determined by the final judgment of a court of competent jurisdiction). The Agent shall not be liable for any apportionment or distribution of payments made by it in good faith pursuant to the terms of this Agreement and if any such apportionment or distribution is subsequently determined to have been made in error the sole recourse of any Bank to whom payment was due, but not made, shall be to recover from other Banks any payment in excess of the amount to which they are determined to have been entitled. The Agent shall not be responsible to any Bank for any recitals, statements, representations or warranties made by any Borrower or Subsidiary thereof in this Agreement or in any other Loan Document or in any other document, certificate report or financial statement delivered by any Borrower or any Subsidiary thereof in connection herewith or therewith or for the execution, effectiveness, genuineness, validity, enforceability, collectibility, or sufficiency of this Agreement or any of the other Loan Documents, or any of the transactions contemplated thereby, or for the financial condition of the Borrowers or any of their respective Subsidiaries. The Agent shall not be required to make any inquiry concerning conditions of this Agreement or any of the Loan Documents or the financial condition of the Borrowers or any of their respective Subsidiaries or the existence or possible existence of any Potential Event of Default or Event of Default. The Agent may at any time request instructions from the Banks with respect to any actions or approvals which by the terms of this Agreement or of any of the other Loan Documents the Agent is permitted or required to take or to grant, and if such instructions are promptly requested, the Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not incur any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from the Required Banks or, to the extent specifically provided herein, all the Banks or unless it shall first be indemnified by the Banks against any and all liability and expense which may be incurred by it by reason of refraining to take any action or withholding any approval. Without limiting the foregoing, no Bank shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Required Banks or, to the extent specifically provided herein, all the Banks, and such instructions shall be binding upon all Banks (including their successors and assigns).

Section 8.4 RELIANCE; NOTICE OF DEFAULT.

(a) The Agent shall be entitled to rely upon any written notice, statement, certificate, order, letter, cablegram, telegram, telecopy, telex or teletype message, statement or other document or any telephone message believed by it in good faith to be genuine and correct and to have been signed or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Loan Documents and its duties hereunder or thereunder, upon advice of legal counsel (including counsel for the Borrowers or the Pledgors), independent public accountants and other experts selected by it with reasonable care. The Agent may deem and treat each Bank as the owner of its interests hereunder for all purposes unless and until the Agent shall have received a duly executed instrument of assignment as contemplated by Section 9.8(c) hereof and the other conditions to assignment, to the extent applicable, shall have been satisfied.

(b) The Agent shall not be deemed to have knowledge or notice of the occurrence of any Event of Default or Potential Event of Default unless the Agent has received notice from a Bank or the Representative Borrower referring to this Agreement, describing such Event of Default of Potential Event of Default and stating that such notice is a "notice of Event of Default" of "notice of Potential Event of Default", as the case may be. The Agent shall take such action with respect to such Event of Default or Potential Event of Default as shall be reasonably directed by the Required Banks.

Section 8.5 INDEMNIFICATION. To the extent that the Agent is not reimbursed and indemnified by the Borrowers or the Borrowers fail upon demand by the Agent to perform their obligations to reimburse or indemnify the Agent, the Banks will severally reimburse and indemnify the Agent for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent in any way relating to or arising out of this Agreement or any of the other Loan Documents or any action taken or omitted by the Agent under this Agreement or any of the other Loan Documents, in proportion to each Bank's Pro Rata Share; provided, that no Bank shall be liable for (i) any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or willful misconduct (as determined by the final judgment of a court of competent jurisdiction) or (ii) the legal fees and expenses incurred by the Agent in connection with the execution and delivery of this Agreement and the other Loan Documents (to the extent not reimbursed by the Borrowers). The obligations of the Banks under this
Section 8.5 shall survive the payment in full of the Revolving Loans and the Money Market Loans and the termination of this Agreement.

Section 8.6 THE AGENT INDIVIDUALLY. With respect to its Pro Rata Share hereunder and the Revolving Loans, Money Markets Loans, if any, and Standby Letters of Credit made by it, the Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Bank. The term "Banks" or "Required Banks" or any similar terms shall, unless the context clearly otherwise indicates, include the Agent in its individual capacity as a Bank. The Agent and its

Affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Borrowers as if it were not acting as Agent pursuant hereto.

Section 8.7 SUCCESSOR AGENT; RESIGNATION OF AGENT.

(a) The Agent may resign from the performance of its functions and duties hereunder at any time by giving at least twenty (20) days' prior written notice to the Banks and the Representative Borrower. In the event that the Agent gives notice of its desire to resign from the performance of its functions and duties as Agent, any such resignation shall take effect only upon the acceptance by a successor Agent of appointment pursuant to clauses
(b) and (c) below.

(b) The Required Banks shall jointly appoint a successor Agent, which shall be a Bank hereunder.

(c) If a successor Agent shall not have been so appointed within said twenty (20) day period, the retiring Agent shall then appoint a successor Agent who shall serve as Agent until such time, if any, as the Banks appoint a successor Agent as provided above, it being understood and agreed that any successor Agent so appointed by the retiring Agent pursuant to this clause
(c) need not be, notwithstanding the provisions of clause (b) above, a Bank hereunder so long as such successor Agent is a commercial bank organized under the laws of the United States of America or of any State thereof or of the District of Columbia and has a combined capital and surplus of at least $400,000,000.00.

(d) Upon the appointment of a successor Agent, the term "Agent" shall, for all purposes of this Agreement and the other Loan Documents, thereafter include such successor Agent, the retiring Agent shall be discharged from its duties and obligations as Agent, as appropriate, under this Agreement and the other Loan Documents and the successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, except that the retiring Agent shall reserve all rights as to obligations accrued or due to it, in its capacity as such, at the time of such succession and all rights (whenever arising) under Section 9.10 hereof.

Section 8.8 CERTAIN MATTERS REQUIRING THE CONSENT OF ALL BANKS. Subject to the provisions of Section 8.9(ii) hereof, the consent of all the Banks shall be required for taking any of the following required or permitted actions hereunder:

(i) any decrease or increase in any interest rate or margin applicable to any Loan or in any fee payable hereunder;

(ii) any change in the Maturity Date;

(iii) any increase in the Facility Amount (except for such increases following a reduction in the Facility Amount as contemplated by Section 2.5 hereof); and

(iv) any postponement of the date of payment of any principal, interest or fees (other than the Administrative Fee, which may be postponed or waived at the sole discretion of the Agent) due hereunder.

For the avoidance of doubt, all other actions, consents, waivers and amendments permitted or required hereunder by the Banks shall be by the Required Banks (unless such action, consent, waiver or amendment shall relate only to an individual Bank, in which case such action may be taken by such Bank individually).

Section 8.9 DEFAULTING BANKS VOTE NOT COUNTED. Whenever the "Required Banks" or "all the Banks" shall be required or permitted to take any action pursuant to the provisions of any Loan Document, for so long as a Bank shall be in default of its obligation to advance its Pro Rata Share of any Loan or advance any other funds to the Agent or any other Bank as required hereunder:

(i) until the earlier of the cure of such default and the termination of the Revolving Loan Commitment, the term Required Banks for purposes of this Agreement shall mean Banks (excluding all Banks whose default shall have not been cured) whose Pro Rata Shares represent more than fifty percent (50%) of the aggregate Pro Rata Shares of such Banks; and

(ii) until the earlier of the cure of such default and the termination of the Revolving Loan Commitment, the term "all the Banks" for purposes of this Agreement shall mean Banks (excluding all Banks whose default shall have not been cured) whose Pro Rata Shares represent one hundred percent (100%) of the aggregate Pro Rata Shares of such Banks.

ARTICLE IX

MISCELLANEOUS

Section 9.1 AMENDMENTS AND WAIVERS; CUMULATIVE REMEDIES. No delay or failure of any Bank or the Agent or the holder of any the Revolving Notes or the Money Market Note in exercising any right, power or privilege hereunder or under any other Loan Document shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies

of any Bank or the Agent or any other holder of the Revolving Notes or the Money Market Note are cumulative and not exclusive of any rights or remedies which any of them would otherwise have. Neither this Agreement or any other Loan Document, nor any term, condition, representation, warranty, covenant or agreement hereof or thereof, may be changed, waived, discharged or terminated orally but only by an instrument in writing executed by the party against whom such change, waiver, discharge or termination is sought. Any waiver, permit, consent or approval of any kind or character (whether involving a breach, default, provision, condition or term hereof or otherwise) on the part of any Bank or the Agent or any other holder of any Note, or of the Borrowers under this Agreement, or under any other Loan Document shall be effective only in the specific instance and for the purpose for which given and only to the extent set forth specifically in writing. No notice or demand given hereunder shall entitle the recipient thereof to any other or further notice or demand in similar or other circumstances.

