

Business Conduct and Ethics Code

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Revision 5

Internal Use Only

SM&A CONFIDENTIAL



When You Must Win

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1 EFFECTIVE PERIOD

This policy was adopted 4 March 2008 by the Company's Board of Directors. This policy supersedes all prior SM&A Business Conduct & Ethics codes. The Board of Directors of SM&A (the "Company") reserves the right to change the Business Conduct & Ethics Code (the "BC&E Code") at any time.

2 PURPOSE

To provide written standards designed to promote:

- a.** Honest and ethical conduct, including the ethical handling of conflicts of interest between personal and professional relationships;
- b.** Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company;
- c.** Compliance with applicable governmental laws, rules and regulations;
- d.** Prompt internal reporting of violations of the BC&E Code to an appropriate person or persons identified in this BC&E Code; and
- e.** Accountability for adherence to the BC&E Code.

3 POLICY

We shall consistently treat our customers, employees, shareholders, suppliers and the community with honesty, dignity, fairness and respect. We will conduct our business with the highest ethical standards.

3.1 REPORTING OF RISKS

The Company is committed to providing quality services that meet or exceed the expectations of our customers. Deficiencies that put the financial security of the Company at risk or, more importantly, threaten the physical well-being of any person, should be reported immediately to management.

3.2 PROMOTING HEALTH AND SAFETY

The health and safety of the Company's employees is of utmost importance. Our work processes and policies are designed to minimize risk. We all must routinely review and improve workplace conditions to ensure a safe and healthful workplace and report unsafe working conditions to supervisors and management.

3.3 EQUAL OPPORTUNITY AND DIVERSITY

We value and respect the diversity of our employees, officers, directors, suppliers, customers and communities. The Company is committed to providing equal opportunity in all of our employment and purchasing practices. Only in valuing diversity and committing to equal opportunity practices will we be able to utilize the human and business resources available to us fully in our pursuit of customer satisfaction. At the same time, we believe that by valuing diversity we enable all to realize their potential fully. We are committed

to providing a workplace that is free of harassment or any other behavior that diminishes a person's integrity and self-esteem. Harassment, in any form or degree, will not be tolerated.

3.4 PROTECTING THE ENVIRONMENT

We respect the needs and concerns of the communities in which we live and work. This is exemplified in the Company's long tradition of caring about the quality of the environment. Our services reflect this concern and our belief that what is good for the environment is good for the Company. Sound waste management and source reduction practices, recycling and energy conservation are legal, ethical, and business requirements.

3.5 PROTECTING EMPLOYEE PRIVACY

The Company is committed to providing privacy protection of employee data maintained by the Company. Employee data will be used for the sole purpose of supporting company operations and providing employee benefits. The Company will comply with all local data protection regulations.

The Company has put safeguards in place to ensure that personal data is protected from unauthorized access and disclosure, including limiting access to such data only to those employees with a legitimate business purpose. All employees are responsible for ensuring compliance with this employee privacy policy.

3.6 PROTECTING THE COMPANY'S INFORMATION

Protecting information about the Company's services, activities, performance or plans is critical to the Company's competitive position and reputation. Good judgment is needed to determine what information can or cannot be disclosed to others. Should there be any question as to whether certain information is confidential, employees should consult their supervisor. To limit the potential for important information being used improperly, employees should use "need to know" guidelines even with other employees of the Company.

The use of confidential Company information for the personal gain of an employee, officer, director or anyone else is contrary to the Company's policies and, in many cases unlawful. Confidential information includes all nonpublic information that might be of use to competitors, or harmful to the Company or its customers, if disclosed.

Buying or selling of the Company's stock based on material nonpublic information is also prohibited. It is unlawful to communicate this information to other persons who may trade in our stock. Material information is defined as anything a prudent investor should know before investing in a company. This type of information includes, but is not limited to, financial results, new contracts and acquisition plans that have not already been disclosed to the public.

3.7 PROTECTING OUR CLIENTS

Protecting all information obtained while working with our clients and customers is vital. During engagements with our clients, we will obtain competition sensitive, company private and company specific information that must and will be protected. If you believe that client or customer information is being compromised, whether by an SM&A employee or by another person at the work site, you should immediately report it to your supervisor or, if you wish to remain anonymous, to the Business Conduct Line (see below).

