

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

OMB APPROVAL

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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* STERRETT MALCOLM M B (Last) (First) (Middle) C/O TELOS CORPORATION 19886 ASHBURN ROAD (Street) ASHBURN VA 20147-2358 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol TELOS CORP [TLSRP] 3. Date of Earliest Transaction (Month/Day/Year) 05/23/2001 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <div><input checked="" type="checkbox"/> Director 10% Owner</div> <div>Officer (give title below) Other (specify below)</div> 6. Individual or Joint/Group Filing (Check Applicable Line) <div><input checked="" type="checkbox"/> Form filed by One Reporting Person</div> <div>Form filed by More than One Reporting Person</div>
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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			

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)	\$1	05/23/2001		A		10,000		05/23/2001 ⁽¹⁾	05/23/2011	Class A Common Stock	10,000	\$0	10,000	D	
Stock option (right to buy)	\$0.062	08/18/2004		A		10,000		08/18/2004 ⁽²⁾	08/18/2014	Class A Common Stock	10,000	\$0	10,000	D	

Explanation of Responses:

1. The option was exercisable in five equal annual installments. The first installment became exercisable on 5/23/01; the second installment became exercisable on 5/23/02; the third installment became exercisable on 5/23/03; the fourth installment became exercisable on 5/23/04; the fifth installment became exercisable on 5/23/05.
2. The option is exercisable in three annual installments. The first installment (60%) became exercisable on 8/18/04; the second installment (20%) became exercisable on 8/18/05; the third installment (20%) will become exercisable on 8/18/06.

/s/ Michele Nakazawa05/02/2006

** Signature of Reporting PersonDate

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.