Section 9.2 SURVIVAL OF REPRESENTATIONS AND WARRANTIES. All representations, warranties, covenants and agreements of the Borrowers and the Pledgors contained herein or made in writing in connection herewith shall survive the execution and delivery of this Agreement and the Pledge Agreement, the making of Loans hereunder and the issuance of the Notes.

Section 9.3 SUPERVENING ILLEGALITY. If, after the Effective Date, as the result of (i) the adoption of any law, rule or regulation by any Governmental Body, (ii) any change in the existing laws, rules and regulations of any Governmental Body, (iii) the issuance of any order or decree by any Govern-

mental Body, (iv) any change in the interpretation or administration of any applicable law, rule, regulation, order or decree by any Governmental Body (including any central bank or similar agency) charged with the interpretations or administration thereof, or (v) compliance by any Bank with any request or directive (whether or not having the force of law) of any Governmental Body, it shall be unlawful or impossible for any Bank to maintain the Revolving Loans or the Money Market Loans, such Bank shall so notify the Representative Borrower and the Agent and such Bank, by giving the Representative Borrower at least one hundred twenty (120) Business Days' prior written notice, may require the Borrowers to prepay the aggregate principal amount of, and all accrued and unpaid Unused Portion Fee and all other fees and all accrued and unpaid interest on, the Revolving Loans and the Money Market Loans, as the case may be (together with any other amounts that may become payable hereunder as a result thereof, including all amounts pursuant to Section 9.10 of this Agreement), on a Business Day (the "Prepayment Date") specified in such notice. If after the date of this Agreement and prior to the initial Funding Date it shall become unlawful for any Bank to make any Revolving Loans or Money Market Loans hereunder or to maintain its Commitment, this Agreement shall terminate forthwith with respect to such Bank and neither such Bank nor the Borrowers shall have any further rights or obligations under this Agreement, provided, however, that the Borrowers, in the event of any termination pursuant to this second sentence of Section 9.3, shall pay to such Bank the amount of all accrued and unpaid fees, if any, together with all amounts then due pursuant to Section 9.10 hereof. If it shall become unlawful for any such Bank to make any Revolving Loans or Money Market Loans as provided in this Section 9.3, the Revolving Loan Commitment shall automatically be deemed to be decreased in the amount of such Bank's Pro Rata Share, and the Commitment of each such other Bank shall be adjusted accordingly.

Section 9.4 NO REDUCTION IN PAYMENTS. All payments due to the Banks hereunder, and all other terms, conditions, covenants and agreements to be observed and performed by the Borrowers hereunder, shall be made, observed or performed by the Borrowers without any reduction or deduction whatsoever, including any reduction or deduction for any set-off, recoupment, counterclaim (whether sounding in tort, contract or otherwise) or tax.

Section 9.5 STAMP TAXES. The Representative Borrower, on behalf of the Borrowers and the Pledgors, agrees to pay, and to save each Bank harmless from all liability for, any State or Federal stamp, transfer, documentary or similar taxes, assessments or charges (herein "Stamp Taxes"), and any penalties or interest with respect thereto, which may be assessed, levied, collected or imposed by or upon such Bank, or otherwise become payable by such Bank, in connection with the execution and delivery of this Agreement or the Pledge Agreement or the Revolving Notes or the Money Market Note.

Section 9.6 NOTICES. Any notice, statement, request or demand required or permitted hereunder to be in writing may be given by telecopy, telex, cable or other customary means of electronic communication or by registered or certified mail (return receipt requested) or express courier, postage prepaid. All notices, statements, requests and demands given to or made upon any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given or made, in the case of telephonic notice (to the extent expressly permitted hereunder) when made, or in the case of any other type of notice, when actually received, if:

to the Representative Borrower or to any other Borrower (in which case such communication shall be addressed care of the Representative Borrower), to it at:

CACI International Inc 1100 North Glebe Road Arlington, Virginia 22021 Attention: James P. Allen Telephone: (703) 841-7946 Telecopy: (703) 522-6895

if to the Agent, to it at:

NationsBank, N.A.
8300 Greensboro Drive
Fifth Floor
Arlington, Virginia 22102
Attention: James W. Gaittens
Telephone: (703) 761-8022

Telecopy: (703) 761-8059

and if to any Bank, to it at its
address specified opposite its name on the signature pages hereto.

or such other address for notice as any party hereto may designate for itself in a notice to the other party, except in cases where it is expressly provided herein that such notice, statement, request or demand shall not be effective until received by the party to whom it is addressed. Notice to the Representative Borrower in accordance with the provisions hereof shall, for all purposes of this Agreement and the other Loan Documents, constitute and be deemed to be notice to each Borrower.

Section 9.7 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE DEEMED TO BE CONTRACTS UNDER THE LAWS OF THE COMMONWEALTH OF VIRGINIA AND, FOR ALL PURPOSES, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF VIRGINIA WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES.

Section 9.8 SUCCESSORS AND ASSIGNS; PARTICIPATIONS; ASSIGNMENTS.

(a) SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective permitted successors and assigns of the parties hereto, provided that no Borrower may assign or transfer any of its interest hereunder without the prior written consent of the Banks and the Agent.

(b) Any Bank may sell participation in all or any part of the Revolving Loans made by it or its Commitment or any other interest herein or in its Revolving Note or in any other document delivered or instrument delivered in connection herewith to another bank or other entity. In the case of such participation by a Bank, (i) the participant shall not have any rights under this Agreement or the applicable Revolving Note or any other document or instrument delivered in connection herewith (the participant's rights against such Bank in respect of such participation to be those set forth in the agreement executed by such Bank in favor of the participant relating thereto), (ii) all amounts payable by the Borrowers shall be determined as if such Bank had not sold such participation and (iii) the Borrowers shall continue to deal directly with such Bank with respect to the transactions contemplated hereby.

(c) ASSIGNMENTS. Each Bank may assign any of its rights or interests under the Loan Documents to one or more financial institutions, provided that:

(i) each such assignment shall be in an amount not less than $10,000,000.00 (or such lesser amount if, after giving effect to such assignment and all other assignments by such Bank occurring substantially simultaneously therewith, such assigning Bank shall hold no Commitment or any Revolving Loan;

(ii) each such assignment by a Bank of its Commitment or Revolving Loans shall be made in such manner so that the same portion of such Bank's Commitment, Revolving Loans, Revolving Note and obligations in respect of any Standby Letter of Credit is assigned to the respective assignee Bank; and

(iii) if such assignment is made at the request of the Representative Borrower with the consent of the Banks and the Agent, the Borrowers shall pay to the Agent the Administrative Fee with respect to such assignee Bank as provided pursuant to Section 3.7 hereof;

(iv) if such assignment is not being made at the request of the Borrowers, (A) the assignee Bank shall pay to the Agent an annual fee to cover its administrative costs in the amount of $5,000.00, and (B) the assigning Bank shall pay to the Agent a one-time fee in the amount of $2,000.00; and

(v) the Agent shall have consented to such Assignment, which consent shall not be unreasonably withheld or delayed.

Upon execution and delivery by the assignee to the Borrowers and the Agent of an instrument in writing pursuant to which such assignee agrees to be a "Bank" hereunder (if not already a Bank) having the Commitment and Revolving Loans specified in such assignment, and upon the consent of the Agent as provided above, the assignee shall have, to the extent of such assignment, the rights, benefits and obligations of a Bank hereunder holding the Commitment, Revolving Loans (or portions thereof) and Standby Letters of Credit or deemed participations therein, as applicable, assigned to it pursuant to such assignment (in addition to the Commitment, Revolving Loans (or portions thereof) and Standby Letters of Credit or deemed participations therein, as applicable, theretofore held by such assignee), and the assigning Bank shall, to the extent of such assignment, be relieved from its Commitment (or portion thereof) so assigned.

Section 9.9 AFFIRMATIVE RATE OF INTEREST PERMITTED BY LAW. Nothing in this

Agreement or in any Note shall require the Borrowers to pay interest to the Agent for the account of the Banks at a rate exceeding the maximum rate permitted by applicable law to be charged or received by the Banks, it being understood that this Section 9.9 is not intended to make the criminal laws of any jurisdiction applicable in circumstances in which they would not otherwise apply. If the rate of interest specified herein, in any Revolving Note or in the Money Market Note would otherwise exceed the maximum rate so permitted to be charged or received

with respect to any amounts outstanding hereunder or under such Revolving Note or the Money Market Note, the rate of interest required to be paid to the Agent for the account of the Banks shall be automatically reduced to such maximum rate.

Section 9.10 COSTS AND EXPENSES; INDEMNIFICATION.

