

PREPARED FOR



INTERNATIONAL SECURITIES EXCHANGE





## INTRODUCTION

With the creation of the Department of Homeland Security, spending in the area of domestic security for the prevention of terrorist attacks is projected to be in the tens of billions of dollars. Due to these large, and unprecedented, capital flows in the direction of Homeland Security, mainly through government and private sector spending, established and newer companies alike will benefit, as they play a larger role in a newly expanding sector. The ISE-CCM HOMELAND SECURITY INDEX has been created in response to this "new reality", and serves as the representative benchmark index for the newly evolving Homeland Security Sector.

Homeland Security is defined, in the National Strategy for Homeland Security as "a concerted national effort to prevent terrorist attacks within the United States, reduce America's vulnerability to terrorism, and minimize the damage and recover from attacks that do occur." Homeland security includes federal, state, and local governments, the private sector and individual citizens.

Broadly speaking, the Homeland Security Sector is primarily focused on "Physical and Critical Infrastructure Security", however, within this broad mission other significant missions can be extracted to better define the function of companies within the sector. Since the Homeland Security Sector requires collaboration amongst various industries, companies within this new sector are defined by mission as it relates to domestic security.

### **Homeland Security Missions**

1) *Intelligence and Warning*: Includes efforts to detect and track potential threats before attacks occur within the United States.

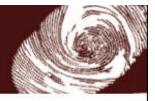
**2)** Border and Transportation Security: Encompasses airline security and inspection of cargo at points of entry into the United States to prevent unwanted individuals or weapons from entering the country.

**3)** *Domestic Counterterrorism*: Consists primarily of federal law enforcement and investigative activities that center on tracking and apprehending terrorists. Primary responsibility for those activities rests with the Federal Bureau of Investigation.

**4)** *Protection of Critical Infrastructure and Key Assets*: Includes the physical security of national landmarks and critical infrastructure (including Cyber Infrastructure) as well as the physical security of federal government buildings and installations.

**5)** Defense Against Catastrophic Threats: Entails efforts to prevent terrorists from obtaining weapons of mass destruction (chemical, biological, or nuclear) and activities to mitigate the effects of such weapons if they are used.

6) *Emergency Preparedness and Response*: Includes efforts to mitigate the effects of future terrorist attacks, including creating federal response plans and providing equipment and training for local "first responders" (in general, local fire, police, and medical personnel who are likely to be first on the scene of a terrorist attack).



## DESCRIPTION

The ISE-CCM HOMELAND SECURITY INDEX is a sampled, fixed-number constituent, modified market capitalization-weighted index that is adjusted for free-float shares. It is a "RIC" (Regulated Investment Company) compliant index of 30 select, small, mid, and large capitalization US companies. These Homeland Security companies are some of the largest, most liquid, and most mature of the entire sector. The index strongly represents, in a balanced fashion, the complete Homeland Security Sector and its related missions. Due to the non-uniform weight distribution across the sector, a "modified" market capitalization-weighted methodology is used to limit individual component weightings to 25%. This modification prevents a few large component stocks from dominating the index and distorting an index return that is representative of an industry sector. The modified approach promotes portfolio diversification by retaining the economic attributes of capitalization ranking.

The ISE-CCM HOMELAND SECURITY INDEX has been constructed specifically to isolate "Homeland Security Companies" in order to present an accurate and pure representation of the Homeland Security Sector. Defense contractors and large conglomerates have been excluded for reasons of purity, even though they may be a contractor with the Department of Homeland Security and have a presence in the sector.

The ISE-CCM HOMELAND SECURITY INDEX is calculated on a price and total return basis. The price Index is calculated in real-time and disseminated via the Options Price Reporting Authority (OPRA) and market data vendors every day the U.S. equity markets are open. The total return Index is calculated on an end-of-day basis. Both sets of values are freely available on ISE's website, <u>www.iseoptions.com</u>

HSX always contains 30 different component stocks at all times. New companies are added to the Index only when there is a vacancy. Companies may not apply, and may not be nominated, for inclusion in the Index. Companies are added or removed by the ISE and CCM based on the methodology described herein. Whenever possible, ISE will publicly announce changes to the index on its website at least five trading days in advance of the actual change.

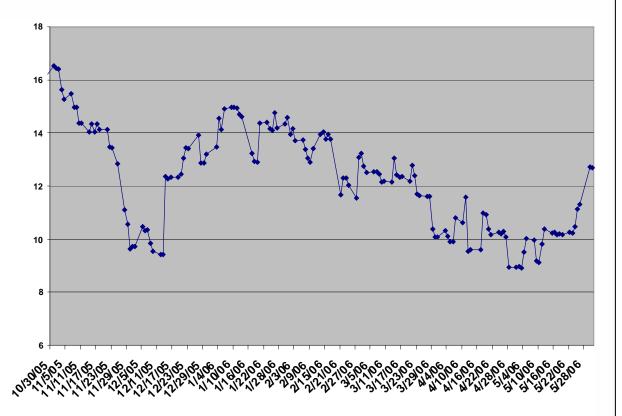
# OBJECTIVE

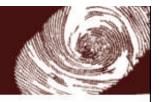
The objective of the ISE-CCM HOMELAND SECURITY INDEX is to provide investors with the ability to track the Homeland Security Sector. This is accomplished through ongoing analysis of the benchmark companies included in the Index which are directly involved with Homeland Security, either through contractual work with the Department of Homeland Security, other law enforcement-government agencies, or in the production of products and-or services that meet the needs of Homeland Security, as defined by the Department of Homeland Security and-or the private sector.



