

# DGT HOLDINGS CORP.

## FORM 8-K (Current report filing)

Filed 12/28/05 for the Period Ending 12/22/05

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 8-K

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

Date of Report (Date of earliest event Reported) December 22, 2005  
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Del Global Technologies Corp.

-----  
(Exact Name of Registrant as Specified in Charter)

New York

000-03319

13-1784308

-----  
(State or Other Jurisdiction  
of Incorporation)

(Commission File  
Number)

(IRS Employer  
Identification No.)

One Commerce Park, Valhalla, New York

10595

-----  
(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code (914) 686-3650  
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(Former Name or Former Address, if Changed Since Last Report)

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))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On December 22, 2005, the registrant entered into a Stock Purchase Agreement with Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele, pursuant to which the registrant agreed to acquire 1,300,000 shares of Villa Sistemi Medicali S.p.A., representing the 20% of Villa Sistemi Medicali S.p.A. the registrant does not already own. As consideration for these 1,300,000 shares of Villa Sistemi Medicali S.p.A., the registrant shall pay Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele an aggregate of \$2,950,000 in cash and issue them an aggregate of 904,762 shares of common stock. Each of Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele is an employee of Villa Sistemi Medicali S.p.A.

A copy of the Stock Purchase Agreement is filed as EXHIBIT 10.1 to this report and its contents are incorporated herein by reference. The foregoing description of the terms and conditions of the Stock Purchase Agreement is only a summary of some of the material provisions of such agreement and does not purport to be complete and does not restate such agreement in its entirety.

ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.

On December 23, 2005, the registrant consummated a Stock Purchase Agreement with Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele, pursuant to which the registrant acquired 1,300,000 shares of Villa Sistemi Medicali S.p.A., representing the 20% of Villa Sistemi Medicali S.p.A. the registrant did not already own. As consideration for these 1,300,000 shares of Villa Sistemi Medicali S.p.A., the registrant paid Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele an aggregate of \$2,950,000 in cash and issued them an aggregate of 904,762 shares of common stock. Each of Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele is an employee of Villa Sistemi Medicali S.p.A.

A copy of the Stock Purchase Agreement is filed as EXHIBIT 10.1 to this report and its contents are incorporated herein by reference. The foregoing description of the terms and conditions of the Stock Purchase Agreement is only a summary of some of the material provisions of such agreement and does not purport to be complete and does not restate such agreement in its entirety.

ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES.

On December 23, 2005, the registrant issued an aggregate of 904,762 shares of its common stock to Giuseppe Carmelo Ammendola, Emilio Bruschi, Roberto Daglio and Luigi Emmanuele as partial consideration for 1,300,000 shares of Villa Sistemi Medicali S.p.A. The registrant's shares of common stock were offered and sold in reliance on exemptions from registration pursuant to Section 4(2) under the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder, based on the nature of the investors and certain representations made by the investors to the registrant.

ITEM 8.01 OTHER EVENTS.

On December 27, 2005, the registrant issued a press release announcing its acquisition of the remaining 20% of the capital stock of Villa Sistemi Medicali S.p.A. that the registrant did not already own in exchange for \$2,950,000 in

cash and 904,762 shares of the registrant's common stock. For additional information, reference is made to the press release attached hereto as EXHIBIT 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(a) FINANCIAL STATEMENTS OF BUSINESSES ACQUIRED. The registrant will file the financial statements required by this item in regards to the matters in Item 2.01 of this Form 8-K not later than 71 calendar days after this initial report on Form 8-K is required to be filed.

(b) PRO FORMA FINANCIAL INFORMATION. The registrant will file the pro forma financial information statements required by this item in regards to the matters in Item 2.01 of this Form 8-K not later than 71 calendar days after this initial report on Form 8-K is required to be filed.

(d) EXHIBITS.

10.1 Stock Purchase Agreement, made and entered into as of December 22, 2005, by and among, Del Global Technologies Corp., Mr. Giuseppe Carmelo Ammendola, Emilio Bruschi, Mr. Roberto Daglio and Mr. Luigi Emmanuele

99.1 Press Release dated December 27, 2005

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.