(a) Without regard to whether the Effective Date shall have come into existence or whether any Revolving Loan or Money Market Loan or Standby Letter of Credit shall have been made or issued hereunder, the Representative Borrower, on behalf of the Borrowers and the Pledgors, shall pay to each Bank and the Agent, as the case may be, and reimburse each Bank and the Agent for, as the case may be, and save each Bank and the Agent, as the case may be, harmless against and indemnify each Bank and the Agent, as the case may be, against losses from:

(i) in the case of the Agent, (x) all out-of-pocket cost and expenses of the Agent in connection with the preparation, execution, delivery, waiver, modification and amendment of this Agreement and any other Loan Document (to the extent applicable) and any other document or instrument delivered in connection with the transactions contemplated hereby, including, without limitation, the reasonable fees and expenses of counsel for the Agent with respect thereto, and (y) all out-of-pocket costs and expenses, if any (including without limitation, reasonable counsel fees and expenses), of such Agent in such capacity in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement and any other Loan Document and any other document or instrument delivered in connection with the transactions contemplated hereby, including, for the avoidance of doubt and without limitation, reasonable counsel fees and expenses in connection with the enforcement of rights under this clause (i); and

(ii) in the case of any Bank, all out-of-pocket costs and expenses, if any (including without limitation, reasonable counsel fees and expenses), of such Bank in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement and any other Loan Document and any other document or instrument delivered in connection with the transactions contemplated hereby, including, for the avoidance of doubt and without limitation, reasonable counsel fees and expenses in connection with the enforcement of rights under this clause (ii).

(b) The Representative Borrower, on behalf of the Borrowers and the Pledgors, shall indemnify and hold harmless each Bank, the Agent and their respective affiliates, officers, directors, employees, agents and advisors (each, an "Indemnified Person") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and disbursements of counsel) which may be incurred by or asserted or awarded against any Indemnified Person in each case arising out of or in connection with or by reason of, or in connection with the preparation for a defense of, any investigation, litigation or proceeding arising out of, related to or in connection with this Agreement, the Pledge Agreement, the Revolving Notes, the Money Market Note and any other document or instrument delivered in connection with the transactions contemplated hereby, whether or not an Indemnified Person is a party hereto or thereto and whether or not the Effective Date shall have come into existence or any Revolving Loan or Money Market Loan or Standby Letter of Credit has been made or issued under this Agreement; provided, however, that, and except as specifically limited by the next succeeding proviso, the Borrowers shall have no obligation to indemnify or hold harmless any Indemnified Person for liability or expenses to the extent arising out of such Indemnified Person's gross negligence or willful misconduct; and provided, further, and that the Borrowers shall have no obligation to indemnify or hold harmless any Indemnified Person for liability or expenses arising out of any investigation, litigation or proceeding instituted by any Borrower against an Indemnified Person if such liability or expenses are attributable to the negligence of such Indemnified Person in the performance of such Indemnified Person's obligations under any Loan Document as finally determined by a court of competent jurisdiction or as mutually agreed upon by such Indemnified Person and the Borrowers (it being understood and agreed that nothing contained in this proviso shall have the effect of limiting or otherwise prejudicing any Indemnified Person's right to indemnification hereunder for liability or expenses arising out of any investigation, litigation or proceeding instituted by any Borrower against an Indemnified Person in connection with any action or inaction taken by such Indemnified Person under, pursuant to or in connection with Section 2.3 hereof unless such liability or expenses are attributable to such Indemnified Person's gross negligence or willful misconduct.

(c) All amounts payable by the Borrowers under this Section 9.10 shall be immediately due upon written request by a Bank or Agent, as the case may be, for the payment thereof. The obligations of the Borrowers under this Section 9.10 shall survive the payment of the Revolving Notes and the Money Market Note.

Section 9.11 SET-OFF; SUSPENSION OF PAYMENT AND PERFORMANCE. Each Bank and the Agent is hereby authorized by the Borrowers, at any time and from time to time, without notice (a) during any Event of Default, to set off against, and to appropriate and apply to the payment of, the liabilities of the Borrowers then due under this Agreement and any other Loan Document any and all liabilities owing by any Bank or the Agent or any of their Affiliates to any Borrower (whether payable in Dollars or any other currency, whether matured or unmatured and, in the case of liabilities that are deposits (including, without limitation, any funds from time to time on deposit in the Representative Borrower Account or other account maintained with any Bank or the Agent Bank, whether general or special, time or demand and however evidenced and whether maintained at a branch or office located within or without the United States), and (b) during any Event of Default, to suspend the payment and performance of such liabilities owing by such Person or its Affiliates and, in the case of liabilities that are deposits, to return as unpaid for insufficient funds any and all checks and other items drawn against such deposits.

Section 9.12 JUDICIAL PROCEEDINGS; WAIVER OF JURY TRIAL. Any judicial proceeding brought against any Borrower with respect to any Credit Agreement Related Claim may be brought in any court of competent jurisdiction in the Commonwealth of Virginia, and, by execution and delivery of this Agreement, each Borrower (a) accepts, generally and unconditionally, the nonexclusive jurisdiction of such courts and any related appellate court and irrevocably agrees to be bound by any judgment rendered thereby in connection with any Credit Agreement Related Claim and (b) irrevocably waives any objection it may now or hereafter have as to the venue of any such proceeding brought in such a court or that such a court is an inconvenient forum. Each Borrower hereby waives personal service of process and consents

that service of process upon it may be made by certified or registered mail, return receipt requested, at its address specified or determined in accordance with the provisions of Section 9.6 of this Agreement, and service so made shall be deemed completed on the earlier of (x) the receipt thereof and (y) the fifth
(5th) Business Day after such service is deposited in the mail. Nothing herein shall affect the right of any Bank, the Agent or any other Indemnified Person to serve process in any other manner permitted by law or shall limit the right of any Bank, the Agent or any other Indemnified Person to bring proceedings against any Borrower in the courts of any other jurisdiction. Any judicial proceeding by any Borrower against any Bank or the Agent involving any Credit Agreement Related Claim shall be brought only in a court located in the Commonwealth of Virginia. EACH BORROWER AND THE BANK AND THE AGENT
HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH THEY ARE PARTIES INVOLVING ANY CREDIT AGREEMENT RELATED CLAIM.

Section 9.13 LIMITATION OF LIABILITY. Notwithstanding any provision to the contrary contained herein or in any other Loan Document, to the extent the obligations or liabilities of any Borrower (other than the Representative Borrower) shall have been determined by a court of competent jurisdiction to be invalid or unenforceable for any reason (including, without limitation, on account of any applicable state or federal law relating to fraudulent conveyance or transfers), then the obligations or liabilities of such Borrower hereunder or under any other Loan Document shall be limited to the maximum amount that is permissible under any such applicable law, and such Borrower expressly consents to remain liable for such obligations and liabilities hereunder as so limited.

Section 9.14 FURTHER ACTS AND ASSURANCES. Each Borrower shall promptly and duly execute and deliver to a Bank or the Agent, as the case may be, and to such other persons as such Bank or the Agent shall designate, such further instruments and shall take such further action as may be required by law or as such Bank or the Agent may from time to time request in order more effectively to carry out and accomplish the intent and purpose of this Agreement and the other Loan Documents and to establish and protect the rights and remedies created or intended to be created in favor of the Bank hereunder or under any other Loan Document.

Section 9.15 NO FIDUCIARY RELATIONSHIP. No provision of this Agreement or in any of the other Loan Documents, and no course of dealing between the any Bank or the Agent and the Borrowers shall be deemed to create any fiduciary duty by the Agent or any Bank to the Borrowers.

Section 9.16 SEVERABILITY. The provisions of this Agreement are severable, and if any clause or provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such clause or provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability of such clause or provision in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

Section 9.17 COUNTERPARTS. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each complete set of which, when so executed and delivered by all parties, shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 9.18 HEADINGS, BOLD TYPE AND TABLE OF CONTENTS. The section headings, subsection headings, and bold type used herein and the Table of Contents hereto have been inserted for convenience of reference only and do not constitute matters to be considered in interpreting this Agreement.

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed this Agreement as of the day and year first above written.

BORROWERS

CACI INTERNATIONAL INC

By: /s/

Name: James P. Allen
Title: Executive Vice President,
Chief Financial Officer
and Treasurer

CACI PRODUCTS COMPANY

By: /s/

Name: James P. Allen
Title: Executive Vice President,
Chief Financial Officer
and Treasurer

CACI, INC.

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

CACI, INC.-FEDERAL

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

CACI, INC.-COMMERCIAL

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

CACI FIELD SERVICES, INC.

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

AUTOMATED SCIENCES GROUP, INC.

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

QUICKSOURCE, INC.