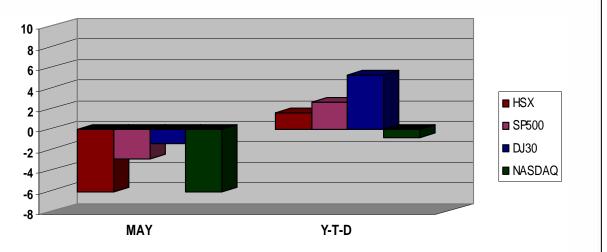


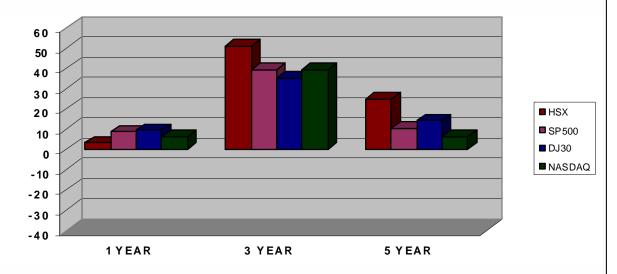
## HSX ANNUALIZED VOLATILITY





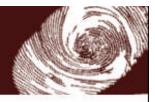
## **HSX RETURNS VIS A VIS BENCHMARKS**



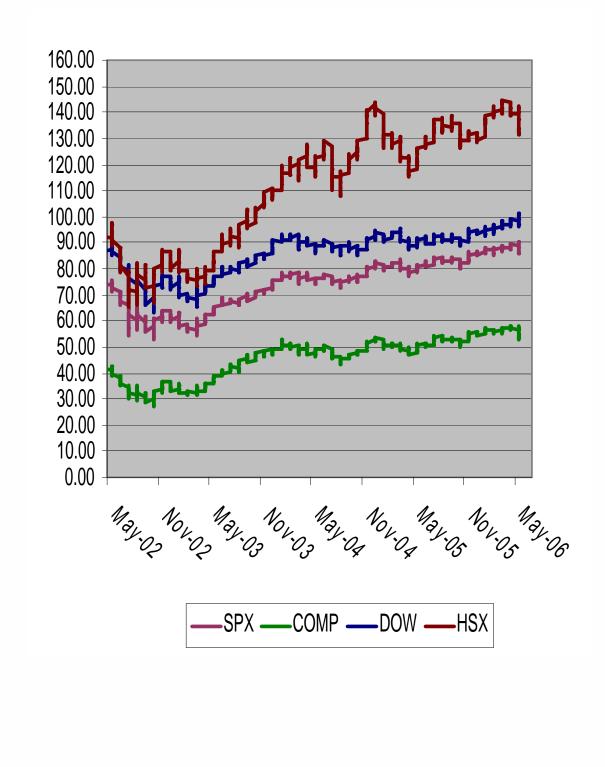


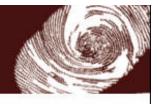
INDEX	MAY	Y-T-D	1 YEAR	3 YEAR	5 YEAR
HSX	-6.14	1.56	3.19	51.01	24.59
SP500	-2.87	2.57	8.63	39.11	10.19
DOW	-1.46	5.27	9.25	34.91	14.06
NASDAQ	-6.10	82	6.24	39.19	6.13





# HSX NORMALIZED RETURNS VIS A VIS BENCHMARKS





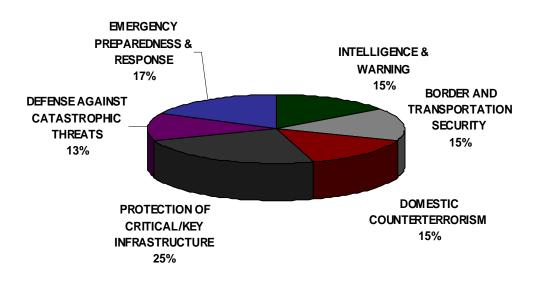
### HSX COMPONENT KEY STATISTICS AND WEIGHTINGS