3.8 AVOIDING CONFLICTS OF INTEREST

The best interests of the Company are expected to be foremost in the minds of our employees, officers and directors as they perform their duties. When we become employees of the Company, and receive pay and benefits, we make this commitment. It is wrong to seek any other economic gain by virtue of being an employee, officer or director of the Company. Giving or receiving anything of enough value to influence sound business judgment is prohibited. This also applies to family, friends and business associates. In addition, discussions of future employment with government officials with whom the Company seeks to do business must be approved in advance.

The Company trusts its employees, officers and directors with information about Company activities and with Company funds and property. Use of any of these in a way that conflicts with Company interests is strictly prohibited. Situations or arrangements that may conflict with Company interests must be approved in advance by the employee's respective business group Vice President. We must also take care that our actions cannot be perceived as serving other interests. While mutually beneficial relationships with customers and suppliers are encouraged, we should avoid situations that offer the potential for problems. Examples include having a significant stake in, or serving as a director of, a firm that sells to or purchases from the Company. Employees should also not work for a customer or a supplier. All these examples apply to involvement with our competitors as well.

The extension of loans or credit guarantees to or for the personal benefit of directors, officers and employees shall be prohibited except as permitted by law and the listing standards of any exchange or quotation system on which the Company's shares are listed.

3.9 PROPER USE OF COMPANY FUNDS

Employees are personally accountable for any form of Company funds such as credit cards, cash and checks. Those who authorize the use of funds must ensure that the Company has received proper value in return. The Company may be obligated to notify appropriate civil authorities should funds be used for any improper or illegal purpose and will take appropriate disciplinary action in any event.

3.10 PROPER USE OF COMPANY INFORMATION AND COMPANY PROPERTY

The Company trusts its employees with information about Company activities and with Company property. Use of these in a way that conflicts with Company interests, or in any manner that may reasonably be considered offensive or disruptive to another employee, is strictly prohibited.

3.11 APPROPRIATE USE OF E-MAIL, INTERNET AND OTHER COMPUTING RESOURCES

Electronic commerce, electronic mail, and other Internet-related systems are intended to be used for Company business. Additionally, all information on Company computer systems, including electronic mail, is the property of the Company. Therefore, to ensure that computing resources are used in accordance with expectations, management may inspect and disclose the contents of electronic messages if such inspection and disclosure is made for legitimate business purposes or as necessary to protect the rights and property of the

Company. The Company is careful to ensure that all employees, customers, suppliers, and the public in general, are treated with dignity and respect. Use of computing resources to offend or harass others is prohibited. Employees, who use the Internet to access sites that contain offensive materials related to sex, race, or other protected categories, or who otherwise violate these prohibitions, will be subject to discharge.

3.12 INTEGRITY OF RECORDKEEPING/ACCOUNTING

The Company documents a wide range of its activities. The integrity of these records is relied upon to make important business decisions and take actions. Therefore, it is essential that all records are accurate and complete. This responsibility prohibits false or misleading entries regarding both the amount and purpose of transactions. Some examples include vouchers, bills, financial data, expense reports and performance records.

Employees, officers, and directors should report any concerns regarding questionable accounting or auditing matters to the Audit Committee by calling the Business Conduct and Ethics Line.

3.13 POLITICAL/GOVERNMENTAL AND NON-GOVERNMENTAL CONTRIBUTIONS

Within the U.S., no contribution of funds or services is to be made to, or on behalf of, any political organization or candidate by the Company or any of our subsidiary companies without advance approval of the Board of Directors. Within the U.S., offering anything of value, directly or indirectly, to government officials in connection with their government duties is prohibited, including gifts or other things of value offered to their family members. Throughout the world, direct or indirect contributions to any government officials (including their representatives or family members) that are intended to gain preferential treatment for our company are always prohibited.

The Company recognizes that in some countries outside the U.S. it is legal and customary for companies to make certain contributions to political parties and government officials. Nevertheless, no such contributions or payments can be made by the Company or its subsidiaries, employees, officers, directors or agents with the intent to obtain or retain business.

3.14 RULE OF LAW

Any employee, officer or director involved in court or other similar proceedings arising out of his or her employment with, or service to, the Company shall abide by the rules of that forum, cooperate with the orders of that forum, and not in any way commit perjury or obstruction of justice.

