

SECURITIES AND EXCHANGE COMMISSION

FORM 4

Statement of changes in beneficial ownership of securities

Filing Date: **2010-06-01** | Period of Report: **2010-05-27**

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([HTML Version](#) on secdatabase.com)

REPORTING OWNER

SHANNON MICHAEL L

CIK: **1007722**

Type: **4** | Act: **34** | File No.: **001-33919** | Film No.: **10871095**

Mailing Address
C/O DATA ACCESS
TECHNOLOGIES INC
230 UNION STREET
PASADENA CA 91101

ISSUER

KEY TECHNOLOGY INC

CIK: **906193** | IRS No.: **930822509** | State of Incorpor.: **OR** | Fiscal Year End: **0930**

SIC: **3550** Special industry machinery (no metalworking machinery)

Mailing Address
150 AVERY STREET
WALLA WALLA WA 99362

Business Address
150 AVERY ST
WALLA WALLA WA 99362
5095292161

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person SHANNON MICHAEL L			2. Issuer Name and Ticker or Trading Symbol KEY TECHNOLOGY INC [KTEC]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 05/27/2010					
C/O KEY TECHNOLOGY, INC., 150 AVERY STREET			4. If Amendment, Date Original Filed(Month/Day/Year)			6. Individual or Joint/Group Filing (Check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
(Street)								
WALLA WALLA, WA 99362								
(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/27/2010		S		58	D	\$13.7	64,090	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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)					

Signatures

/s/ Michael L. Shannon by Michele R. Walters, Attorney-In-Fact

** Signature of Reporting Person

06/01/2010

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.

POWER OF ATTORNEY

The undersigned, a director or officer of Key Technology, Inc., hereby appoints David M. Camp, John J. Ehren, and Michele R. Walters, or any of them, as my attorney-in-fact for purposes of executing on my behalf any and all Form 3s, Form 4s, or Form 5s with the Securities and Exchange Commission that may be required from time to time, and in doing so may rely upon information concerning my beneficial ownership of the Common Stock of Key Technology, Inc. which I have supplied by written documentation or by telephonic instructions to members of Key Technology's executive management staff.

This Power of Attorney may be revoked at any time, but until revoked is intended to remain in effect for so long as I continue to serve as a director or officer of Key Technology, Inc.

EXECUTED this 24th day of July, 2008.

Signed: /s/ Michael L. Shannon
Michael L. Shannon