TICKER		ASSIGNED SHARES	PRICE	WEIGHT
ACTI	ActivIdentity Corp	45,539,000	4.43	0.50 %
ANT	Anteon International Corp.	32,721,920	55.1	4.49 %
APSG	Applied Signal Technology	11,678,000	18.69	0.54 %
CAI	CACI International Services	30,188,000	59.98	4.51 %
СНКР	Check Point Software	146,798,744	19.13	7.00 %
содт	Cogent Inc	21,372,980	15.24	0.81 %
СРНД	CEPHEID INC	52,636,000	10	1.31 %
FLIR	FLIR Systems	69,070,000	26.06	4.49 %
НЕРН	HOLLIS-EDEN PHARMACEUTICALS	17,610,840	4.86	0.21 %
HRS	Harris Corp.	80,532,910	42.98	8.63 %
IDNX	Identix Inc.	89,318,000	6.4	1.42 %
ISSX	Internet Security Systems	38,496,180	20.76	1.99 %
LLL	L-3 Communications Holdings	72,865,799	75.21	13.66 %
MANT	ManTech International 'A'	17,870,760	33.84	1.51 %
MFE	McAfee, Inc.	99,934,427	23.96	5.97 %
MSA	Mine Safety Appliances Co.	26,312,400	41.68	2.73 %
OSIS	OSI Sy <i>s</i> tems Inc.	12,617,220	20.15	0.63 %
RAE	RAE Systems	35,272,030	4.28	0.38 %
RSAS	RSA Security Inc.	70,968,000	15.48	2.74 %
SINT	SI INTERNATIONAL INC	6,661,690	32.1	0.53 %
SRX	SRA International	37,503,360	30.86	2.88 %
STE	STERIS Corp.	67,658,000	23.32	3.93 %
TASR	Taser International	52,202,750	9.75	1.27 %
тмо	Thermo Electron	97,445,620	36.85	8.95 %
ттек	Tetra Tech	57,222,000	17.95	2.56 %
UIS	Unisys Corp.	341,966,000	6.69	5.70 %
VISG	Viisage Technology Inc.	18,583,040	14.04	0.65 %
VRNT	VERINT SYSTEMS INC	12,231,060	33.1	1.01 %
WGII	WASHINGTON GROUP INTL INC	24,351,600	55.17	3.35 %
ZBRA	Zebra Technologies'A'	62,939,687	35.81	5.62 %

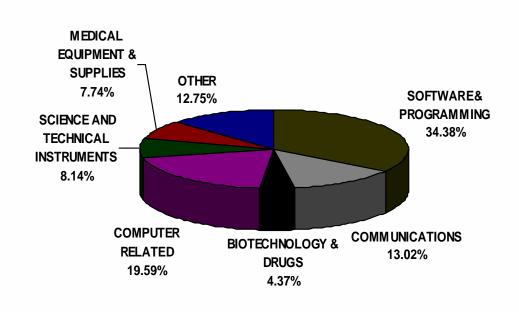




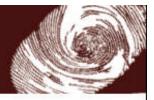
# HSX MISSION WEIGHTING BREAKDOWN



### HSX INDUSTRY WEIGHTING BREAKDOWN







### PRODUCT SPECIFICATION – INDEX OPTIONS SYMBOL – HSX

#### **Index Description**

The ISE-CCM Homeland Security Index includes companies engaged in contractual work with the Department of Homeland Security, law enforcement agencies, or in the production of products and-or services that meet the needs of Homeland Security, as defined by the Department of Homeland Security and/or the private sector.

#### **Index Multiplier**

100. The index multiplier means that the options premiums are multiplied by 100 to obtain the actual premium amount.

Strike Price Interval-- Strike price intervals are at least \$2.50.

#### **Minimum Trading Increments**

The minimum trading increment for an options contract trading at less than \$3.00 is \$0.05. The minimum trading increment for an options contract trading at \$3.00 or higher is \$0.10.

Expiration Date--

Saturday following the third Friday of the expiration month.

#### **Expiration Months**

Up to three near-term months followed by three additional months from the March quarterly cycle (March, June, September and December).

#### **Exercise Style**

European. Options generally may be exercised only on the last business day before expiration.

#### Last Trading Day

Trading will ordinarily cease on the business day (usually a Thursday) preceding the day on which the exercise-settlement value is calculated.

Settlement	Туре	A.M., cash settlement
Settlement	Value Symbol	EKA

#### **Settlement Value**

The exercise-settlement value is calculated using the opening (first) reported sales price in the primary market of each component stock on the last business day (usually a Friday) before the expiration date. If a stock in the index does not open on the day in which the exercise-settlement value is determined, the last reported sales price will be used in calculating the exercise-settlement value. The exercise-settlement amount is equal to the difference between the exercise-settlement value and the exercise price of the option, multiplied by \$100. Exercise will result in delivery of cash on the business day following expiration.

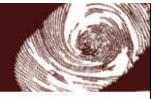
#### Position and Exercise Limits

The position and exercise limits are 24,000 contracts on the same side of the market. Position and Exercise limits are subject to change.

**Trading Hours--**

9:30 A.M. - 4:15 P.M. Eastern Time (New York time).





## HSX COMPONENT PROFILES AND NEWS LINK

#### L-3 Communications Holdings

L-3 Communications Holdings, Inc. (L-3) is a supplier of a range of products used in a number of aerospace and defense platforms. It is also a supplier of subsystems on platforms, including those for secure communication networks; mobile satellite communications; information security systems; shipboard communications; naval power systems; fuses and safety and arming devices for missiles and munitions; microwave assemblies for radars and missiles; telemetry and instrumentation, and airport security systems. In addition, the Company is a prime system contractor for aircraft modernization and maintenance; intelligence, surveillance and reconnaissance (ISR) collection platforms; simulation and training, and government systems support services. L-3's four operating segments include Secure Communications and ISR; Training, Simulation and Support Services; Aviation Products and Aircraft Modernization, and Specialized Products.

L-3 Communications Announces Jury Verdict in Litigation with OSI Systems L-3 to Buy Crestview Aerospace for \$135M L-3 Communications Announces Bid to Acquire TRL Electronics SEE NEWS

#### Unisys

Unisys Corporation is a worldwide information technology (IT) services and solutions company that combines expertise in systems integration and consulting, outsourcing, infrastructure and high-end server technology to help clients achieve competitive advantage. The primary vertical markets the Company serves worldwide include financial services, communications, transportation, commercial and public sector, including the United States federal government. Unisys has two business segments, Services and Technology. In the Services segment, the Company provides end-to-end services and solutions designed to help clients improve their competitiveness and efficiency in the global marketplace. In the Technology segment, Unisys develops servers and related products that operate in transaction-intensive, mission-critical environments.

