

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. 10)\***

**TELOS CORPORATION**

(Name of Issuer)

**12% Cumulative Exchangeable Redeemable Preferred Stock**

(Title of Class of Securities)

**87969B 20 0**

(CUSIP Number)

**Timothy G. Ewing  
Ewing & Partners  
4514 Cole Avenue, Suite 808  
Dallas, Texas 75205  
(214) 522-2100**

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

**May 3, 2005**

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 87969B 20 0

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Value Partners, Ltd.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Source of Funds (See Instructions)  
Not applicable

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5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)   
Not applicable

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6. Citizenship or Place of Organization  
Texas

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7. Sole Voting Power  
561,317

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Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

8. Shared Voting Power  
0

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9. Sole Dispositive Power  
561,317

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10. Shared Dispositive Power  
0

---

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
561,317

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12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

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13. Percent of Class Represented by Amount in Row (11)  
17.6%

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14. Type of Reporting Person (See Instructions)  
PN

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CUSIP No. 87969B 20 0

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Ewing & Partners

---

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

---

(b)

---

3. SEC Use Only

---

4. Source of Funds (See Instructions)  
Not applicable

---

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)   
Not applicable

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6. Citizenship or Place of Organization  
Texas

---

7. Sole Voting Power  
0

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Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

8. Shared Voting Power  
561,317

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9. Sole Dispositive Power  
0

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561,317

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11. Aggregate Amount Beneficially Owned by Each Reporting Person  
561,317

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13. Percent of Class Represented by Amount in Row (11)  
17.6%

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14. Type of Reporting Person (See Instructions)  
PN

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CUSIP No. 87969B 20 0

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1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only)  
Timothy G. Ewing

---

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3. SEC Use Only

4. Source of Funds (See Instructions)  
Not applicable

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)   
Not applicable

6. Citizenship or Place of Organization  
United States of America

7. Sole Voting Power  
0

Number of  
Shares  
Beneficially  
Owned by  
Each  
Reporting  
Person With

8. Shared Voting Power  
561,317

9. Sole Dispositive Power  
0

10. Shared Dispositive Power  
561,317

11. Aggregate Amount Beneficially Owned by Each Reporting Person  
561,317

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13. Percent of Class Represented by Amount in Row (11)  
17.6%

14. Type of Reporting Person (See Instructions)  
IN

This amendment ("Amendment No. 10") amends the Schedule 13D as previously filed and amended (the "Schedule") by Value Partners, Ltd. ("VP"), Ewing & Partners ("E&P") (or its predecessor, Fisher Ewing Partners) and Timothy G. Ewing with the Securities and Exchange Commission with respect to the 12% Cumulative Exchangeable Redeemable Preferred Stock, \$.01 par value per share (the "Exchangeable Preferred Stock"), of Telos Corporation, a Maryland corporation (the "Issuer"). All defined terms refer to terms defined herein or in the Schedule as previously amended. This Amendment No. 10 speaks only as of its date. Mr. Ewing, E&P, and VP are collectively referred to herein as the "Reporting Persons." The Schedule is amended only to the extent set forth below:

**Item 4. Purpose of Transaction**

Item 4. Purpose of Transaction appearing in the Schedule is supplemented by adding the following disclosure to the end of such item:

On May 3, 2005, Timothy G. Ewing and Ewing & Partners sent a letter to the Committee of Independent Directors of the Board of Directors of the Issuer jointly with other holders of the Exchangeable Preferred Stock. A copy of the letter is filed as Exhibit 99.1 hereto and is incorporated herein by reference. The letter urges the Committee of Independent Directors to consider a strategic transaction such as, but not limited to, a public equity offering or a merger transaction so that the Issuer may recognize its unrealized value and raise sufficient funds to fulfill its contractual obligations to redeem the Exchangeable Preferred Stock on November 21, 2005.

The signatories to the letter included four other holders of the Exchangeable Preferred Stock. The signatories to the letter expressly state that they are not acting together for purposes of acquiring, holding, voting or disposing of any equity security of the Issuer, and they expressly deny that they constitute a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

**Item 7. Material to be Filed as Exhibits**

The following exhibit is filed as part of this Amendment No. 10:

Exhibit 99.1	Letter dated May 3, 2005 to the Committee of Independent Directors of the Board of Directors of the Issuer
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**SIGNATURES**

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this Amendment No. 10 to the Schedule 13D is true, complete and correct.

