

MECHANICAL TECHNOLOGY INC
Form 8-K
March 16, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

March 16, 2006

Date of Report (Date of earliest event reported)

MECHANICAL TECHNOLOGY INCORPORATED

(Exact name of registrant as specified in its chapter)

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| <u>NEW YORK</u> | <u>0-6890</u> | <u>14-1462255</u> |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |
| 431 NEW KARNER ROAD, ALBANY, NEW YORK 12205 | | |
| (Address of principal executive offices) (Zip Code) | | |

Registrant's telephone number, including area code:

(518) 533-2200

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 1.01 Entry into a Material Definitive Agreement

Effective March 16, 2006, the Board of Directors of Mechanical Technology Incorporated (the "Company") modified the termination provisions of certain stock options, previously granted under the 1999 Employee Stock Incentive Plan, to purchase shares of Company common stock with an exercise price of \$2.80 per share held by board members Mr. Dale P. Church and Mr. Edward A. Dohring in the amounts of 48,333 and 8,333 options, respectively. The modification will permit them to exercise these options until December 31, 2006. The previous termination provision permitted the exercise for a period of 30 days after they terminated from service, which is expected to be the date of the 2006 Annual Shareholders Meeting.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MECHANICAL TECHNOLOGY INCORPORATED

Date: March 16, 2006

By: /S/ CYNTHIA A. SCHEUER

Name: Cynthia A. Scheuer

Title: Vice President, Chief

Financial Officer and Secretary