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

CACI SYSTEMS INTEGRATION INC

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

AMERICAN LEGAL SYSTEMS CORP.

By: /s/

Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

IMS TECHNOLOGIES, INC.

By: /s/
Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

IMS SERVICES, INC.

By: /s/
Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

INTEGRATED MICROCOMPUTER SYSTEMS, INC.

By: /s/
Name: James P. Allen
Title: Executive Vice President, Chief Financial Officer and Treasurer

AGENT

Address: NATIONSBANK, N.A.

By: /s/
Name: James W. Gaittens
Title: Vice President

8300 Greensboro Drive
Fifth Floor
McLean, Virginia 22102
Attention: Mr. James W. Gaittens
Telephone: (703) 761-8022
Telecopier: (703) 761-8059

BANKS

By: /s/
Name: James W. Gaittens
Title: Vice President

Address: NATIONSBANK, N.A.
8300 Greensboro Drive
Fifth Floor
McLean, Virginia 22102
Attention: Mr. James W. Gaittens
Telephone: (703) 761-8022
Telecopier: (703) 761-8059

By: /s/
Name: R. Mark Swaak

Title: Assistant Vice President

Address: SIGNET BANK
7799 Leesburg Pike
Falls Church, Virginia 22043
Attention: Mr. R. Mark Swaak
Telephone: (703) 714-5044
Telecopier: (703) 506-9551

EXHIBIT 11

CACI INTERNATIONAL INC AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE

(dollars in thousands)	Year Ended June 30 1996	1995	1994
Net income before extraordinary item	$ 9,851	$ 8,156	$ 6,336
Extraordinary item	0	0	(300)
Net Income	$ 9,851	$ 8,156	$ 6,036
Average shares outstanding during the period	10,140	10,020	10,098
Dilutive effect of stock options after application of treasury stock method	576	591	517
Average number of shares and equivalent shares outstanding during the period	10,716	10,611	10,615
Earnings per common and common equivalent share			
Before extraordinary item	$ 0.92	$ 0.77	$ 0.60
Extraordinary item	$ 0.00	$ 0.00	$ (0.03)
Net Income	$ 0.92	$ 0.77	$ 0.57

EXHIBIT 13

FINANCIAL CONTENTS

CACI INTERNATIONAL INC
FIVE YEAR SELECTED FINANCIAL INFORMATION
(amounts in thousands, except share data)

INCOME STATEMENT DATA

Year ended June 30,	1996	1995	1994	1993	1992
Revenues	$244,615	$232,964	$183,700	$145,148	$139,878
Costs and expenses					
Direct costs	133,184	126,442	97,584	75,804	74,536
Indirect costs and selling expenses	89,160	87,688	71,126	57,797	55,289
Depreciation and amortization	5,510	4,981	4,341	3,367	2,556
Operating expenses	227,854	219,111	173,051	136,968	132,381
Income from operations	16,761	13,853	10,649	8,180	7,497
Interest expenses	605	478	420	471	359
Shareholder lawsuit and merger costs	-	-	-	901	-
Excess facilities and lease termination cost	-	-	-	1,921	-
Earnings before income taxes	16,156	13,375	10,229	4,887	7,138
Income taxes	6,305	5,219	3,893	1,907	2,928
Income before extraordinary item	9,851	8,156	6,336	2,980	4,210
Extraordinary item-cost of shareholder lawsuit settlement (net of $194 tax benefit)	-	-	(300)	-	-
Net income	$ 9,851	$ 8,156	$ 6,036	$ 2,980	$ 4,210
Earnings per share					
Income before extraordinary item	$ 0.92	$ 0.77	$ 0.60	$ 0.29	$ 0.40
Extraordinary item	-	-	(0.03)	-	-
Net Income	$ 0.92	$ 0.77	$ 0.57	$ 0.29	$ 0.40

BALANCE SHEET DATA

June 30,	1996	1995	1994	1993	1992
Total assets	$103,308	$ 74,642	$ 70,999	$ 58,417	$ 55,835
Long-term obligations	2,414	2,340	2,492	2,898	2,901
Working capital	28,675	26,517	22,009	21,937	24,055
Shareholders' equity	55,338	44,485	37,738	30,497	28,923

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

The following discussion and analysis is provided to enhance the understanding of, and should be read in conjunction with, the Financial Statements and the related Notes. All years refer to the Company's fiscal year end of June 30.

REVENUES

The table below sets forth, for the periods indicated, the customer mix in revenues with related percentages of total revenues.

(dollars in thousands, except as percents)

	1996		1995		1994	
Department of Defense	$130,432	53.3%	$120,104	51.6%	$ 94,569	51.5%
Federal Civilian Agencies	59,178	24.2	55,541	23.8	35,698	19.4
Commercial	47,479	19.4	48,286	20.7	46,859	25.5
State & Local Governments	7,526	3.1	9,033	3.9	6,574	3.6
Total	$244,615	100.0%	$232,964	100.0%	$183,700	100.0%

Total revenues in 1996 increased by 5% from $233.0 million to $244.6 million, primarily due to two acquisitions during the year. On September 1, 1995, the Company acquired Automated Sciences Group, Inc. ("ASG") which added $12.0 million of revenues in the year. On January 1, 1996, IMS Technologies, Inc. ("IMS") was acquired and contributed $8.6 million to 1996 revenues. Lack of internal growth was partially attributable to the extensive delays in approval of federal government budgets during the past year which resulted in delays in new federal procurements.

1995 revenues of $233.0 million grew 27% from the previous year, an increase of $49.3 million. Most of the increase in 1995, $38.3 million, was from internal growth. The remainder of the increase was the result of the full- year effect of an acquisition on December 1, 1993, of the Government Services business of SofTech, Inc.

The 1996 Department of Defense ("DoD") revenue increase of $10.3 million was primarily attributable to the two acquisitions made during the year. This revenue increase was partially offset by the give back to the prime contractor of a U.S. Navy contract by the Company on April 1, 1995. This subcontract generated approximately $6.2 million in revenue in 1995, but was breakeven in terms of its profitability. The 1995 $25.5 million DoD revenue increase was primarily attributable to $14.0 million of internally generated revenues and the 1994 acquisition of the Government Services business of SofTech, Inc. which added approximately $11.0 million.

Federal Civilian Agencies revenues are primarily derived from Department of Justice ("DoJ") litigation support efforts. The litigation support business with DoJ has grown substantially over many years. However, it is subject to significant year-to-year fluctuations based on DoJ's case load. Revenues from DoJ were $47.4 million, $49.2 million and $28.9 million in 1996, 1995 and 1994, respectively. 1996 revenues from Federal Civilian Agencies were enhanced by $8.3 million derived from the acquisitions of ASG and IMS.

Commercial revenues are primarily derived from the Company's Marketing Systems Group located in the U.K., and to a lesser degree from the Simulation Systems Group and from commercial litigation support. In 1996, revenues declined $0.8 million largely as a result of a delay in the Marketing Systems Group's introductions of a Windows (R) 95 version of its InSite(TM) product until mid-year causing revenues to decrease to $28.8 million from last year's $30.2 million. Revenues from the Simulation Systems Group remained level at $9.6 million. The $1.5 million revenue increase in 1995 over 1994 was largely the result of a $3.4 million increase in Marketing Systems Group revenue offset by a decline from commercial litigation support.

The $2.4 million increase in State & Local Governments revenue in 1995, as compared with 1994, was principally due to the growth in systems development contracts with various state motor vehicle departments. The $1.5 million decline in 1996 revenue resulted primarily from an early termination from one of these efforts.

The Company's total backlog at July 31, 1996, increased to $705 million, or 20%, from prior year's $588 million.

RESULTS OF OPERATIONS

In 1996, income from operations grew $2.9 million to $16.8 million, and as a percent of revenues improved from 5.9% to 6.8% This margin improvement was the result of increased revenue, management's control of discretionary costs, $0.9 million in favorable settlements of contract claims, coupled with a shift in contract mix from lower to higher margin business. In 1995, income from operations grew $3.2 million to $13.9 million, principally as a result of the 27% increase in revenues. The margins also rose from 5.8% to 5.9% in 1995 from a reduction in indirect costs as a percent of revenues.

The following table sets forth the relative percentages that certain items of expense and earnings bear to revenues.