VALUE PARTNERS, LTD.

By: Ewing & Partners as General Partner

Date: May 4, 2005

By: /s/ Timothy G. Ewing  
Timothy G. Ewing, Managing Partner

EWING & PARTNERS

Date: May 4, 2005

By: /s/ Timothy G. Ewing  
Timothy G. Ewing, Managing Partner

Date: May 4, 2005

/s/ Timothy G. Ewing  
Timothy G. Ewing

Dr. Fred C. Ikle  
 Mr. David Borland  
 Ambassador Langhorne A. Motley  
 Committee of Independent Directors of the Board of Directors  
 Telos Corporation  
 c/o Joseph M. Berl  
 Powell Goldstein LLP  
 901 New York Avenue, N.W.  
 Washington, D.C. 20001-4413

May 3, 2005

Gentlemen:

The parties signing this letter (the "Signatories") are responding to your recent letters to them soliciting their input to the financial restructuring of Telos Corporation(1) (the "Company"). As the Signatories are among the largest holders of the Company's sole public security, they are pleased to provide a joint response based on the verbal acknowledgement by legal counsel to the Independent Committee.

(1) Formerly C3 Inc.

The Signatories each hereby acknowledges and agrees that, by holding discussions and meetings relating to a possible restructuring of the capital of the Company, and by delivering this proposal in connection with such possible restructuring, none of the Signatories has acted together nor agreed to act together with another for purposes of acquiring, holding, voting or disposing of an equity security of the Company or for any other purpose, and therefore the Signatories do not constitute a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Neither the submission of this letter nor anything contained herein or discussed shall be construed as an admission that the Signatories constitute a "person" or "group" for any purpose, or an admission that any Signatory is, for the purposes of Section 13(d) or 13(g) of the Exchange Act, the beneficial owner of any of the equity securities of the Company owned by any other Signatory. The Signatories expressly acknowledge and agree that no Signatory has any shared voting or dispositive power over the equity securities of the Company owned by any other Signatory. Except for the submission of this letter in response to the solicitation of the Company, the Signatories do not have any contracts, arrangements, understandings or relationships (legal or otherwise) with or among each other with respect to any securities of the Company, including but not limited to transfer or voting of any of the securities of the Company, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, or a pledge or contingency the occurrence of which would give another person voting or dispositive power over the securities of the Company.

Each of the Signatories is aware that the security that he owns, Telos' 12% Cumulative Exchangeable Redeemable Preferred Stock (the "Security"), was issued in 1989 as a component of the leveraged buyout ("LBO") of C3 Inc. by C3 Acquisition Corp. Each of the Signatories is also aware that the Security has a first mandatory redemption date of November 21, 2005 at a price of \$10 per share, plus accrued and unpaid, contractually obligated dividends.

As you are aware, the Security is a fixed obligation of the Company and the holders of the Security are not considered by the Company to be equity participants, as disclosed in the October 20, 1989 Proxy Statement/Prospectus:

*"As a result [of receiving the Security] the public shareholders of the Company [existing prior to completion of the LBO] will be deprived of the opportunity to share in any future earnings or growth of the Company"*

Additionally, each of the Signatories is aware of the Board of Directors' disclosure statements made in the Company's SEC filings on Forms 8-K, 10-Q and 10-K beginning in March 2004 that the Company believes it will more likely than not be unable to meet the redemption schedule in accordance with the contractual obligations set forth in the terms of the Security.

Each of the Signatories acknowledges that based on the Company's Form 10-K for the fiscal year ended December 31, 2004, on that date, the Company did not have sufficient cash on hand to effect the mandatory redemption that is scheduled to commence this year in accordance with the contractual obligations of the Company under the terms of the Security. However, each of the Signatories believes that the Company has substantial unrealized total enterprise value ("TEV") that could be unlocked by the Board of Directors through a strategic transaction such as, but not limited to, a public equity offering or a merger transaction (a "Strategic Transaction"). Such a Strategic Transaction is interesting because it has the potential to unlock substantial value that can be made available to the Company to provide "legally available funds" to either completely or near completely fulfill the contractual obligations of the Company under the terms of the Security.