Unisys Extends Outsourcing Relationship with AIG Technologies, Inc.

ANA Moving to Customer-Centric Unisys Airline Solution to Streamline Passenger Operations

Unisys Selects DHL As Global Lead Provider for Customized Logistics Solutions SEE NEWS

#### **Thermo Electron Corp**

Thermo Electron Corporation operates three principal business segments: Life and Laboratory Sciences, Measurement and Control, and Optical Technologies. The Life and Laboratory Sciences segment primarily serves the pharmaceutical, biotechnology and other research and industrial laboratory markets, as well as scientists in government and academia, with advanced instrument systems and software that enable discovery, research and development and quality assurance. The Measurement and Control segment provides analytical tools, online process instruments and precision temperature-control systems that are used to increase quality, improve productivity and meet environmental and other regulatory standards. The Optical Technologies segment provides high-power semiconductor and solid-state lasers, as well as other photonic components and devices used in applications ranging from industrial and microelectronic manufacturing to scientific research to medical diagnostics.

Thermo Electron, Fisher Scientific in Deal SEE NEWS



Washington Group International, Inc. is an international provider of design, engineering, construction, construction management, facilities and operations management, environmental remediation and mining services. The Company offers its various services separately or as part of an integrated package throughout the life cycle of a customer's project. In providing engineering and design services, Washington participates in the conceptualization and planning stages of projects that are part of its customers' overall capital programs. It also devises project configurations to maximize both construction and operating efficiency. As a contractor, Washington is responsible for the construction and completion of each contract in accordance with its specifications and contracting terms (primarily schedule and total cost). Washington operates its business through six business units: Power, Infrastructure, Mining, Industrial/Process, Defense and Energy and Environment.

Washington Group International Clarifies News Reports Regarding Its Interest in U.K. Nuclear Activities

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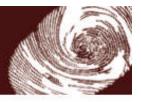
#### Mine Safety Appliances

Mine Safety Appliances Company manufactures and sells products designed to protect the safety and health of people throughout the world. The Company's principal products include respiratory protective equipment that is air-purifying, air-supplied and self-contained in design; instruments that monitor and analyze workplace environments and control industrial processes; thermal imaging cameras that enable firefighters and rescue workers to see through smoke and darkness, and personal protective products including head, eye, face and hearing protectors and fall protection equipment. Many of these products have applications for workers in industries such as manufacturing, municipal and volunteer fire departments, public utilities, mining, petroleum, construction, transportation, the military and hazardous materials clean-up. Consumer products target the do-it-yourself market and are available through select home center retail outlets under the MSA Safety Works brand. SEE NEWS

#### **CACI** International

CACI International Inc. is an international information systems and high technology services corporation. It delivers information technology (IT) and communications solutions through four service offerings: systems integration, managed network services, knowledge management and engineering services. Through these services, the Company provides practical IT and communications solutions by adapting emerging technologies and continually evolving legacy strengths in such areas as information assurance and security; reengineering, logistics and engineering support; automated debt management systems and services; litigation support systems and services; product data management; software development and reuse; voice, data and video communications; simulation and planning; financial and human resource systems, and geo-demographic and customer data analysis. CACI is a holding company and its operations are conducted through subsidiaries, which are located in the United States and Europe.

CACI Awarded \$42 Million Contract by the Defense Information Systems Agency SEE NEWS



#### **RSA Security Inc.**

RSA Security Inc. helps organizations protect private information and manage the identities of the people and applications accessing and exchanging that information. The Company's portfolio of solutions, including identity and access management, secure mobile and remote access, secure enterprise access and secure transactions, are all designed to provide a seamless e-security experience. In addition to its portfolio of solutions, the Company operates RSA Laboratories, its research center that provides cryptography and security technology services. RSA Security has more than 14,000 customers worldwide, and is headquartered in Bedford, Massachusetts.

A Year of Success: Improved and Enhanced RSA SecurWorld(TM) Program Enables More Partners to Meet Rapidly-Growing Market Opportunities SEE NEWS

#### **Anteon Corporation**

Anteon International Corp. is a provider of information technology solutions and systems engineering and integration services to government clients as measured by revenue. The Company designs, integrates, maintains and upgrades information systems for national defense, intelligence, emergency response and other high priority government missions. Anteon also provides many of its government clients with the systems analysis, integration and program management skills necessary to manage their mission systems development and operations. The Company has service competencies that include strengths in intelligence systems, emergency response management, logistics modernization, secure identification and access management solutions, training, platform and weapons systems engineering support, ballistic missile defense, healthcare services and government enterprise solutions.

#### **Internet Security Systems**

Internet Security Systems, Inc. (ISS) is a provider of network and information security products and services that help to protect businesses from network and system risks. The Company offers a proactive line of security solutions that provide protection against a variety of ever-changing threats for gateways, networks, servers and desktops. It also offers security software and appliances, managed security services, consulting and training services and online security research, advisory and other knowledge services. This line of products and services are designed specifically for the enterprise, service providers, risk management, small business and consumer markets. ISS' threat protection solutions deliver multiple layers of defense that detect, prevent and respond to threats before those threats cause damage to its customers' business operations. In January 2004, the Company acquired Cobion AG, a global provider of content filtering and anti-spam technology.