DEL GLOBAL TECHNOLOGIES CORP.

-----  
(Registrant)

Date: December 28, 2005

By: /s/ Mark A. Koch

-----  
Name: Mark A. Koch  
Title: Principal Accounting Officer  
and Treasurer

Exhibit 10.1

STOCK PURCHASE AGREEMENT

BY AND AMONG

DEL GLOBAL TECHNOLOGIES CORP.

AND

GIUSEPPE CARMELO AMMENDOLA

EMILIO BRUSCHI

ROBERTO DAGLIO

AND

LUIGI EMMANUELE

-----  
Dated as of December 22, 2005  
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STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (this "Agreement") is made and entered into as of the 22nd day of December 2005 by and among Del Global Technologies Corp., a New York corporation (the "Purchaser"), and Mr. Giuseppe Carmelo Ammendola (Italian Tax Code number: MMN CML 47E25 H2240), Mr. Emilio Bruschi (Italian Tax Code number: BRS MLE 50M03 G634Q), Mr. Roberto Daglio (Italian Tax Code number: DGL RRT 54A24 F205J) and Mr. Luigi Emmanuele (Italian Tax Code number: MMN LGU 47B10 C351Y) (each a "Seller" and, collectively, the "Sellers").

W I T N E S S E T H :

WHEREAS, the Sellers are the owners of the shares of the issued and outstanding capital stock of Villa Sistemi Medicali, S.p.A., an Italian Joint Stock Company registered with the Register of Companies of Milan/Tax Code No. 10022080153 ("Villa"), as set forth on Schedule A hereto, which shares represent 20% of the outstanding capital stock of Villa (the "Shares");

WHEREAS, the Purchaser is the owner of 5,200,000 shares of the issued and outstanding capital stock of Villa, which shares represent 80% of the outstanding capital stock of Villa;

WHEREAS, the Purchaser has proposed to purchase the Shares on the terms and conditions contained herein; and

WHEREAS, the Purchaser and the Sellers desire to consummate the purchase and sale of the Shares on the terms set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises and the other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. PURCHASE AND SALE OF SHARES. On the terms and subject to the conditions of this Agreement and contingent upon fulfillment of the conditions precedent referred to in Section 4 below, the Purchaser hereby undertake to purchase from each of the Sellers, and each of the Sellers hereby undertake to sell, transfer, assign, convey and deliver to the Purchaser, the number of Shares set forth opposite such Seller's name on SCHEDULE A hereto for an amount equal to the Purchase Price (as defined below) at Closing as set forth in Section 5 hereof.

SECTION 2. PURCHASE PRICE.

(a) The purchase price for each Seller's Shares (the "Purchase Price") shall consist of:

(i) the cash consideration as set forth next to such Seller's name under the column "Cash Consideration" on SCHEDULE B hereto (the "Cash Consideration"), and

(ii) such number of shares of common stock, \$.10 par value per share, of the Purchaser (the "Purchaser Common Stock") as set forth next to such Seller's name under the column "Purchaser Common Stock" on SCHEDULE B hereto (the "Stock Consideration").

(b) The Cash Consideration shall be paid and the Stock Consideration shall be delivered by the Purchaser to each of the Sellers at Closing (as hereinafter defined).

SECTION 3. RESTRICTED NATURE OF STOCK CONSIDERATION.

(a) Each Seller may transfer his shares of Stock Consideration so long as such transfer is in accordance with any applicable US federal or state

securities or "blue sky" laws, rules or regulations (collectively, the "Securities Laws"). The certificates evidencing the Stock Consideration delivered to the Sellers pursuant to this Agreement shall bear a legend substantially in the form set forth below:

"THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION (COLLECTIVELY, THE "SECURITIES LAWS") AND MAY NOT BE SOLD, DISPOSED OF OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION, EXCEPT IN ACCORDANCE WITH AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF ANY APPLICABLE SECURITIES LAWS PROVIDED THAT DEL GLOBAL TECHNOLOGIES CORP. SHALL HAVE RECEIVED AN OPINION OF COUNSEL ACCEPTABLE TO IT CONFIRMING THAT THE REQUIREMENTS OF SUCH EXEMPTION HAVE BEEN SATISFIED."