3.15 DEFENSE SECURITY

Some of our employees have security clearances. Strict care must be taken to comply with the laws on the protection and disclosure of classified information relating to such businesses. All visits to certain hostile countries, or meetings with their officials anywhere, must be formally reported to the Company's facility security manager.

3.16 ANTITRUST

Planning or acting together with any competitor to fix prices or to agree about the nature, extent or means of competition in any market is against company policy and in violation of antitrust laws. Antitrust laws may also in some circumstances prohibit agreements to boycott, to allocate products, territories, or markets, and to limit the production or sale of products. Using illegal or unethical means to obtain competitive information or gain a competitive advantage over a competitor is prohibited.

3.17 INTERNATIONAL BUSINESS

There are several laws that restrict where we can do business, what information or products we can supply to certain countries and what information we can provide to a foreign government (e.g. boycott-related requests or U.S. national security concerns). For these reasons, business entry into any new foreign country must comply with these restrictions

3.18 CORPORATE OPPORTUNITIES

Directors and employees are prohibited from taking opportunities that are discovered through the use of Company property, information or position, or using Company property, information or position for personal gain. Directors and employees have a duty to the Company to advance its legitimate interest when the opportunity to do so arises.

3.19 WAIVER OF THE CODE

Any waiver of this Code may be made only by the independent directors on the Board of Directors, or by an authorized committee of the Board of Directors comprised solely of independent directors, and will be disclosed as required by law, the regulations of the Securities and Exchange Commission, or the rules and listing standards of any national securities exchange on which the Company's securities may be listed.

3.20 RESPONSIBILITIES

Each employee, officer and director of the Company is expected to carry out his or her work in accordance with the BC&E Code of the Company. Further, all employees are urged to direct any questions or concerns about the Company's activities or these standards to their supervisors or the Human Resources department without delay. Any employee who suspects that a violation of the BC&E Code has occurred is obligated to report it, and such employees shall be protected from retaliation. Employees should also be aware that these standards are greater than those that may be required by local law. Adherence to these standards is a condition of employment with the Company. Violations are serious matters and will result in disciplinary action. Managers and supervisors are responsible for distributing copies of the BC&E Code to employees, officer and directors, as well as making them aware of the importance and specific requirements of the policy. The BC&E Code is not all encompassing, and questions about situations not discussed in the BC&E Code should be addressed to the Human Resources department, or your supervisor.

4 SENIOR FINANCIAL OFFICERS

The Company's principal executive officer, principal financial officer, principal accounting officer or controller, or any person performing similar functions must engage in honest and ethical conduct, including the ethical handling of apparent conflicts of interest between personal and professional relationships. These officers must avoid conflicts of interest, including disclosure to the Audit Committee of any material transaction or relationship that reasonably could be expected to give rise to such a conflict.

The Company requires full, fair, accurate, timely, and understandable disclosure in reports, documents and any other public communications made by the Company. In addition, all employees of the Company must maintain compliance with applicable governmental laws, rules and regulations. All violations of the BC&E Code by a principal executive officer, principal financial officer, principal accounting officer or controller, or any person performing similar functions should be reported to the Audit Committee by calling the Business Conduct

5 REPORTING VIOLATIONS OF THE BUSINESS CONDUCT AND ETHICS CODE

Any violation or suspected violation of the BC&E Code by an employee, officer or director of SM&A will be reported to the Business Conduct and Ethics Line: 1 (888) 762-9467, extension 401. All calls to the Business Conduct and Ethics Line will be anonymous, unless the person reporting the occurrence chooses to provide his/her name. The Business Conduct and Ethics Line is a toll-free line that is available 24 hours a day, 7 days a week. Your call will be directed to the Audit Committee Chairman who will answer all calls within 24 hours.

ADHERENCE TO THESE STANDARDS IS A CONDITION OF EMPLOYMENT WITH THE COMPANY. VIOLATIONS ARE SERIOUS MATTERS AND WILL RESULT IN DISCIPLINARY ACTION UP TO AND INCLUDING TERMINATION.

6 APPROVALS

- Amendment 5 4 March 2008
- Amendment 4 25 April 2007
- Amendment 3 11 April 2006
- Amendment 2 7 September 2005
- Amendment 1 14 April 2005
- Adopted 1 September 2003

7 ACKNOWLEDGEMENT

I acknowledge that I have received, read and understand SM&A's Business Conduct and Ethics Code Policy.

Signature: _____

Date: _____

Print Name: _____