Internet Security Systems Continues Strong Channel Momentum, Empowers Partners to Deliver 'Protection On-Demand'

Internet Security Systems Warns Against Potential Microsoft Exchange Worm SEE NEWS





#### Identix Inc.

Identix Incorporated provides fingerprint and facial recognition technology offerings that empower the identification of individuals who wish to gain access to information or facilities, conduct transactions and obtain identifications. The Company's products and solution offerings can also help identify those who perpetrate fraud and otherwise pose a threat to public safety. Identix' products serve various industries and market segments, most notably, government and law enforcement, aviation, financial, healthcare and corporate enterprise. The Company had provided public sector services through Identix Public Sector, Inc. (IPS). In February 2004, it sold IPS to Alion Science and Technology Corporation. The Company formed a joint venture in 1997 with Sylvan Learning Centers, Inc., Sylvan Identix Fingerprinting Centers (SIFC), for the purpose of providing fingerprinting services for a variety of civilian applications. SIFC was acquired buy Identix in February 2004.

Identix Signs Collaboration Agreement with the Prime Contractor Sagem Defense Securite to Deliver World's Largest Multi-Biometric Identification System for Mexico's Election System

Identix Awarded Contracts from California State & Local Government Agencies for Full-Hand & Ten Print Enhanced Definition Live Scan Systems SEE NEWS

#### **FLIR Systems**

FLIR Systems, Inc. designs, manufactures and markets thermal imaging systems and infrared camera systems that offer a variety of applications in the commercial, industrial and government markets. The Company's business is organized into two divisions, thermography and imaging. The thermography division produces systems that provide precise temperature measurement capabilities and are used for a variety of commercial and industrial applications. The imaging division produces a range of systems that are used in such applications as long-range surveillance, reconnaissance, search and rescue, security, force protection, targeting and law enforcement. In January 2004, the Company acquired Indigo Systems Corporation, a producer of infrared detectors, infrared cameras and camera subsystems.

#### Hollis-Eden

Hollis-Eden Pharmaceuticals, Inc. is engaged in the discovery, development and commercialization of products for the treatment of diseases and disorders in which the body is unable to mount an appropriate immune response. The Company's initial development efforts target radiation and chemotherapy induced immune suppression and immune deregulation caused by infectious diseases such as human immunodeficiency virus (HIV), malaria and tuberculosis. Its initial technology development efforts are focused on a series of potent hormones and hormone analogs. It is developing several compounds in this series. Neumune (HE2100) is a compound being developed with the United States military to protect against the acute effects of radiation injury. Immunitin (HE2000) is a Phase II clinical stage compound that has shown clinical activity in several infectious diseases and is also being evaluated by a number of United States government agencies as a countermeasure for bioterrorism.

Hollis-Eden Announces Filing of IND for Phase I Clinical Trials with NEUMUNE in Patients at Risk of Hospital-Acquired Infections SEE NEWS





#### Viisage Tech

Viisage Technology, Inc. delivers technology identity solutions for governments, law enforcement agencies and businesses concerned with enhancing security, reducing identity theft, providing access control and protecting personal privacy. The Company's business involves two related segments: secure credentials and biometrics. The secure credentials solutions segment involves the design, development, marketing and implementation of integrated software and hardware solutions that produce identification credentials utilizing face recognition and other biometric technologies. The focus of the biometric technology solutions segment is primarily on applications designed to deter criminal and terrorist activities, including government research and development contracts. On January 23, 2004, it acquired ZN Vision Technologies AG, now known as Viisage Technology AG. On February 14, 2004, the Company acquired Trans Digital Technologies Corporation (TDT).

Viisage to Hold Conference Call on Quarterly Results and Update on Pending Merger with Identix Viisage Appoints Deloitte & Touche LLP as Independent Registered Public Accounting Firm SEE NEWS

#### **OSI Systems**

OSI Systems, Inc. is a diversified global developer, manufacturer and seller of security and inspection systems, medical monitoring products, and optoelectronic-based components, as well as a provider of engineering and manufacturing services. The Company's products are sold under the Rapiscan, Secure, Ancore, ARACOR and Metor brand names. These products are used to inspect people, baggage, cargo, vehicles and other objects for weapons, explosives, drugs and other contraband. OSI Systems is a global provider of medical monitoring equipment to hospitals through its Spacelabs Medical subsidiary. OSI also provides optoelectronic devices and value-added subsystems that are used in a broad range of applications, including aerospace and defense electronics, fiber optics, telecommunications, gaming, and industrial automation. The Company maintains offices and production facilities located in more than a dozen countries.

Jury Awards \$125M to OSI Systems vs. L-3 SEE NEWS

#### Tetra Tech Inc.

Tetra Tech, Inc. is a provider of consulting, engineering and technical services in the areas of resource management and infrastructure. As a consultant, the Company assists its clients in defining problems and developing cost-effective solutions. These services span the lifecycle of a project and include research and development, applied science and technology, engineering design, construction management and operations and maintenance. Its clients include a diverse base of government and commercial organizations located in the United States and, to a lesser extent, internationally.