(b) Each Seller shall not transfer any shares of the Stock Consideration at any time if such transfer would constitute a violation of any Securities Laws, or a breach of the conditions to any exemption from registration of the Stock Consideration under any such Securities Law on which any Seller is relying at the time of his sale.

(c) The Purchaser hereby covenants and agrees to cause the removal of the restricted legend referred to in Section 3(a) hereof from the certificates evidencing the Stock Consideration on the two-year anniversary of the date of issuance of the Stock Consideration to the maximum extent permitted under the Securities Laws.

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SECTION 4. CONDITIONS PRECEDENT. The Parties hereto shall be bound to close and perform the sale and transfer of the Shares under this Agreement only upon due fulfillment of the following conditions precedent (each a "Condition Precedent" and jointly the "Conditions Precedent"):

(a) the Board of Directors of Villa has unanimously resolved to propose to the shareholders the distribution of any distributable dividends and reserves with the favorable opinion of the Board of Statutory auditors; and

(b) Mr. Giuseppe Carmelo Ammendola has tendered his unconditional and irrevocable resignations under the employment agreement currently in force with Villa substantially in the form of the draft attached hereto as SCHEDULE C; and

(c) Mr. Giuseppe Carmelo Ammendola has tendered his unconditional and irrevocable resignations from his office as Managing Director and member of the Board of Directors of Villa substantially in the form of the draft attached hereto as SCHEDULE D; and

(d) Villa and Mr. Giuseppe Carmelo Ammendola have duly executed the Settlement Agreement concerning the current employment relationship substantially in the form of the draft attached hereto as SCHEDULE E; and

(e) the shareholders of Villa have unanimously resolved upon the distribution to the shareholders of any distributable dividends and reserves; and

(f) the Sellers have assigned and transferred to the Purchaser their credit arising from the right to distribution of the accred dividends and reserves as resolved upon by the shareholders' meeting of Villa; and

(g) Villa has duly and timely paid to the shareholders or to any assignees of shareholders' rights to the dividends' and reserves' distribution as resolved by the shareholders.

Should the any of the Conditions Precedent not having been fulfilled

for whatever reason by December 23rd, 2005, each Party may unilaterally terminate this Agreement in which case no Party shall have any liability under this Agreement and any existing liability shall cease to exist.

SECTION 5. CLOSING.

(a) The Closing of the transaction contemplated herein shall take place at the offices of Baker & McKenzie, in Milan (Italy), 3 Piazza Meda, on the same day on which the last of the Conditions Precedent is duly fulfilled or within the following three (3) business days, or in such other place and date as the parties may mutually agree in writing, however not later than December 23rd, 2005.

(b) Immediately after the execution of this Agreement and before Closing a meeting of the Board of Directors of Villa shall be held in order to

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resolve upon the distribution any distributable dividends and reserves and to call a shareholders' meeting to resolve upon said distribution.

(c) On the Closing Date, the following actions shall be performed in the following order; provided, however, that for the purpose of this Agreement the Closing shall be deemed to have properly occurred only upon any and all of the following actions being duly completed, so that failing completion of one or some of the following actions no transfer of the Share shall be considered to have occurred and the Parties shall procure to undo the transaction :

(i) Mr. Giuseppe Carmelo Ammendola shall tender his unconditional and irrevocable resignations under the employment agreement currently in force with Villa substantially in the form of the draft attached hereto as SCHEDULE C; and

(ii) Mr. Giuseppe Carmelo Ammendola has tendered his unconditional and irrevocable resignations from his office as Managing Director and member of the Board of Directors of Villa substantially in the form of the draft attached hereto as SCHEDULE D; and

(iii) Villa and Mr. Giuseppe Carmelo Ammendola shall duly execute the Settlement Agreement concerning the current employment relationship substantially in the form of the draft attached hereto as SCHEDULE E; and

(iv) a shareholders meeting of Villa shall be held on plenary session and shall resolve upon the distribution to the Villa shareholders of any distributable accrued dividends and reserves; and

