

THE COMPLETE MERGER FILING IS UNDER
CORPORATE NUMBER 2113322

NEW

1642332 OUT

AGREEMENT OF MERGER
OF
DSA ACQUISITION, INC.
AND
DECISION-SCIENCE APPLICATIONS, INC.

FILED
In the office of the Secretary of State
of the State of California

AUG 20 1998

Bill Jones
BILL JONES, Secretary of State

This Agreement of Merger is dated August 19, 1998, by and among DECISION-SCIENCE APPLICATIONS, INC., a Virginia corporation ("Company") and DSA ACQUISITION, INC., a California corporation ("Newco").

RECITALS

WHEREAS, Company is a Virginia corporation and has 171,048 shares of its common stock outstanding as of the date hereof;

WHEREAS, Newco is a California corporation and has 100 shares of its common stock outstanding as of the date hereof, all of which are owned by SM&A Corporation, a California corporation ("SM&A");

WHEREAS, SM&A has 15,819,743 shares of its common stock outstanding as of the date hereof;

NOW, THEREFORE, for good and valuable consideration, the parties hereto agree as follows:

1. Company shall be merged with and into Newco, and Newco shall be the surviving corporation.
2. Upon such merger, all outstanding shares of common stock of Company shall be automatically converted to 4.1792 shares of common stock of SM&A.
3. Upon such merger, each outstanding share of Newco shall be unaffected thereby.
4. Upon such merger, the Articles of Incorporation of Newco shall be amended and restated to read as set forth in Exhibit A.
5. The conversion of shares as provided by this Agreement of Merger shall occur automatically upon the effective date without action on the part of SM&A, Newco, Company or the holders of such shares. On and after the effective date and until surrender for exchange, each outstanding stock certificate which immediately prior to the effective date represented shares of Company common stock shall be deemed for all purposes, to evidence ownership of and to represent the number of shares of SM&A common stock into which such shares of Company common stock shall have been converted, and the record holders of such outstanding certificates shall, after the effective date, be entitled to vote such shares of SM&A common



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
P.O. BOX 942857
SACRAMENTO, CALIFORNIA 94257-0540
TELEPHONE (916) 845-4124

**Tax Clearance
Certificate**

AUGUST 20, 1998

**DECISION-SCIENCE APPLICATIONS, INC.
1110 N GLEBE RD STE 400
ARLINGTON VA 22201-4795**

ISSUED TO: DECISION-SCIENCE APPLICATIONS, INC.

CORP NO 1642332

This certificate expires on SEPT 15, 1998

THIS IS TO CERTIFY THAT all taxes imposed on the above-named corporation under the Bank and Corporation Tax Law have been paid or are secured by bond, deposit or other security.

A copy of this Tax Clearance Certificate has been sent to the Office of the Secretary of State at Sacramento, California. The original of this certificate may be retained for the files of the corporation.

The required Secretary of State forms to dissolve, withdraw, or merge must be filed with the Office of the Secretary of State at 1500 Eleventh St., Third Floor, Sacramento, CA 95814-5701 by the expiration date of this notice.

NOTE: If the above process is not completed with the Secretary of State by the expiration date, the corporation will remain subject to the filing requirements of the Bank and Corporation Tax Law.

357:RG;TC:HH

FRANCHISE TAX BOARD

By *Hartley Deromson*
Authorized Signature
Corporation Audit Tax Clearance Unit