Tetra Tech Teams Win Top USACE Honors for Environmental Design, DoD Mentor-Protege Program Excellence Tetra Tech Wins \$40 Million in Iraq Reconstruction Work under Air Force WERC Contract SEE NEWS





#### **Cepheid Inc**

Cepheid develops, manufactures and markets fully integrated systems that perform genetic analysis including DNA (deoxyribonucleic acid) or RNA (Ribonucleic Acid) analysis, principally for the clinical genetic assessment, life sciences and biothreat markets. The Company has developed complete testing systems, including instrumentation and test cartridges that integrate automated sample preparation, amplification and detection. Cepheid's systems enable rapid, sophisticated genetic testing of organisms by automating otherwise complex manual laboratory procedures. These systems are designed to handle a variety of different biological samples in a range of environments. Its systems offer a range of benefits, including portability and ease of use, flexible modular platform, multiple target analysis and enhanced sensitivity. Cepheid's two principal product platforms are the Smart Cycler and GeneXpert systems.

FIND and Cepheid to Develop Rapid TB Test for Developing Nations

Cepheid Introduces GeneXpert(R) 16-Site System

Cepheid Launches CE Mark Certification Smart EBV(TM) In Vitro Diagnostic Test for SmartCycler(R) Platform SEE NEWS

Mantech International

ManTech International Corporation is a provider of technologies and solutions for mission-critical national security programs for the intelligence community, the Department of Defense and other United States federal government customers. The Company provides software development, enterprise security architecture, information assurance, intelligence operations support, network and critical infrastructure protection, information technology, communications integration and engineering support. It delivers these through three principal areas of service solutions, Secure Systems and Infrastructure Solutions, Information Technology Solutions and Systems Engineering Solutions, which are offered separately or in combination to the Company's customers.

ManTech Awarded \$7.1 Million Contract from DHS for United States Public Private Partnership Program ManTech Wins \$10M U.S. Army Corps of Engineers Contract to Provide Security Solutions SEE NEWS

#### Harris Corp

Harris Corporation is an international communications equipment company with five segments. The Government Communications Systems segment develops, designs and produces communication and information processing systems. The RF Communications segment develops, designs, manufactures and sells secure tactical radio products and provides services related to secure tactical radio products. The Microwave Communications segment designs, manufactures and sells microwave radio products. The Network Support segment designs, manufactures and sells telephone test equipment and systems; produces and sells network management systems, and provides services related to these products and systems. The Broadcast Communications segment designs, manufactures and sells television and radio transmission products; produces and sells automation and control systems and studio products, and provides services related to these products and systems.

Harris Corp.-led team oversees telecom installation for Atlanta tower Harris Corporation to Acquire Aastra Digital Video Harris Corporation Awarded \$10 Million Preliminary Design Contract for WIN-T Transmission System as Part of General Dynamics Team SEE NEWS





#### **Steris Corp**

STERIS Corporation develops, manufactures and markets infection prevention, contamination control, microbial reduction and surgical and critical care support products and services for healthcare, scientific, research, industrial and government customers throughout the world. The Company is focused on helping customers address needs in the healthcare and pharmaceutical industries. STERIS realigned its single operating segment into three market-focused business segments to capture growth opportunities. These segments include: Healthcare, Life Sciences and STERIS Isomedix Services.

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#### McAfee Inc.

McAfee, Inc. supplies computer security solutions to prevent intrusions on networks and protect computer systems from various threats and attacks worldwide. Its products include McAfee System Protection Solutions and McAfee Network Protection Solutions. McAfee System Protection Solutions delivers anti-virus, anti-spyware, managed services, application firewalls, and security products and services to protect systems, such as desktops and servers. McAfee Network Protection Solutions offers IntruShield for network intrusion detection and prevention; and Foundstone for intrusion detection and prevention, and vulnerability management. The company offers its solutions to large enterprises, governments, small and medium-sized businesses, and consumer users. The company sells its products through partners, including corporate resellers, retailers, and distributors. It has strategic alliances with America Online Cox Communications, Dell, NEC, NTT DoCoMo, Telefonica, Comcast, Telecom Italia, and Wanadoo. The company was incorporated in 1992 and is headquartered in Santa Clara, California.

McAfee, Inc. IntruShield Intrusion Prevention Protects Indonesia's Largest Cellular Service Provider

Microsoft Launches Security for Windows

McAfee, Inc. Recognized as a Digital Integration Channel Excellence Winner by CMP Technology's Digital Connect Magazine

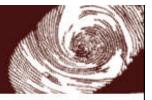
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#### Zebra Technologies Corporation

Zebra Technologies Corporation and its wholly owned subsidiaries engage in the design, manufacture, and support of a range of direct thermal and thermal transfer label and receipt printers, radio frequency identification (RFID) printer/encoders, dye sublimation card printers, and digital photo printers. Its line of computerized printers is used to produce bar code labels, RFID 'smart' labels, receipts and tags, plastic cards, and photographs. The company also sells related specialty labeling materials, ink ribbons, and bar code label design software. These products are used to provide bar code labeling, personal identification, and specialty printing solutions principally in the manufacturing, retail, service, and government sectors. Zebra's technology is used in various applications, which include inventory control, small package delivery, baggage handling, automated warehousing, just-in-time manufacturing, employee time and attendance records, file management systems, hospital information systems, medical specimen labeling, shop floor control, in-store product labeling, employee ID cards, driver's licenses, and access control systems. The company sells its products primarily through distributors, value-added resellers, and original equipment manufacturers primarily in Europe, the Middle East, and Africa; Latin America; Asia-Pacific; and North America. Zebra Technologies Corporation is headquartered in Vernon Hills, Illinois.

