SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person[*]	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
Morehouse James W	TELOS CORP [TLSRP]	

(Last)	(First)	(Middle)
C/O TELOS CORPORATION,19886 ASHBURN ROAD		

				Director	10% Owner
		X	Officer (give title below)	Other (specify below)	
			VP, Strategic Programs		

3. Date of Earliest Transaction (Month/Day/Year) 06/04/2008

(Street)		
ASHBURN	VA	20147-2358

(City)	(State)	(Zip)

4. If Amendment, Date of Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)

X   Form filed by One Reporting Person

    Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Class A Common Stock	06/04/2008		A[(1)]		57,500	A	$0	57,500	D	
Class A Common Stock	06/04/2008		A[(1)]		20,000	A	$0	77,500	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock option (right to buy)	$0.62	06/04/2008		D			40,000	[(2)]	10/01/2014	Class A Common Stock	40,000	[(3)]	0	D	

Explanation of Responses:

1. Award of shares of restricted stock in accordance with the terms of the Issuer's 2008 Omnibus Long-Term Incentive Plan. The shares of restricted stock vest in four equal installments. The first installment vested on 6/4/08; the second installment will vest on 6/4/09; the third installment will vest on 6/4/10; the fourth installment will vest on 6/4/11.

2. The options were fully exercisable on the transaction date.

3. On June 4, 2008, the Issuer cancelled all stock options granted to the Reporting Person. In exchange for such cancelled stock options, the Issuer granted 57,500 shares of restricted stock to the Reporting Person.

/s/ Michele Nakazawa By power of attorney   06/06/2008

** Signature of Reporting Person   Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.