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VSE CORP
Form 8-K
April 17, 2008

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant to Section 13 OR 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 14, 2008

VSE CORPORATION
(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation or Organization)

0-3676 54-0649263
(Commission File Number) (I.R.S. Identification Number)

2550 Huntington Avenue
Alexandria, Virginia 22303-1499
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (703) 960-4600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

VSE CORPORATION

Item 1.01 Entry into a Material Definitive Agreement

On April 14, 2008, VSE Corporation ("VSE") entered into a Stock Purchase Agreement with Linda K. Berdine, as Trustee of Linda K. Berdine Revocable Trust ("LKB Trust"), Linda K. Berdine ("Ms. Berdine" and, together

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with LKB Trust, "Seller") and G&B Solutions, Inc. (the "Agreement"). The Agreement provides that VSE will acquire all of the outstanding capital stock of G&B Solutions, Inc. ("G&B") from Seller for (a) an initial purchase price of \$19.5 million, subject to certain reductions, and (b) up to \$4.2 million in additional purchase price payable if earn out conditions contained in the Agreement are satisfied during the first three years after the closing. The Agreement contains customary representations and warranties and indemnification obligations.

Item 2.01 Completion of Acquisition or Disposition of Assets

On April 14, 2008, VSE completed its acquisition of G&B pursuant to the Agreement. VSE paid an initial purchase price of \$19.5 million in cash, subject to certain reductions, of which \$1.95 million was placed into escrow to secure Seller's indemnification obligations contained in the Agreement. The escrow term is 18 months, subject to distributions of the escrowed funds to VSE if VSE makes claims for indemnification pursuant to the Agreement. Up to an additional \$4.2 million in purchase price is payable by VSE to Seller if earnout conditions contained in the Agreement are satisfied during the first three years after the closing. A copy of the Agreement (without schedules) is filed as Exhibit 2.1 to this Current Report on Form 8-K. The foregoing descriptions of the Agreement are qualified in their entirety by reference to the terms of the Agreement, as filed.

As contemplated by the Agreement, an employment agreement between G&B and Ms. Berdine, a Seller under the Agreement and G&B's chief executive officer and president, became effective on April 14, 2008. As provided in such employment agreement, Ms. Berdine will continue serving as G&B's chief executive officer and president for a minimum of three years. Ms. Berdine's initial base salary is approximately \$232,000 per annum.

G&B is a diversified information technology and management consulting company serving the U.S Government. The company's core expertise lies in Enterprise Architecture development; Information Assurance/ Business Continuity; Program and Portfolio Management; Network IT Services and Systems Design and Integration.

Item 7.01 Regulation FD Disclosure

April 14, 2008, VSE issued a news release that announced that its acquisition of G&B. The news release is attached hereto as Exhibit 99.1.

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VSE CORPORATION

Item 9.01 Financial Statements and Exhibits

- (a) Financial Statements of Business Acquired
Not Required
- (b) Pro Forma Financial Information
Not Required
- (d) Exhibits

Exhibit No.	Description
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2.1*	Stock Purchase Agreement, dated as of April 14, 2008,
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among VSE Corporation, Linda K. Berdine, as Trustee of
Linda K. Berdine Revocable Trust, Linda K. Berdine and
G&B Solutions, Inc.

99.1*

News Release dated April 14, 2008

* Filed herewith

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VSE CORPORATION

SIGNATURES

Pursuant to the requirements 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.

VSE CORPORATION
(Registrant)

Date: April 17, 2008

By: /s/ D. M. Ervine

D. M. Ervine
Chairman, President and CEO/COO

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