	1996	1995	1994
Revenues	100.0%	100.0%	100.0%
Costs and expenses			
Direct costs	54.4	54.3	53.1
Indirect costs & selling expenses	36.5	37.7	38.7
Depreciation & amortization	2.3	2.1	2.4
Total operating expenses	93.2	94.1	94.2
Income from operations	6.8	5.9	5.8
Interest expense	0.2	0.2	0.2
Earnings before income taxes	6.6	5.7	5.6
Income taxes	2.6	2.2	2.1
Extraordinary item	0.0	0.0	0.2
Net income	4.0%	3.5%	3.3%

During the last three years, as a percentage of revenue, total direct costs remained relatively stable at 54.4%, 54.3% and 53.1%. Direct costs include direct labor and other direct costs (i.e., non-labor) which are generally passed through to the customer without significant mark-up. Direct labor, the principal driver of profit-bearing revenue, increased in 1996 as a percent of total direct costs to 65.9% from 63.3% in 1995 and 64.5% in 1994. The higher proportion of direct labor improved overall profit margins.

Indirect & selling expense includes fringe benefits, marketing and bid & proposal costs, indirect labor, and other indirect discretionary costs. Fringe benefits, representing the largest category of indirect expenses, increased proportionally to direct labor in 1995 and in 1996. From 1994 to 1996, indirect costs, as a percentage of revenue, have been declining -- from 38.7% to 37.7% to 36.5%, respectively. The decline in expenses as a percent of revenues in 1996 is due primarily to management's efforts to reduce discretionary costs by $1.5 million to offset the negative effects on revenue of delays that resulted from the 1996 Federal Government budget process. The reduction in the percentage of indirect costs from 1994 to 1995 was principally due to control of growth of management costs while revenues were increasing sharply. Throughout this three-year period, the Company has maintained a high level of marketing and bid & proposal activity.

Depreciation & amortization expense increased in 1996 by $0.5 million to $5.5 million. An increased level of fixed asset acquisitions, primarily purchases of computing and network equipment, coupled with the addition of ASG and IMS fixed assets, accounted for about half of the growth. The remainder of the growth was the result of ASG and IMS goodwill amortization. The 1995 depreciation and amortization expense increase of $0.7 million to $5.0 million was primarily the result of purchases of computing and network equipment, reduction in depreciation life of computer equipment, and the addition of goodwill amortization of the Government Services business of SofTech, Inc. See Note 10 to the Financial Statements.

Interest costs remained at 0.2% of revenues for period 1994, 1995 and 1996. In 1996, interest costs increased by $127,000, primarily as a result of a $1.7 million increase in average borrowings to $8.6 million from $6.9 million. The increased borrowings were incurred to support the acquisitions. The 1995 increase in interest costs was primarily the result of an increase in average interest rates from 5.0% to 7.0%, partially offset by a 14.0% reduction in the average line of credit balance.

The effective income tax rates in 1996, 1995, and 1994 were 39%, 39%, and 38%, respectively. The lower effective tax rate in 1994 was primarily associated with the level of earnings from the Company's U.K. subsidiary, where the Company enjoys a lower tax rate as compared with U.S. income.

The 1994 extraordinary item reflects a provision made to cover the costs of settling outstanding shareholder lawsuits. The provision equates to a $0.5 million pre-tax expense, and $0.3 million net of tax.

EFFECTS OF INFLATION

Approximately one-third of the Company's business is conducted under cost- reimbursable contracts which automatically adjust revenues to cover increased costs from inflation. About 40% of the business is under time and materials contracts where labor rates are often fixed for several years. The Company generally is able to price these contracts in a manner to accommodate rates of inflation as experienced in recent years. The remaining portion of the Company's business is fixed-price and is primarily for product sales or other short-term efforts that would not be adversely affected by inflation.

LIQUIDITY AND CAPITAL RESOURCES

The Company's principal sources of cash are from operating activities and bank borrowings. The Company's primary requirement for working capital is to carry billed and unbilled receivables, a majority of which are due under prime contracts with the U.S. Government, or subcontracts thereunder.

During the past three years, the Company has consistently generated positive cash flow from operations sufficient to meet its normal working capital requirements and capital expenditures. In 1996, the Company drew on its bank revolving line of credit to fund the previously mentioned

acquisitions. Month-end borrowings peaked in January at $15.2 million following the IMS acquisition, but were reduced to $10.0 million by year-end from internally generated cash flows. Also see Note 10 to the Financial Statements.

In anticipation of continuing its strategy of acquisitions, on July 26, 1996, the company entered into a new three-year unsecured revolving line of credit. The new agreement permits borrowings of up to $50 million, with a sublimit of $30 million in the first year to be available for acquisitions of businesses. See Note 4 to the Financial Statements.

While the company did not purchase any of its shares in 1996, it has repurchased its shares in the open market in prior years. The Company has never paid any cash dividends as its policy is to invest earnings in the growth of the Company.

Accordingly, the Company believes that the combination of internally generated funds, available bank credit and cash on hand will provide for the required liquidity and capital resources for the foreseeable future.

SCHEDULE II

CACI INTERNATIONAL INC AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS
FOR YEARS ENDED JUNE 30, 1996, 1995 AND 1994

(dollars in thousands)

Description	Balance at Beginning of Period	Other Additions at Cost	Deductions	Changes Add (Deduct)	Balance at End of Period
1996					
Reserves deducted from assets to which they apply:					
Allowances for doubtful receivables	$1,415	$382	$ (103)	$551	$2,245
1995					
Reserves deducted from assets to which they apply:					
Allowances for doubtful receivables	$1,664	$493	$ (754)	$ 12	$1,415
1994					
Reserves deducted from assets to which they apply:					
Allowances for doubtful receivables	$2,312	$294	$(1,105)	$163	$1,664

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Annual Report of CACI International Inc and subsidiaries on Form 10-K of our report dated August 12, 1996, appearing in the 1996 Annual Report to Shareholders of CACI International Inc and subsidiaries for the year ended June 30, 1996.

/s/

Washington, D.C.
September 26, 1996

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of CACI International Inc
Arlington, Virginia

We have audited the consolidated financial statements of CACI International Inc and subsidiaries (the Company) for the years ended June 30, 1996 and 1995, and for each of the three years in the period ended June 30, 1996, and have issued our report thereon dated August 12, 1996; such consolidated financial statements and report are included in the 1996 Annual Report to Shareholders of CACI International Inc and subsidiaries and are incorporated herein by reference. Our audits also included the consolidated financial statement schedule of the Company, listed in the index at Item 14(a)2. This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/

Washington, D.C.
August 12, 1996

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders CACI International Inc
Arlington, Virginia

We have audited the accompanying consolidated balance sheets of CACI International Inc and subsidiaries (the Company) as of June 30, 1996 and 1995, and the related statements of income, shareholders' equity, and cash flows for each of the three years in the period ended June 30, 1996. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 1996 and 1995, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 1996 in conformity with generally accepted accounting principles.

/s/

Washington, D.C.
August 12, 1996

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands, except per share data)

Year ended June 30,	1996	1995	1994
Revenues	$244,615	$232,964	$183,700
Costs and expenses			
Direct costs	133,184	126,442	97,584
Indirect costs and selling expenses	89,160	87,688	71,126
Depreciation and amortization	5,510	4,981	4,341
Total operating expenses	227,854	219,111	173,051
Income from operations	16,761	13,853	10,649
Interest expense	605	478	420
Income before income taxes and extraordinary item	16,156	13,375	10,229
Income taxes	6,305	5,219	3,893
Income before extraordinary item	9,851	8,156	6,336
Extraordinary item: cost of shareholder lawsuit settlement (net of tax benefit)	-	-	(300)
Net income	$ 9,851	$ 8,156	$ 6,036
Earnings per share:			
Income before extraordinary item	$ 0.92	$ 0.77	$ 0.60
Extraordinary item	-	-	(0.03)
Net income	$ 0.92	$ 0.77	$ 0.57
Weighted average shares outstanding	10,716	10,611	10,615

(See Notes to Consolidated Financial Statements)

CACI INTERNATIONAL INC
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

ASSETS

June 30,	1996	1995
Current assets		
Cash and equivalents	$ 1,778	$ 1,996
Accounts receivable		
Billed	59,330	42,188
Unbilled	7,770	6,134
Total accounts receivable	67,100	48,322
Income taxes receivable	1,627	-
Deferred income taxes	133	156
Prepaid expenses and other	3,593	3,860
Total current assets	74,231	54,334
Property and equipment		
Equipment and furniture	24,007	20,644
Leasehold improvements	2,186	1,809
Property and equipment, at cost	26,193	22,453
Accumulated depreciation and amortization	(17,138)	(13,927)
Total property and equipment, net	9,055	8,526
Accounts receivable, long term	7,289	4,489
Goodwill	10,548	5,413
Other assets	1,813	1,182
Deferred income taxes	372	698
TOTAL ASSETS	$103,308	$74,642

CACI INTERNATIONAL INC
CONSOLIDATED BALANCE SHEETS (continued)
(dollars in thousands)