Based on independent analysis conducted by certain of the Signatories, and submitted in the enclosed summary, each of the Signatories estimates that the Company's unrealized TEV is at least between \$80 million and \$100 million.

In exploring the Company's ability to execute a Strategic Transaction, some of the Signatories have had informal extensive discussions with nationally-recognized investment banks that specialize in the Company's sector, including Friedman Billings Ramsey, BB&T Windsor Group, RBC Capital Markets, Stephens Financial Group and Morgan Joseph. These investment banks have expressed confidence in their respective independent abilities to successfully execute a Strategic Transaction on behalf of the Company.

The Committee of Independent Directors, in addition to the entire Board of Directors, has a fiduciary duty to direct and aggressively pursue a Strategic Transaction that would unlock the unrealized TEV and provide "legally available funds" for fulfilling the contractual obligations of the Company under the terms of the Security.

To assist the Committee of Independent Directors and the Company in facilitating a Strategic Transaction for the purposes of unlocking unrealized TEV and fulfilling the contractual obligations of the Company under the terms of the Security, some interest has been expressed by the Signatories in the possibility that holders of the Security may consent to a reduction to the dollar amount of the accrued and unpaid dividends currently due and owed by the Company (\$38.75 million as of March 31, 2005).

Each of the Signatories would welcome an opportunity to meet with you to discuss these issues. The Signatories understand from certain conversations with Counsel to the Committee of Independent Directors that a meeting will be held on May 10, 2005 at the office of Powell Goldstein. Subject to scheduling, each of the Signatories would be very pleased to meet with you at that time.

Sincerely,

/s/ Timothy G. Ewing

Timothy G. Ewing  
Ewing & Partners

/s/ Andrew R. Siegel

Andrew R. Siegel  
Costa Brava Partnership III, L.P.

/s/ Nelson Obus

Nelson Obus  
Wynnefield Capital Management, LLC

Victor Morgenstern

/s/ David P. Cohen

David P. Cohen  
Athena Capital Management, Inc.

Enc: summary valuation analysis

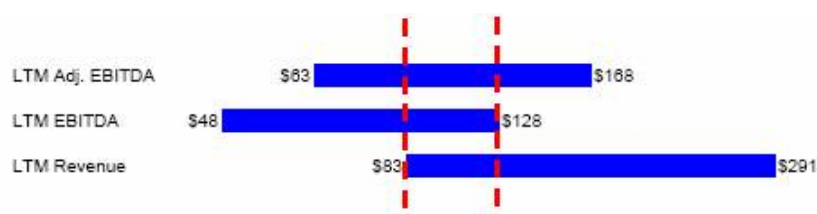
Submission to Committee of Independent Directors

Telos Corporation

	Indicative Value Ranges (\$ in millions)			Mid Point
<b>Comparable M&amp;A Transactions</b>				
Revenue	\$ 83.1	-	\$ 264.5	\$ 173.8
EBITDA	\$ 48.3	-	\$ 122.2	\$ 85.2
Adjusted EBITDA (1)	\$ 63.6	-	\$ 161.0	\$ 112.3
<b>Comparable Public Equity Market</b>				
Revenue	\$ 84.2	-	\$ 291.2	\$ 187.7
EBITDA	\$ 60.3	-	\$ 128.0	\$ 94.2
Adjusted EBITDA (1)	\$ 79.4	-	\$ 168.7	\$ 124.0
<b>Indicative Value Range</b>				
Revenue	\$ 83.1	-	\$ 291.2	\$ 187.1
EBITDA	\$ 48.3	-	\$ 128.0	\$ 88.2
Adjusted EBITDA (1)	\$ 63.6	-	\$ 168.7	\$ 116.1

(1) EBITDA adjusted for discretionary cash bonuses and "consulting fees" to the majority common shareholder

**Indicative Valuation Ranges**  
(\$ in millions)



**Indicative  
Valuation Multiples**

<b>Comparable M&amp;A Transactions</b>			
Revenue multiples:	0.7x	-	2.3x
EBITDA multiples:	6.6x	-	16.6x

**Comparable Public Equity Market**

Revenue multiples:	0.7x	-	2.5x
EBITDA multiples:	8.2x	-	17.4x

**Indicative Multiple Range**

Revenue multiples	0.7x	-	2.5x
EBITDA multiples	6.6x	-	17.4x

Telos LTM, as of 12/31/2004 (in \$ millions)