(v) Villa shall pay to the Purchaser any and all amounts still outstanding under any commercial and or corporate relationship; and

(vi) the Sellers shall assign and transfer to the Purchaser and the Purchaser shall acquire from the Sellers at face value, their respective right to distribution and payment of the dividends and reserves as resolved upon by the Villa shareholders' meeting substantially in accordance with the draft attached hereto as SCHEDULE F; and

(vii) the Purchaser shall pay to the Sellers the consideration under for the assignment and transfer of the dividends and reserves as referred to in the preceding paragraph; and

(viii) Villa shall pay the entire amount of the accrued dividends and reserves as resolved upon by the Villa shareholders' meeting to the Purchaser as entitled shareholder and assignee of the right to said distribution; and

(ix) the each of the Sellers shall endorse, and Mr. Roberto Daglio shall cause his wife to endorse, in favor of the Purchaser pursuant to Italian law, the share certificates representing the Shares respectively owned

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by them, and shall execute any additional ancillary document to the effect that the Purchaser acquire full and unencumbered title to the Shares; and

(x) the Purchaser shall pay to each of the Sellers the relevant portion of the Cash Consideration and shall deliver to each of them the stock certificates representing the relevant portion of the Stock Consideration;

(xi) a director of Villa shall record the transfer of the Shares on the Villa shareholders' ledger.

SECTION 6. REPRESENTATIONS AND WARRANTIES OF THE SELLERS. Each of the Sellers, jointly and severally, represents and warrants to the Purchaser as follows, which representations and warranties are true and correct as at the date hereof and shall be true and correct at Closing:

(a) GOOD TITLE. Each Seller has good title to, the right to possession of and the right to sell the number of Shares as set forth next to his name under the column "Shares Held" on Schedule A hereto, free and clear of any pledges, liens, charges, encumbrances, proxies, options, rights to purchase or other restrictions or potentially adverse claims of any kind or nature (collectively, "Adverse Claims"), and concurrent with the execution of this Agreement, each Seller will transfer such Shares to the Purchaser free and clear of any Adverse Claims. In connection therewith, each Seller hereby covenants to defend transfer of such Shares to the Purchaser against any and all persons who claim title to or interest in such Shares. Mr. Giuseppe Carmelo Ammendola, Mr. Emilio Bruschi and Mr. Luigi Emmanuele are in regime of separation of goods and assets from the relevant wife, while Mr. Roberto Daglio is in regime of communion of goods and assets with his wife.

(b) AUTHORITY RELATIVE TO AND VALIDITY OF THIS AGREEMENT. This Agreement has been duly executed and delivered by each of the Sellers and constitutes the legal, valid and binding obligations of such Seller, enforceable in accordance with its terms, except (i) as such enforceability may be limited by or subject to any bankruptcy, reorganization, moratorium or other similar laws affecting creditors' rights generally, (ii) as such obligations are subject to general principles of equity, and (iii) as rights to indemnity may be limited by US federal or state securities laws or by public policy. Neither the execution and delivery by the Sellers of this Agreement, nor the consummation of the transactions contemplated hereby, will violate any provision of law, any order of any court or other agency of government, or any judgment, award or decree or any indenture, agreement or other instrument to which each Seller is a party, or by which he or any of his properties or assets is bound or affected, or result in a breach of or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of such Seller.

(c) REQUIRED FILINGS AND CONSENTS. The Sellers are not required to submit any notice, report or other filing with any Governmental Authority (as hereinafter

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defined) in connection with the execution, delivery and performance of this Agreement. No filing with, or any notification to, or any approval, permission, consent, ratification, waiver, authorization, order, finding of suitability,

permit, license, franchise, exemption, certification or similar instrument or document (each, an "Authorization") of or from, any court, arbitral tribunal, arbitrator, administrative or regulatory agency or commission or other governmental or regulatory authority, agency or governing body, domestic or foreign (each, a "Governmental Authority"), or any other person, or under any statute, law, ordinance, rule, regulation or agency requirement of any Governmental Authority, on the part of the Sellers is required in connection with the execution and delivery of this Agreement or the performance by Sellers of their respective obligations under this Agreement.

