

ARGON ST

OUR CORPORATE GOVERNANCE GUIDELINES

As last amended by the Board of Directors on February 28, 2007

GENERAL PRINCIPLES

1. The Board of Directors is the ultimate decision-making body of the Company except with respect to those matters reserved to the stockholders by Delaware law. In fulfilling that role, the Board, among other things, selects and monitors the performance of, and plans of succession for, the senior management team.

COMPOSITION OF THE BOARD

2. The positions of Chairman of the Board and Chief Executive officer may be held by the same person. The function of the Board in monitoring the performance of the senior management of the Company is fulfilled by the presence of qualified independent Directors.
3. The Board shall consist of a majority of independent Directors. The Governance and Nominating Committee of the Board has established Director Qualification Standards to assist it in determining director independence, which either meet or exceed the independence requirements of the NASDAQ corporate governance listing standards. The Board shall elect a lead Independent Director (“Lead Independent Director”) annually to preside over the executive sessions of independent Directors, to facilitate information flow and communication between the Directors and Chairman, to review the agenda of Board meetings prior to circulation and to perform such other duties specified by the Board.

ELECTION OF THE BOARD

4. The entire Board shall be elected annually. The number of Directors shall not exceed a number that can function efficiently as a body. The Governance and Nominating Committee considers and makes recommendations to the Board concerning the appropriate size and needs of the Board. The Board proposes a slate of nominees for election to the Board. The shareholders may make nominations as provided in the bylaws. The Governance and Nominating Committee annually evaluates the performance of each existing Director before making recommendations for renomination to serve on the Board.

VACANCIES ON THE BOARD

5. The Governance and Nominating Committee also considers candidates to fill new positions created by expansion and vacancies that occur by resignation, retirement or for any other reason, based upon criteria such as integrity, independence, diversity, technical and financial expertise, prior government service, experience in governance of companies whose shares are registered with the Securities and Exchange Commission, as well as

other characteristics and skills relevant to the Company's business. Final approval of a candidate is determined by the full Board, subject however to such rights of the stockholders as may be specifically provided in the bylaws.

MAJORITY VOTING AND RELATED RESIGNATIONS

6. In an uncontested election of Directors, any nominee for Director who does not receive a greater number of votes "for" his or her election than votes "withheld" from his or her election (A "Withheld Vote") will promptly tender his or her resignation to the Board following certification of the stockholder vote.

The Governance and Nominating Committee will promptly consider the resignation submitted by a Director receiving a Withheld Vote, and the Governance and Nominating Committee will recommend to the Board whether to accept the tendered resignation or reject it.

When a Director experiences a substantial change in his or her principal occupation or business association during his or her tenure as a Director and since his or her last election, that Director shall tender his or her resignation for consideration by the Governance and Nominating Committee. The Governance and Nominating Committee will recommend to the Board the action, if any, to be taken with respect to the resignation, and will consider among other things, whether the change in responsibilities impairs that Director's ability to effectively serve on, or make contributions to, the Board.

In considering whether to accept or reject the tendered resignation, the Governance and Nominating Committee will consider all factors deemed relevant by its members including, without limitation, the length of service and qualifications of the Director whose resignation has been tendered, the Director's contributions to the Company, and in the event the resignation follows a Withheld Vote, any stated reasons why a shareholder "withheld" a vote for election from such Director. The Governance and Nominating Committee shall also consider these Corporate Governance Guidelines.

In considering Governance and Nominating Committee's recommendation, the Board will consider the factors considered by the Governance and Nominating Committee and such additional information and factors the Board believes to be relevant.

The Board will act on the Governance and Nominating Committee's recommendation no later than 90 days following the date of the certification of the election results. Following the Board's decision on the Governance and Nominating Committee's recommendation, the Company will promptly make public disclosure of the Board's decision on whether to accept or reject the resignation as tendered, together with the rationale behind such decision.

Any Director who tenders his or her resignation pursuant to this provision shall not participate in the Governance and Nominating Committee recommendation or Board action regarding whether to accept the resignation offer. However, if each member of the Governance and Nominating Committee received a Withheld Vote at the same election, then the independent Directors who did not receive a Withheld Vote shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept or reject them. If the only Directors who did not receive

Withheld Vote in the same election constitute three or fewer Directors, all Directors may participate in the action regarding whether to accept or reject the resignation offers.

OUTSIDE SERVICE

7. Without the prior consent of the Board, a Director should not serve on more than three (3) other boards of public companies in addition to the Company's Board.

COMPENSATION OF THE DIRECTORS

8. The Governance and Nominating Committee will review the compensation of Directors no less often than annually, and will consider, among other things, the compensation practices of other companies deemed to be a representative peer group.

RETIREMENT

9. No person shall be nominated by the Board to serve as a Director after he or she has passed his or her 75th birthday, unless the Board, upon the recommendation of the Governance and Nominating Committee, expressly waives such mandatory retirement age as to such person..

SELF EVALUATIONS

10. Under the guidance of the Governance and Nominating Committee, the Board, and each committee, should conduct a self-evaluation of its performance at least annually, to determine whether it is functioning effectively and in accordance with these Corporate Governance Guidelines and the committee's respective charter.

BOARD COMMITTEES AND OPERATION

11. It is the general policy of the Company that all major decisions be considered by the Board as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be basic to, or required for, the operation of a publicly owned company. Currently these committees are the Executive Committee, Audit Committee, Compensation Committee, and the Governance and Nominating Committee. The Audit Committee, Compensation Committee and Governance and Nominating Committee are made up of only independent Directors.
12. The Chairman of the Board and Chief Executive Officer, upon consultation with the Lead Independent Director, sets the agenda for Board meetings with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chair of that committee. Any member of the Board may request that an item be included on the agenda.
13. Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.

14. When necessary and appropriate, Board members may consult with independent legal, financial and accounting advisors to assist in their duties to the Company and its stockholders.
15. Executive sessions or meetings of independent Directors without management present are held following every regularly scheduled meeting of the Board and at such other times as deemed appropriate. Meetings of independent Directors are held from time to time with the Chairman and CEO for a general discussion of relevant subjects.

REVIEW OF GUIDELINES

16. These Guidelines are reviewed by the Board at least annually.

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