Zebra Technologies' PartnersFirst(R) Program Awarded Top Honors SEE NEWS





#### Check Point Software Technologies, Ltd.

Check Point Software Technologies, Ltd. engages in the development, marketing, and support of Internet security and virtual private networking solutions for enterprise and networks, service providers, small and medium businesses, and consumers. The company offers solutions that enable secure communications over Internet protocol networks, including the Internet, Intranets, and extranets. Check Point's Internet security solutions include various technologies that enable its customers to define their network and application security policies, enforce these policies across their networks, collect and correlate information, monitor the security and traffic flow, and analyze and update configurations to reflect changes in the Internet security policies. It also provides related software subscriptions, support, training, and consulting services. In addition the company offers endpoint security solutions that protect personal computers from hackers, spyware, and data theft. It sells its software products worldwide through multiple distribution channels, including distributors, resellers, system integrators, original equipment manufacturers, and managed security service providers. Check Point was founded in 1993 and is headquartered in Ramat-Gan Israel.

<u>Check Point Integrity Clientless Security 4.0 Offers the Most Comprehensive On-</u> <u>Demand Endpoint Security for Vulnerable Web Applications</u>

<u>Check Point Introduces New Safe@Office Unified Threat Management Appliances With</u> <u>Integrated ADSL Modems</u>

Crossbeam Systems Announces Immediate Support for Check Point's Unified Threat Management Solution

SEE NEWS

#### SRA International, Inc.

SRA International, Inc. provides information technology services and solutions in the United States. The company offers strategic consulting; systems design, development, and integration; and outsourcing and operations management. It also develops business solutions for text and data mining, contingency and disaster response planning, information assurance, environmental strategies, conflict management and dispute resolution, enterprise architecture, network operations and management, enterprise systems management, and wireless integration services. The company offers its services primarily to various federal government clients in national security, civil government, and health care and public health markets. SRA International was founded by Ernst Volgenau. The company, formerly known as Systems Research and Applications Corporation, was incorporated in 1976 and is headquartered in Fairfax, Virginia.

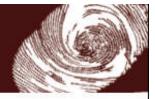
SRA Receives Government IT Contract SEE NEWS

#### Verint Systems, Inc

Verint Systems, Inc. provides analytic software-based solutions for the security and business intelligence markets. Its analytic solutions collect, retain, and analyze voice, fax, video, email, Internet, and data transmissions from voice, video and IP networks for the purpose of generating actionable intelligence for decision makers. The company primarily offers communications interception solutions, such as STAR-GATE, RELIANT, and VANTAGE; networked video solutions that include NEXTIVA; and contact center actionable intelligence solutions, which include ULTRA. Verint Systems serves government entities, global corporations, law enforcement agencies, financial institutions, transportation agencies, retail stores, utilities, and communications service providers. The company sells its products through a combination of direct sales force; and agents, distributors, resellers, and systems integrators, principally in Americas, Europe, the Middle East, and the Asia Pacific Region. Verint Systems was organized as Interactive Information Systems Corporation in 1994 and changed its name to Comverse Information Systems Corporation in 1996. Further, Comverse Information Systems changed its name to Comverse Information Systems, Inc. in 2002. The company is headquartered in New York City. Verint Systems, Inc. is a majority owned subsidiary of Comverse Technology, Inc.

Verint's ULTRA Solution Recognized for Market Penetration Leadership SEE NEWS





#### SI International, Inc

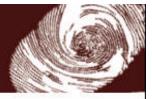
SI International, Inc. provides information technology and network solutions primarily to the federal government in the United States. The company provides solutions in the eight practice areas, including software development, systems consulting, eSolutions, information security, learning solutions, systems engineering, network solutions, and mission-critical outsourcing. Software development practice delivers custom software integrated with commercial off-the-shelf products, as well as provides enterprise-wide data management, testing, and independent verification and validation services. Systems consulting practice supports modeling, simulation, and prototyping of solutions, which includes feasibility studies, strategic planning, systems development consulting, quality assurance, project management, organizational assessment, system and transition planning, and acquisition support. eSolutions practice delivers software implementation services that Webenable applications intended to leverage an organization's utilization of the worldwide Web. It provides clients with feasibility studies, system planning and development, migration planning, quality assurance, systems integration, and user training. Information security practice delivers analyses, methods, and technologies that enable clients to secure their information against unauthorized access and service disruption. It also provides security policy and procedure development, threat determination and risk assessment, vulnerability analysis, system security engineering, network defense, document processing, applications and Web security, security evaluation, and accreditation and training. Learning solutions practice designs, develops, and delivers training and performance support for learning and performance needs. Systems engineering practice delivers mission and requirements analysis, operational architecture modeling and development, system design, validation and verification, integrated logistics support, life cycle engineering, and simulation and modeling. Network solutions practice designs, develops, and deploys telecommunications network and infrastructure solutions, which include voice, narrowband, broadband, and wireless technologies. Mission-critical outsourcing practice offer services to perform network operations, sustaining engineering, administrative processing, and overall program management. The company was founded in 1998 and is headquartered in Reston, Virginia. SEE NEWS