(d) BROKERS' OR FINDERS' FEES. No broker, finder or investment banker is entitled to any brokerage or finder's fee or other commission in connection with the transactions contemplated hereby based on the arrangements made by or on behalf of the Sellers.

(e) SELLERS' ADDRESSES, ACCESS TO INFORMATION, EXPERIENCE, ETC.

(i) The addresses set forth on the signature pages of this Agreement is each Seller's true and correct business, residence or domicile address. Each Seller has received and read and is familiar with this Agreement. Each Seller has had the opportunity to ask questions of and receive answers from representatives of the Company concerning the terms and conditions of this investment. Each Seller has substantial experience in business and financial affairs and is capable of evaluating the merits and risks of his investment decision to purchase securities of the Purchaser.

(ii) Each Seller acknowledges that he has had an opportunity to evaluate all information regarding the Purchaser as he has deemed necessary or desirable in connection with the transactions contemplated by this Agreement, has independently evaluated the transactions contemplated by this Agreement and has reached its own decisions to enter into this Agreement.

(f) PURCHASE ENTIRELY FOR OWN ACCOUNT. The Stock Consideration to be received by each Seller pursuant to the terms hereof will be acquired for investment for each Seller's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof.

(g) RESTRICTED SECURITIES. Each Seller understands that the securities it is purchasing pursuant to the terms hereof are characterized as "restricted securities" under the US federal securities laws inasmuch as they are being acquired from the Purchaser in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act of 1933, as amended (the "Securities Act") only in certain limited circumstances. In this regard, each Seller represents that it is familiar with Rule 144 promulgated under the Securities Act ("Rule 144"), as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

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SECTION 7. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER. The Purchaser hereby represents and warrants to the Sellers as follows:

(a) CORPORATE ORGANIZATION; REQUISITE AUTHORITY TO CONDUCT BUSINESS. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of New York. The Purchaser has full corporate power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby; and this Agreement has been duly authorized and approved by its Board of Directors and no further action on the part of the Purchaser is necessary to authorize the execution and delivery by it of, and the performance of its obligations under, this Agreement. There are no corporate, contractual, statutory or other restrictions of any kind upon the power and authority of the Purchaser to execute and deliver this Agreement and to consummate the

transactions contemplated hereunder and no action, waiver or consent by any Governmental Authority is necessary to make this Agreement a valid instrument binding upon the Purchaser in accordance with its terms.

(b) EXECUTION AND DELIVERY. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except (i) as such enforceability may be limited by or subject to any bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, (ii) as such obligations are subject to general principles of equity, and (iii) as rights to indemnity may be limited by US federal or state securities laws or by public policy.

(c) NO CONFLICTS; ABSENCE OF DEFAULTS. The execution, delivery and performance of this Agreement by the Purchaser and the consummation of the transactions contemplated hereby does not and will not conflict with or violate (a) the Purchaser's certificate of incorporation or by-laws or (b) any agreement governing the organization, management, business or affairs of the Purchaser or, in any material respect, any agreement or instrument which the Purchaser may be a party or by which the Purchaser (or any of its properties) is bound, or (c) any material law, administrative regulation or rule or court order, judgment or decree applicable to the Purchaser, nor will the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby constitute a material breach of, or any event of default under, any material contract or agreement to which the Purchaser is bound, or by which the Purchaser (or any of its properties) may be bound or affected.

(d) REQUIRED FILINGS AND CONSENTS. Except as may be required by US federal or state securities laws, the Purchaser is not required to submit any notice, report or other filing with any Governmental Authority in connection with the execution, delivery and performance of this Agreement. No Authorization of or from any Governmental Authority, or any other person, or under any statute, law, ordinance, rule, regulation or agency requirement of any Governmental Authority, on the part of the Purchaser is required in connection with the execution and delivery of this Agreement and the performance by the Purchaser of its obligations under this Agreement.

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(e) BROKERS' OR FINDERS' FEES. No broker, finder or investment banker is entitled to any brokerage or finder's fee or other commission in connection with the transactions contemplated hereby based upon the arrangements made by or on behalf of the Purchaser.