LIABILITIES AND SHAREHOLDERS' EQUITY

June 30,	1996	1995
Current liabilities		
Note payable	$ 9,987	$ -
Accounts payable and accrued expenses	19,196	11,719
Accrued compensation and benefits	13,406	13,310
Deferred rent expense	724	561
Income taxes payable	-	1,944
Deferred income taxes	2,243	283
Total current liabilities	45,556	27,817
Deferred rent expenses	2,274	2,197
Deferred income taxes	140	143
Shareholders' equity		
Common stock -		
$.10 par value, 40,000,000 shares authorized,		
13,755,000 and 13,568,000 shares issued	1,376	1,357
Capital in excess of par	6,239	5,053
Retained earnings	62,628	52,777
Cumulative currency translation adjustments	(1,243)	(1,040)
Treasury stock, at cost		
(3,526,000 shares and 3,526,000 shares)	(13,662)	(13,662)
Total shareholders' equity	55,338	44,485
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$103,308	$74,642

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)

Year ended June 30,	1996	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 9,851	$ 8,156	$ 6,036
Reconciliation of net income to net cash provided by operating activities			
Depreciation and amortization	5,510	4,981	4,341
Loss(gain) on sale of property and equipment	11	(12)	54
Provision for deferred income taxes	811	(516)	(816)
Changes in operating assets and liabilities			
Accounts receivable	(5,636)	(1,534)	(10,122)
Prepaid expenses and other assets	177	426	(593)
Accounts payable and accrued expenses	1,558	(4,811)	5,902
Accrued compensation and vacation	(1,667)	2,664	3,637
Deferred rent expense	(462)	(49)	(26)
Income taxes (receivable) payable	(3,571)	64	715
Net cash provided by operating activities	6,582	9,369	9,128
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment	(4,198)	(4,172)	(2,671)
Proceeds from sale of property and equipment	62	91	103
Purchase of businesses	(13,372)	-	(4,508)
Other	(463)	133	(411)
Net cash used in investing activities	(17,971)	(3,948)	(7,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds under line-of-credit	109,173	79,684	86,982
Payments under line-of-credit	(99,186)	(82,429)	(91,460)
Proceeds from stock options	1,205	470	1,161
Purchase of common stock for treasury	-	(2,154)	(157)
Net cash provided by (used in) financing activities	11,192	(4,429)	(3,474)
Effect of exchanges rates on cash and equivalents	(21)	63	49
Net (decrease) increase in cash and equivalents	(218)	1,055	(1,784)
Cash and equivalents, beginning of period	1,996	941	2,725
Cash and equivalents, end of period	$ 1,778	$ 1,996	$ 941
Supplemental disclosures of cash flow information			
Cash paid during the year for			
Income taxes, net of refunds	$ 7,240	$ 4,632	$ 1,784
Interest	$ 609	$ 515	$ 410

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(amounts in thousands)

	Common Stock						
	Class A		Class B		Capital		Cumulative
	Total				in excess	Retained	currency
	Shareholder's						translation
	Shares	Amount	Shares	Amount	of par	earnings	adjustments
BALANCE, July 1, 1993	13,130	$1,313	115	$12	$3,454	$38,585	$(1,516)
Net income	-	-	-	-	-	6,036	-
	6,036						
Currency translation adjustments	-	-	-	-	-	-	201
	201						
Exercise of stock options (including $494 income tax benefit)	245	24	-	-	1,137	-	-
	1,161						
Conversion of Class B shares	115	12	(115)	(12)			
Treasury shares purchased	-	-	-	-	-	-	-
							19 (157)
	(157)						
BALANCE, June 30, 1994	13,490	1,349	-	-	4,591	44,621	(1,315)
	37,738						3,251 (11,508)
Net income	-	-	-	-	-	8,156	-
	8,156						
Currency translation adjustments	-	-	-	-	-	-	275
	275						
Exercise of stock options (including $184 income tax benefit)	78	8	-	-	462	-	-
	470						
Treasury shares purchased	-	-	-	-	-	-	-
							275 (2,154)
	(2,154)						
BALANCE, June 30, 1995	13,568	1,357	-	-	5,053	52,777	(1,040)
	44,485						3,526 (13,662)
Net income	-	-	-	-	-	9,851	-
	9,851						
Currency translation adjustments	-	-	-	-	-	-	(203)
	(203)						
Exercise of stock options (including $618 income tax benefit)	187	19	-	-	1,186	-	-
	1,205						
BALANCE, June 30, 1996	13,755	$1,376	-	$ -	$6,239	$62,628	$(1,243)
	55,338						3,526 (13,662)

[FN] As of June 30, 1994, all Class A Common Stock was classified as Common Stock.

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BUSINESS ACTIVITIES

The Company is an international information systems and high technology services corporation. It is a world leader in computer-based information technology systems, custom software, integration and operations, imaging and document management, simulation, and proprietary database and software products. The Company provides worldwide services in support of United States national defense and civilian agencies, state governments, and commercial enterprises.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the statements of CACI International Inc and its wholly-owned subsidiaries (the "Company"). All significant intercompany balances and transactions have been eliminated in consolidation.

REVENUE RECOGNITION

Revenue on cost-plus-fee contracts is recognized to the extent of costs incurred plus a proportionate amount of the fee earned. Revenue on fixed-price contracts is recognized on the percentage of completion method based on costs incurred in relation to total estimated costs. Revenue on time and materials contracts is recognized to the extent of billable rates times hours delivered plus materials expense incurred. Revenue from software license sales is recognized upon delivery when there is no significant obligation to perform after the sale, but is recognized under the percentage of completion method when there is significant obligation for production, modification or customization after the sale. Revenue from maintenance support services on these products is nonrefundable and generally recognized on a straight-line basis over the term of the service agreement. Provisions for estimated losses on uncompleted contracts are recorded in the period such losses are determined.

The Company's United States Government contracts (approximately 78% of total revenue) are subject to subsequent government audit of direct and indirect costs. All such incurred cost audits have been completed through June 30, 1994. Management does not anticipate any material adjustment to the consolidated financial statements for subsequent periods.

PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost. Depreciation of equipment has been provided over the estimated useful lives of three to ten years of the respective assets, using primarily the straight-line method. Leasehold improvements are generally amortized using the straight-line method over the respective remaining lease term or the useful life of the improvements, whichever is shorter.

CAPITALIZED SOFTWARE COSTS

The Company capitalizes certain product-related software development costs after technological feasibility and marketability have been demonstrated. These costs are amortized on a product-by-product basis over their estimated economic useful lives, which range from three to five years.

INCOME TAXES

Effective July 1, 1993, the Company adopted Statement of Financial Accounting Standards No. 109 (SFAS 109), "Accounting for Income Taxes." Under SFAS 109, deferred income taxes are recognized for the future tax consequences of differences between tax bases of assets and liabilities and financial reporting amounts, based upon enacted tax laws and statutory rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to amounts expected to be realized. Income tax expense is the tax payable for the period and the change during the period in deferred tax assets and liabilities. The adoption of SFAS 109 had no material impact on operations.

U.S. income taxes have not been provided on $16,240,000 in undistributed earnings of foreign subsidiaries that have been permanently reinvested outside the United States.

CURRENCY TRANSLATION

The assets and liabilities of the Company's foreign subsidiaries whose functional currency is other than the U.S. dollar are translated at the exchange rates in effect on the reporting date, and income and expenses are translated at the weighted average exchange rate during the period. The net effect of such translation gains and losses is not included in determining net income but is accumulated as a separate component of shareholders' equity. Foreign currency transaction gains and losses are included in determining net income.

EARNINGS PER SHARE

Earnings per share is computed by dividing net earnings by the weighted average number of shares and equivalent shares outstanding during each of the years ended June 30, 1996, 1995, and 1994 of 10,716,000, 10,611,000, and 10,615,000, respectively. The weighted averages include the number of shares issuable upon exercise of stock options granted under the employee stock incentive plan after the assumed repurchase of shares with the related proceeds.

STATEMENT OF CASH FLOWS

Short-term investments with an original maturity of three months or less are considered cash equivalents.

GOODWILL

The excess of cost over fair market value of net assets acquired is being amortized, using the straight line method, generally over 15 years. Accumulated amortization was $1,855,000 and $1,066,000 at June 30, 1996 and June 30, 1995, respectively.

RECENT ACCOUNTING PRONOUNCEMENTS

During 1996, the Financial Accounting Standards Board issued Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" (SFAS No. 121). This statement requires that such assets be reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable and that such assets be reported at the lower of carrying amount or fair value. The Company will adopt SFAS No. 121 during fiscal 1997 and, based on current circumstances, does not expect a material impact on its results of operations or financial position.