#### Applied Signal Technology, Inc

Applied Signal Technology, Inc. engages in the design, development, manufacture, and marketing of advanced digital signal processing equipment to collect and process a range of telecommunications signals for signal reconnaissance applications. The company offers a range of signal intelligence (SIGINT) products, including voice grade channel processors that are designed to process voice grade channels (VGC), which carry audio and other signals; wideband processors that 'clean' telecommunication signals for further processing by VGC processors by adjusting for signal distortions that commonly occur during transmission; signal collection products, which include a small receiver that collects complex signaling formats, and a receiver that optimizes multiple antenna inputs to overcome co-channel interference and certain forms of multipath interference; and software solutions that are based upon the use of commercial off-the-shelf hardware processors. The company also provides engineering services for its operational SIGINT systems. Its primary customer is the United States Government, which consists of military and intelligence agencies that have signal reconnaissance needs. Applied Signal Technology was incorporated in 1984 and is headquartered in Sunnyvale, California.

SEE NEWS





#### ActivCard Corp.

ActivCard Corp. engages in the development, marketing, and support of digital identity systems and products worldwide. Its solutions and products include smart cards, tokens, biometric devices, mobile phones, and personal digital assistants. The company's solutions enable organizations to maintain and confirm identities before granting access to computer networks, applications, and physical locations. ActivCard also offers solutions for secure remote network access, single sign-on services, and multifunction smart card-based enterprise access cards. The company markets its solutions to governments, enterprises, and financial institutions through value added resellers, distributors, original equipment manufacturers, and system integrators. The company has strategic channel partnership with EDS, IBM, Maximus, Northrop Grumman, and Unisys. ActivCard was co-founded by Yves Audebert in 1985 and is headquartered in Fremont, California.

ActivIdentity Announces Strong Authentication Solution Supporting OATH-Promoted One-Time Password Algorithm SEE NEWS

#### RAE Systems, Inc.

RAE Systems, Inc. engages in the development and manufacture of deployable multisensor chemical detection monitors and networks for homeland security and industrial applications primarily in the United States. The company offers portable single-sensor chemical and radiation detection products, portable single and multiple sensor atmospheric monitors, integrated systems, photo-ionization detectors, indoor air quality and security monitors, gas detection tubes, and sampling pumps. In addition, its technologically advanced products include portable, wireless, fixed chemical detection monitors, and gamma and neutron detectors. The company products enable the military and first responders, such as firefighters, law enforcement, and other emergency management personnel to detect and provide warning of weapons of mass destruction and other hazardous materials. Its industrial applications include the detection of toxic industrial chemicals, volatile organic compounds, and petrochemicals. The company sells its products primarily to the U.S. government agencies, as well as all airline, automotive, telecommunications, computer, and oil industries through direct sales personnel and distributors in the United States, Canada, Western Europe, Mexico, Latin America, Japan, China, Hong Kong, and Singapore. RAE Systems is headquartered in Sunnyvale, California.

RAE Systems' AreaRAE Detection Networks Used for Venue Protection at the Kentucky Derby

<u>SEE NEWS</u>

#### **TASER International, Inc**

TASER International, Inc. engages in the development and manufacture of nonlethal self-defense devices. Its devices utilize compressed nitrogen to project two small probes of approximately 25 feet at a speed of approximately 160 feet per second. These probes are connected to its device by insulated wire. The probes and compressed nitrogen are stored in a replaceable cartridge attached to the base of the device. The company sells its products primarily for use in the law enforcement, military, private security, and personal defense markets worldwide. TASER International was co-founded in 1993 by Rick and Tom Smith. It was formerly known as ICER Corporation and changed its name to AIR TASER, Inc. in 1993. Further, the company changed its name to TASER International, Incorporated in 1998 and to TASER International, Inc. in 2001. TASER International is headquartered in Scottsdale, Arizona.

<u>Cleveland Clinic Study Shows That Cocaine Actually Increases the TASER Safety</u> <u>Margin</u>

SEE NEWS





#### Cogent, Inc

Cogent, Inc. provides automated fingerprint identification systems (AFIS) and other fingerprint biometrics solutions to governments, law enforcement agencies, and other organizations worldwide. It offers two primary AFIS solutions, Cogent Automated Fingerprint Identification System (CAFIS) and Cogent Live-ID. CAFIS is a networked AFIS solution for local, regional, and national systems. Cogent Live-ID enables customers to identify individuals who submit their fingerprints for border crossings, background checks, fraud prevention, criminal investigation, document identification, voting stations, and other activities where security is a concern. The company also offers proprietary application specific integrated circuit technology (ASIC) that is delivered as part of its Identification Module, an image processing and biometric matching unit designed for applications requiring biometric identification. Cogent markets its AFIS solutions directly to end-users and indirectly through prime contractors, as well as its proprietary ASIC device indirectly through original equipment manufacturers, resellers, and distributors. The company has strategic relationships with IBM, Hewlett-Packard, Fujitsu, and Sun Microsystems. The company was founded by Ming Hsieh in 1990. It was formerly known as Cogent Systems, Inc. and changed its name to Cogent, Inc. in 2004. Cogent is headquartered in South Pasadena, California.

UPEK and Cogent Systems Cooperate to Provide Fingerprint Biometric Authentication Solutions for Government and Commercial Access Control and Portable Identity Management Applications SEE NEWS



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