

TESSCO TECHNOLOGIES INC
Form 4
May 08, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SHAUGHNESSY DENNIS J

2. Issuer Name and Ticker or Trading Symbol
TESSCO TECHNOLOGIES INC
[TESS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
900 BESTGATE ROAD, SUITE 100

3. Date of Earliest Transaction (Month/Day/Year)
05/04/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)
ANNAPOLIS, MD 214013066

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|--------|---|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | 05/04/2006 | | M | | 1,144 | A | ① | 12,738 | D |
| Common Stock | 05/04/2006 | | M | | 161 | A | ② | 12,899 | D |
| Common Stock | 05/04/2006 | | M | | 583 | A | ③ | 13,482 | D |

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

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number.

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 Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Performance Share Unit | (4) | 05/04/2006 | | M | 1,144 | (1) (1) | Common Stock | 1,144 |
| Performance Share Unit | (4) | 05/04/2006 | | A | 484 | (2) (2) | Common Stock | 484 |
| Performance Share Unit | (4) | 05/04/2006 | | M | 161 | (2) (2) | Common Stock | 161 |
| Performance Share Unit | (4) | 05/04/2006 | | A | 1,750 | (3) (3) | Common Stock | 1,750 |
| Performance Share Unit | (4) | 05/04/2006 | | M | 583 | (3) (3) | Common Stock | 583 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SHAUGHNESSY DENNIS J 900 BESTGATE ROAD SUITE 100 ANNAPOLIS, MD 214013066 | | X | | |

Signatures

Dennis J. Shaughnessy by David M. Young by Power of Attorney

05/05/2006

**Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) A Performance Share Unit, sometimes referred to as a Performance Stock Unit or PSU, represents the conditional right to receive one share of Common Stock. PSUs granted in April 2004 resulted in the earning, with respect to the fiscal year ended March 2005 and based on the extent to which certain performance criteria were satisfied during fiscal year 2005, of the right to receive 4,576 shares of Common

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Stock. Once earned, the PSUs vest and are paid through the issuance of shares of Common Stock in four approximately equal annual installments commencing on or about May 1, 2005, 2006, 2007 and 2008, subject to the reporting person's continued employment or association with the Issuer on the date such shares of Common Stock are to be issued.

- (2) A Performance Share Unit, sometimes referred to as a Performance Stock Unit or PSU, represents the conditional right to receive one share of Common Stock. PSUs granted in April 2004 resulted in the earning, with respect to the fiscal year ended March 2006 and based on the extent to which certain performance criteria were satisfied during fiscal year 2006, of the right to receive 484 shares of Common Stock. Once earned, the PSUs vest and are paid through the issuance of shares of Common Stock in three approximately equal annual installments commencing on or about May 1, 2006, 2007 and 2008, subject to the reporting person's continued employment or association with the Issuer on the date such shares of Common Stock are to be issued.

- (3) A Performance Share Unit, sometimes referred to as a Performance Stock Unit or PSU, represents the conditional right to receive one share of Common Stock. PSUs granted in May 2005 resulted in the earning, with respect to the fiscal year ended March 2006 and based on the extent to which certain performance criteria were satisfied during fiscal year 2006, of the right to receive 1,750 shares of Common Stock. Once earned, the PSUs vest and are paid through the issuance of shares of Common Stock in three approximately equal annual installments commencing on or about May 1, 2006, 2007 and 2008, subject to the reporting person's continued employment or association with the Issuer on the date such shares of Common Stock are to be issued.

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- (5) In respect of the PSUs granted in April 2004 with respect to fiscal year 2005, on May 2, 2005, the reporting person earned the right to receive 4,576 shares of Common Stock. The reporting person was employed by the issuer on May 2, 2005, resulting in the vesting and issuance of 1,144 of the 4,576 shares of Common Stock so earned. On May 4, 2006, the reporting person reporting person continued to be associated with the issuer, resulting in the vesting and issuance of another 1,144 shares of Common Stock so earned. The remaining 2,288 shares have been earned, but are not yet vested.

- (6) In respect of the PSUs granted in April 2004 with respect to fiscal year 2006, on May 4, 2006, the reporting person earned the right to receive 484 shares of Common Stock. The reporting person was associated with the issuer on May 4, 2006, resulting in the vesting and issuance of 161 of the 484 shares of Common Stock so earned. The remaining 323 shares have been earned, but are not yet vested.

- (7) In respect of the PSUs granted in May 2005 with respect to fiscal year 2006, on May 4, 2006, the reporting person earned the right to receive 1,750 shares of Common Stock. The reporting person was associated with the issuer on May 4, 2006, resulting in the vesting and issuance of 583 of the 1,750 shares of Common Stock so earned. The remaining 1,167 shares have been earned, but are not yet vested.

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

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