Also during 1996, Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" was issued, which is effective for years beginning after December 15, 1995. This statement requires footnote disclosure of the pro forma impact on net income and earnings per share of the compensation cost that would have been recognized if the fair value of all stock-based awards was recorded in the income statement. The disclosure provisions of this statement will be adopted during fiscal 1997.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Company's accounts payable and accrued expenses approximate their fair value. The line of credit has a floating interest rate that varies with current indices, and as such, its recorded value approximates fair value.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RECLASSIFICATIONS

Certain reclassifications have been made to the prior years' financial statements in order for them to conform to the current presentation.

NOTE 2. CAPITALIZED SOFTWARE DEVELOPMENT COSTS

The costs capitalized and amortized for the years ended June 30, 1996, 1995, and 1994 were as follows:

(dollars in thousands)	1996	1995	1994
Annual activity			
Balance, beginning of year	$1,068	$ 865	$775
Capitalized during year	422	478	332
Amortized during year	(261)	(275)	(242)
Balance, end of year	$1,229	$1,068	$865
Amounts included in:			
Current assets	$ 461	$ 263	$275
Other assets	$ 768	$ 805	$590

NOTE 3. ACCOUNTS RECEIVABLE

Total accounts receivable are net of allowance for doubtful accounts of $2,245,000 and $1,415,000 at June 30, 1996 and June 30, 1995, respectively. Accounts receivable are classified as follows:

(dollars in thousands)	1996	1995
Billed and billable receivables		
Billed receivables	$53,836	$35,960
Billable receivables at end of period	5,494	6,228
Total	59,330	42,188
Unbilled receivables		
Unbilled pending receipt of contractual documents authorizing billing	7,598	5,799
Unbilled retainages and fee withholds expected to be billed within the next 12 months	172	335
	7,770	6,134
Unbilled retainages and fee withholds expected to be billed beyond the next 12 months	7,289	4,489
Total unbilled receivables	15,059	10,623
Total accounts receivable	$74,389	$52,811

NOTE 4. NOTE PAYABLE

The Company had a $25 million revolving credit agreement scheduled to expire on March 31, 1997. Under this agreement, the Company had outstanding borrowings of $9,987,000 at June 30, 1996 and no borrowings at June 30, 1995. Interest was charged on the outstanding borrowings at the lower of the bank's daily prime commercial lending rate or the Federal Funds rate plus 0.90% at June 30, 1996 and 1995. The applicable interest rate on the loan balance was 5.9% and 7.01% at June 30, 1996 and 1995, respectively. The credit agreement required, among other provisions, the maintenance of certain levels of net worth and working capital and placed certain restrictions on cash dividends and additional debt.

On July 26, 1996, the Company entered into a new revolving bank credit agreement which permits loans of up to $50 million, with sublimits of $30 million in the first year for acquisitions and $10 million for dividends and repurchase of Company stock. The agreement permits various London Interbank Offered Rate ("LIBOR"), Prime Rate, and Federal Funds based borrowing options. The current LIBOR option is at the applicable LIBOR rate plus 0.80%. In addition, the Company pays a fee of 0.09% on the unused portion of the facility. The interest rate and unused fee can increase based on increases in the debt leverage ratio. The agreement contains customary financial covenants and ratios related to tangible net worth, debt leverage ratios, fixed charges coverage, and working capital.

NOTE 5. INCOME TAXES

The provision (benefit) for income taxes for year ended June 30, consists of:

(dollars in thousands)	1996	1995	1994
Current:			
Federal	$3,668	$3,649	$1,894
State and local	802	798	696
Foreign	1,024	291	1,151
Total current	5,494	4,738	3,741
Deferred:			
Federal	693	207	97
State and local	152	46	21
Foreign	(34)	228	34
Total deferred	811	481	152
Total	$6,305	$5,219	$3,893

A reconciliation of the income tax provision (benefit) and the amount computed by applying the statutory U.S. income tax rate of 34% is as follows for year ended June 30:

(dollars in thousands)	1996	1995	1994
Amount at statutory U.S. rate	$5,493	$4,548	$3,478
State taxes, net of U.S. income tax benefit	630	557	473
Taxes on foreign earnings at different effective rates	(25)	102	15
Other expenses not deductible for tax purposes	130	63	57
Nondeductable goodwill	147	64	-
Foreign and research & development tax credits	(70)	(115)	(130)
Total	$6,305	$5,219	$3,893
Effective tax rate	39.0%	39.0%	38.1%

The tax effects of temporary differences that give rise to significant deferred tax assets and deferred tax liabilities at June 30, 1996 and 1995 are as follows:

(dollars in thousands)	1996	1995
Deferred tax assets:		
Accrued vacation and other expenses	$3,685	$3,276
Deferred rent	785	1,065
Foreign transactions	167	156
Pension	163	207
Total deferred tax assets	4,800	4,704
Deferred tax liabilities:		
Unbilled revenue	(5,679)	(3,698)
Depreciation	(540)	(516)
Other	(459)	(62)
Total deferred tax liabilities	(6,678)	(4,276)
Net deferred tax (liability) asset	$(1,878)	$ 428

The Company utilizes the accrual net of unbillable revenue method for tax accounting purposes. Under this method, only revenue that is contractually billable is used to compute taxable income while certain expenses are not currently deductible.

NOTE 6. COMMON STOCK

At July 1, 1993, the Company's Common Stock consisted of Class A and Class B Common Stock, each with a $.10 par value, and each with 40,000,000 shares authorized. There were 13,130,000 Class A shares and 115,000 Class B shares outstanding at July 1, 1993, of which 3,194,000 Class A shares and 39,000 Class B shares were carried in Treasury at their acquisition cost. In October 1993, by the provisions of the Company's Charter, the Class B shares automatically converted to Class A Common Stock on a one-for-one basis, after which the Company had only one class of Common Stock.

NOTE 7. STOCK INCENTIVE PLAN

The Company has an employee stock incentive plan (the "Plan") which provides that key employees may be awarded some or all of the following: non- qualified stock options; incentive stock options within the meaning of the Internal Revenue Code; and Common Stock. The stock option exercise prices would generally be at fair market value on the date of grant. The period during which each option is exercisable is determined when granted, but in no event are they exercisable after December 31, 2000. Any debt securities awarded under the Plan would be subordinate to existing and future secured debt of the Company and would be offered to the employees for purchase at their fair market value. At June 30, 1996, there were 1,804,000 shares reserved for future grants under the Plan. Pursuant to the terms of the Plan, no grants of options or other securities may be made after September 24, 1996.

On August 14, 1996, the Board of Directors approved a new Plan for presentation to the shareholders for approval at the Company's 1996 Annual Meeting. The new Plan would permit award of incentive and non-qualified stock options, stock appreciation rights and stock grants to officers and employees of the Company, and would limit total awards and stock grants to 1,500,000 shares over the life of the Plan.

Stock option activity and price information regarding the Plan follows:

(shares in thousands)	Number of shares	Exercise Price
Shares under option, July 1, 1993	1,519	$1.87-$5.03
Granted	108	$5.87-$5.94
Exercised	(244)	$1.87-$4.75
Forfeited	(2)	$3.50
Shares under option, June 30, 1994	1,381	$1.87-$5.94
Granted	133	$8.56-$10.88
Exercised	(78)	$1.87-$5.94
Forfeited	(22)	$1.87-$4.44
Shares under option, June 30, 1995	1,414	$1.87-$10.88
Granted	198	$10.00-$14.44
Exercised	(187)	$1.87-$5.94
Forfeited	(46)	$3.50-$13.44
Shares under option, June 30, 1996	1,379	$1.87-$14.44
Options exercisable, June 30, 1996	961	$1.87-$14.44

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Exercise prices are based on the market price of the Company's Common Stock at the date the options are granted.

NOTE 8. PENSION PLAN

The Company has a defined contribution pension plan covering approximately 85% of its employees. The company contributes to a trust an amount equal to 2.5% of qualified employee's total fiscal year cash compensation, up to $35,000 per year, and an amount equal to 5% of cash compensation paid in excess of $35,000 per year. The total consolidated pension expense for the years ended June 30, 1996, 1995, and 1994 was $2,745,000, $2,565,000, and $1,939,000 respectively. The Company funds current pension costs as they accrue annually. The plan is qualified under the United States Internal Revenue Code, as determined by the United States Internal Revenue Service.

NOTE 9. COMMITMENTS AND CONTINGENCIES

The Company conducts its operations from leased office facilities, all of which are classified as operating leases and expire primarily over the next six years.

The following is a schedule of future minimum lease payments under non-cancelable leases with a remaining term greater than one year as of June 30, 1996:

(dollars in thousands)	Year ending June 30,	Operating leases
	1997	$10,532
	1998	8,919
	1999	6,526
	2000	4,578
	2001	3,312
	Later Years	1,826
Total minimum lease payments		$35,693

Operating leases reflect the minimum lease payments net of a minimal amount of sublease income. Expense incurred from operating leases for the years ended June 30, 1996, 1995, and 1994 amounted to $8,938,000, $8,376,000, and $7,202,000 respectively.