Revenue	\$	116.7
EBITDA	\$	7.4
Adjusted EBITDA (1)	\$	9.7

(1) EBITDA adjusted for discretionary cash bonuses and "consulting fees" to the majority common shareholder

(SMM) Date Announced	Target	Acquirer	Transaction Value	Target LTM Revenue	TEV / LTM Revenue	TEV / LTM EBITDA
4/26/2005	PEC Solutions, Inc.	Nortel Networks Inc.	\$ 448.0	\$ 202.7	2.2x	14.0x
3/22/2005	ComGlobal Systems, Incorporated	Analex Corp.	\$ 47.0	\$ 39.5	1.2x	9.2x
2/18/2005	SYTEX Group Inc.	Lockheed Martin Corporation	\$ 462.0	\$ 425.0	1.1x	NA
2/18/2005	Integic Corporation	Northrop Grumman Corporation	\$ 313.0	\$ 161.0	1.9x	NA
1/19/2005	OnBoard Software Inc.	MTC Technologies Inc.	\$ 34.0	\$ 15.0	2.3x	NA
1/12/2005	Shenandoah Electronic Intelligence Inc.	SI International Inc.	\$ 75.0	\$ 73.9	1.0x	7.9x
1/7/2005	Windermere Group LLC	Essex Corp.	\$ 69.4	\$ 64.0	1.1x	NA
1/3/2005	Sytel Inc.	TechTeam Global, Inc.	\$ 20.5	\$ 28.8	0.7x	7.2x
12/27/2004	Manufacturing Technology Inc.	MTC Technologies Inc.	\$ 75.0	\$ 50.0	1.5x	NA
12/16/2004	RCI Holdings Corp.	Serco Group Plc	\$ 215.0	\$ 256.0	0.8x	14.3x
12/1/2004	Bridge Technology Corporation	SI International Inc.	\$ 30.0	\$ 22.2	1.4x	8.6x
9/11/2004	DigitalNet Holdings Inc.	BAE Systems North America	\$ 585.9	\$ 354.2	1.7x	NA
9/9/2004	AC Technologies Inc.	PEC Solutions, Inc.	\$ 49.7	\$ 48.5	1.0x	6.6x
8/11/2004	Integrated Management Services, Inc.	Anteon International Corp.	\$ 31.0	\$ 30.0	1.0x	NA
8/2/2004	Impact Innovations Group LLC (Gov division)	Dynamics Research Corporation	\$ 53.4	\$ 47.0	1.1x	NA
7/27/2004	Simulation Technologies, Inc.	Anteon International Corp.	\$ 15.0	\$ 20.0	0.8x	NA
6/29/2004	Command Technologies, Inc.	MTC Technologies Inc.	\$ 47.0	\$ 36.0	1.3x	NA
6/1/2004	EPOS Corp	Tier Technologies Inc.	\$ 19.0	\$ 15.0	1.3x	NA
5/28/2004	Integrated Information Technology Corp.	PEC Solutions Inc.	\$ 35.0	\$ 36.0	1.0x	8.3x
5/6/2004	Beta Analytics International Inc.	Analex Corp.	\$ 32.3	\$ 33.0	1.0x	NA
4/5/2004	STI Government Systems	BAE Systems North America	\$ 27.0	NA	NA	NA
3/10/2004	AMS Defense & Intelligence Group	CACI International	\$ 415.0	\$ 250.0	1.7x	16.6x
2/12/2004	CMS Information Services, Inc	CACI International	\$ 30.0	\$ 39.0	0.8x	10.7x
1/22/2004	Science & Engineering Associates, Inc.	ITS Services Inc.	\$ 100.0	\$ 108.0	0.9x	11.6x
1/8/2004	ORION Scientific Systems, Inc.	SRA International Inc.	\$ 34.5	\$ 30.0	1.2x	NA
1/8/2004	FAAC, Inc.	Arotech Corp.	\$ 14.0	\$ 15.0	0.9x	NA
				Average	1.2x	10.5x
				Median	1.1x	9.2x