The Company is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Management is of the opinion that any liability or loss associated with such matters will not have a material adverse effect on the Company's financial condition.

NOTE 10. ACQUISITIONS

AUTOMATED SCIENCES GROUP, INC.

Effective September 1, 1995, the Company purchased all of the outstanding stock of Automated Sciences Group, Inc. ("ASG") for $4.9 million payable in cash over four years. ASG provides information technology, engineering and scientific environmental services to the U.S. Department of Defense ("DoD") and the U.S. Department of Energy. The purchase price is subject to a maximum $500,000 holdback contingent on the collection of certain receivables.

IMS TECHNOLOGIES, INC.

Effective January 1, 1996, the Company purchased all of the outstanding stock of IMS Technologies, Inc. ("IMS") for $6.5 million in cash payable at closing, plus $1.5 million in cash payable to the four founders of IMS over three years. IMS provides a wide range of computer systems development and systems integration for a variety of applications. These services are provided to DoD as well as Department of Justice, Department of Education, Internal Revenue Service, and Drug Enforcement Agency.

Both acquisitions were accounted for as purchases and were financed through bank borrowings. The preliminary estimates of goodwill, the amount that the purchase prices exceeded the fair values of the net assets acquired, is $2.8 million for ASG and $3.1 million for IMS. The resulting goodwill is being amortized on a straight-line basis over 15 years. The preliminary purchase price allocations are subject to change during the year following the acquisition as additional information concerning net asset valuation is obtained. Therefore, the final allocations may differ from the preliminary allocations. The Consolidated Statement of Operations includes the results of operation of ASG from September 1, 1995 and IMS from January 1, 1996.

The following unaudited pro forma summary presents information as if the acquisitions had occurred at the beginning of each fiscal year. The pro forma information is provided for information purposes only. It is based on historical information and does not purport to be indicative of what would have occurred if the acquisition was put into effect at the beginning of year 1996, 1995, or 1994, nor is it necessarily indicative of future results of operation of the combined enterprise.

PRO FORMA INFORMATION (UNAUDITED)

(dollars in thousands, except share data)	1996	1995	1994
Revenues	$256,380	$274,605	$228,831
Net income	8,371	7,500	4,591
Earnings per share	0.79	0.71	0.47

SOFTECH, INC.

On December 1, 1993, the Company purchased certain contracts and assets consisting of the Government Services business of SofTech, Inc. for an initial purchase price of $4.2 million which has been allocated as $0.9 million for the fair value of fixed assets acquired and $3.3 million

to Goodwill.

The results of this acquisition have been included in the Company's operating results beginning December 1, 1993. If the acquisition had occurred at the beginning of fiscal 1994, revenues would have increased by approximately $10 million and $0.3 million in net income, which would have increased earnings per share by $0.03. Given that this acquisition represents only a limited number of contracts and assets of SofTech, Inc., it is impractical to estimate the impact that this acquisition would have had on the Company's 1993 revenues and earnings.

NOTE 11. SUBSEQUENT ACQUISITION

The Company has entered into a letter of intent to acquire the business and certain net assets of Sunset Resources, Inc. ("SRI"). SRI provides engineering and information technology support services to the U.S. Air Force, and is a specialist in electronic data interchange. SRI's current annual revenues are approximately $12 million. The preliminary purchase price is $5.3 million and is to be paid in cash at closing, estimated to be on or near October 1, 1996. The agreement is subject to due diligence and approval by both companies. The transaction will be financed through the Company's new revolving line of credit.

NOTE 12. SEGMENT INFORMATION

Revenue from contracts with the United States government for 1996, 1995, and 1994 amounted to approximately $190,000,000 (78% of revenues), $176,000,000 (75% of revenues), and $130,000,000 (71% of revenues), respectively.

Information about operations in the United States and foreign countries (primarily in Western Europe), after the elimination of intercompany transactions, as of and for the years ended June 30 consists of:

(dollars in thousands)	1996	1995	1994[FN]
Revenue			
United States	$215,311	$202,943	$156,775
Foreign	29,304	30,021	26,925
Combined	$244,615	$232,964	$183,700
Income before income taxes			
United States	$ 13,518	$ 11,512	$ 7,400
Foreign	2,638	1,863	2,829
Combined	$ 16,156	$ 13,375	$ 10,229
Net income			
United States	$ 8,215	$ 6,908	$ 4,427
Foreign	1,636	1,248	1,609
Combined	$ 9,851	$ 8,156	$ 6,036
Identifiable assets			
United States	$ 86,762	$ 58,716	$ 56,568
Foreign	16,546	15,926	14,431
Combined	$103,308	$ 74,642	$ 70,999

[FN] Pretax income in 1994 includes extraordinary loss of $494.

NOTE 13. COMMON STOCK DATA (UNAUDITED)

The Company's stock trades on The Nasdaq Stock Market. The range of high and low sales prices for each quarter during this period are as follows:

	1996		1995	
Quarter	High	Low	High	Low
First	$13 7/8	$11 1/4	$11 1/8	$7 1/2
Second	13 1/2	11 1/4	12	9
Third	12 1/4	9 1/2	10 7/8	8 7/8
Fourth	15 3/4	12 1/4	12 7/8	8 3/4

NOTE 14. QUARTERLY FINANCIAL DATA (UNAUDITED)

The quarterly financial data is unaudited, but in the opinion of management, all adjustments necessary for a fair presentation of the selected data for these interim periods have been included.

(dollars in thousands, except share data)

	First	Second	Third	Fourth
Year ended June 30, 1996				
Revenue	$57,610	$59,332	$62,324	$65,349
Costs and expenses	53,989	55,457	58,080	60,933
Income taxes	1,397	1,528	1,657	1,723
Net income	2,224	2,347	2,587	2,693
Earnings per share	$ 0.21	$ 0.22	$ 0.24	$ 0.25
Year ended June 30, 1995				
Revenue	$54,881	$57,394	$61,620	$59,069
Costs and expenses	51,745	54,168	58,124	55,552
Income taxes	1,223	1,238	1,382	1,376
Net income	1,913	1,988	2,114	2,141
Earnings per share	$ 0.18	$ 0.19	$ 0.20	$ 0.20
Year ended June 30, 1994				
Revenue	$38,200	$43,966	$48,953	$52,581
Costs and expenses	35,975	41,586	46,178	49,732
Income taxes	867	924	1,089	1,013
Income before extraordinary item	1,358	1,456	1,686	1,836
Extraordinary item-cost of shareholder lawsuit settlement (net of tax benefit)	(300)	-	-	-
Net income	1,058	1,456	1,686	1,836
Earnings per share				
Income before extraordinary item	$ 0.13	$ 0.14	$ 0.16	$ 0.17
Extraordinary item	(0.03)	-	-	-
Net income	0.10	0.14	0.16	0.17

EXHIBIT 21

The significant subsidiaries of the Registrant, as defined in Section 1-02(w) of regulation S-X, are:

CACI, Inc., a Delaware Corporation
CACI, INC.-FEDERAL, a Delaware Corporation CACI, INC.-COMMERCIAL, a Delaware Corporation CACI Products Company, a Delaware Corporation American Legal Services Corp., a Delaware Corporation CACI Field Services, Inc., a Delaware Corporation CACI N.V., a Netherlands Corporation CACI Limited, a U.K. Corporation
Automated Sciences Group, Inc., a Delaware Corporation IMS Technologies, Inc., a Delaware Corporation

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM EXHIBIT 13 TO FORM 10-K FOR FY1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

PERIOD TYPE	YEAR
FISCAL YEAR END	JUN 30 1996
PERIOD END	JUN 30 1996
CASH	1,778,000
SECURITIES	0
RECEIVABLES	69,345,000
ALLOWANCES	(2,245,000)
INVENTORY	0
CURRENT ASSETS	74,231,000
PP&E	26,193,000
DEPRECIATION	(17,138,000)
TOTAL ASSETS	103,308,000
CURRENT LIABILITIES	45,556,000
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	1,376,000
OTHER SE	53,962,000
TOTAL LIABILITY AND EQUITY	103,308,000
SALES	0
TOTAL REVENUES	244,615,000
CGS	0
TOTAL COSTS	133,184,000
OTHER EXPENSES	94,286,000
LOSS PROVISION	384,000
INTEREST EXPENSE	605,000
INCOME PRETAX	16,156,000
INCOME TAX	6,305,000
INCOME CONTINUING	9,851,000
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	9,851,000
EPS PRIMARY	0.92
EPS DILUTED	0.92