**Target** **Services Provided to the U.S. Federal Government (DoD, Intelligence, other)**

PEC Solutions, Inc.	Secure, interoperable technology solutions
ComGlobal Systems, Incorporated	Software and information technology firm providing C4I services to military and federal government agencies
SYTEX Group Inc.	Technology engineering and systems integration, network security solutions, business management solutions
Integic Corporation	Enterprise health and business process software solutions
OnBoard Software Inc.	Technical development of hardware and software
Shenandoah Electronic Intelligence Inc.	Records management, applications support, secure optical card processing
Windermere Group LLC	Software development, advanced engineering design and information assurance
Sytel Inc.	Network design and network security services, help desk support
Manufacturing Technology Inc.	Product life cycle support for systems and electronics
RCI Holdings Corp.	Systems engineering and HR business process management
Bridge Technology Corporation	Program management, systems and software engineering
DigitalNet Holdings Inc.	Networked infrastructure, information assurance solutions
AC Technologies Inc.	Software engineering and network services primarily to non-security civilian federal agencies
Integrated Management Services, Inc.	Information security / assurance, infrastructure security, enterprise IT architecture
Impact Innovations Group LLC (Gov division)	Enterprise content management, application development, IT service management, information security
Simulation Technologies, Inc.	Modeling and simulation software solutions and services
Command Technologies, Inc.	Professional and technical services, information technology



EPOS Corp	Interactive communications and transaction processing technologies
Integrated Information Technology Corp.	Network and computer services, satellite communications, communication system engineering and installation
Beta Analytics International Inc.	Security and intelligence data support
STI Government Systems	IT systems and integration
AMS Defense & Intelligence Group	IT support and software design for financial management, logistics, warfighting, intelligence
CMS Information Services, Inc	Enterprise network solutions, enterprise financial management systems, software engineering and integration
Science & Engineering Associates, Inc.	Advanced sensor development, spectral imaging, security solutions, system engineering and design
ORION Scientific Systems, Inc.	Analytical support, system development, proprietary knowledge management
FAAC, Inc.	Simulators, systems engineering and related software products

(\$ MM)	LTM Revenue	EBITDA	Margin	Total Debt	Net Debt	Market Cap	TEV	TEV / Revenue	TEV / EBITDA
CACI International Inc.	\$ 1,551.6	\$ 177.3	11.4%	\$ 347.4	\$ 284.1	\$ 1,830.1	\$ 2,114.2	1.4x	11.9x
Anteon International Corp.	\$ 1,330.0	\$ 117.3	8.8%	\$ 164.2	\$ 129.0	\$ 1,509.5	\$ 1,638.6	1.2x	14.0x
Mantech International Corp.	\$ 842.4	\$ 48.2	5.7%	\$ 25.2	\$ 2.2	\$ 781.4	\$ 783.7	0.9x	16.3x
SRA International Inc.	\$ 755.5	\$ 89.0	11.8%	\$ 0.0	\$ (180.3)	\$ 1,728.3	\$ 1,547.9	2.0x	17.4x
Cubic Corp.	\$ 740.9	\$ 57.8	7.8%	\$ 93.6	\$ 77.3	\$ 478.3	\$ 555.6	0.7x	9.6x
MTC Technologies Inc.	\$ 298.4	\$ 35.7	12.0%	\$ 63.3	\$ 63.3	\$ 471.5	\$ 534.8	1.8x	15.0x
SI International Inc.	\$ 290.1	\$ 21.8	7.5%	\$ 100.0	\$ 87.7	\$ 258.7	\$ 346.3	1.2x	15.9x
Argon ST Inc. (1)	\$ 206.4	\$ 30.8	14.9%	\$ 0.2	\$ (42.2)	\$ 557.0	\$ 514.8	2.5x	16.7x
PEC Solutions Inc.	\$ 202.7	\$ 31.9	15.7%	\$ 0.0	\$ (29.4)	\$ 422.2	\$ 392.8	1.9x	12.3x
Analex Corp. (1)	\$ 145.7	\$ 15.0	10.3%	\$ 73.8	\$ 73.2	\$ 49.3	\$ 122.5	0.8x	8.2x
Tier Technologies Inc.	\$ 133.1	\$ 7.1	5.3%	\$ 0.2	\$ (53.3)	\$ 149.4	\$ 96.1	0.7x	13.5x
							Average	1.4x	13.7x
							Median	1.2x	14.0x

(1) LTM figures are pro forma for significant material merger transactions in the LTM period.