#### SECTION 8. NON-SOLICITATION.

(a) NON-SOLICITATION OF EMPLOYEES. For a period of two (2) years from the date hereof, Mr. Giuseppe Carmelo Ammendola will not, directly or indirectly, employ, or knowingly permit any other company or business organization which employs such Seller or is directly or indirectly controlled by such Seller to employ, any person who is employed by the Purchaser or any of its subsidiaries, subdivisions or affiliates, or in any manner seek to induce any such person to leave his or her employment with the Purchaser or any of its subsidiaries, subdivisions or affiliates.

(b) NON-SOLICITATION OF CUSTOMERS OR SUPPLIERS. For a period of two (2) years from the date hereof, Mr. Giuseppe Carmelo Ammendola will not request or otherwise attempt to induce or influence, directly or indirectly, any present customer or supplier, or prospective customer or supplier, of the Purchaser or any of its subsidiaries, subdivisions or affiliates, or other persons sharing a business relationship with the Purchaser or any of its subsidiaries, subdivisions or affiliates, to cancel, limit or postpone their business with the Purchaser or any of its subsidiaries, subdivisions or affiliates, or otherwise take action which might be to the material disadvantage of the Purchaser or of

its subsidiaries, subdivisions or affiliates.

(c) REMEDIES. Mr. Giuseppe Carmelo Ammendola agrees that the breach of this Section 7 by him will cause irreparable damage to the Purchaser and that in the event of such breach the Purchaser shall have, in addition to any and all remedies of law, the right to an injunction, specific performance or other equitable relief to prevent the violation of his obligations hereunder.

(d) ENFORCEABILITY. Mr. Giuseppe Carmelo Ammendola agrees that each provision of this Section 7 shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if one or more of the provisions contained in this Section 7 shall for any reason be held to be excessively broad as to scope, activity or subject so as to be unenforceability at law, such provision or provisions shall be construed by the appropriate judicial body by limiting and reducing it or them, so as to be enforceable to the maximum extent compatible with the applicable law as it shall then appear.

#### SECTION 9. INDEMNIFICATION.

(a) INDEMNIFICATION BY THE SELLERS. Subject to the limits set forth in this Section 8, each of the Sellers, jointly and severally, agrees to indemnify, defend and hold the Purchaser and each of its directors and officers harmless from and against any and all loss, liability, damage, costs and expenses (including interest, penalties and attorneys' fees) (collectively, "Losses")

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that the Purchaser or any of its affiliates may incur or become subject to arising out of or due to any inaccuracy of any representation or the breach of any warranty or covenant of the Sellers contained in this Agreement. The Sellers will reimburse the Purchaser and each controlling person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, liability, action or proceeding.

(b) INDEMNIFICATION BY THE PURCHASER. Subject to the limits set forth in this Section 8, the Purchaser agrees to indemnify, defend and hold the Sellers harmless from and against any and all Losses that the Sellers may incur or become subject to arising out of or due to any inaccuracy of any representation or the breach of any warranty or covenant of the Purchaser contained in this Agreement. The Purchaser will reimburse the Sellers for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, liability, action or proceeding.

(c) SURVIVAL. The representations, warranties and covenants of the Sellers and the Purchaser set forth in this Agreement shall survive until the first anniversary of the date of this Agreement.

(d) THIRD PARTY CLAIMS. In order for a party (the "indemnified party") to be entitled to any indemnification provided for under this Agreement in respect of, arising out of, or involving a claim or demand or written notice made by any third party against the indemnified party (a "Third Party Claim") after the date hereof, such indemnified party must notify the indemnifying party (the "indemnifying party") in writing of the Third Party Claim within 30 business days after receipt by such indemnified party of written notice of the Third Party Claim; provided that the failure of any indemnified party to give timely notice shall not affect his right of indemnification hereunder except to the extent the indemnifying party has actually been prejudiced or damaged thereby. If a Third Party Claim is made against an indemnified party, the indemnifying party shall be entitled, if it so chooses, to assume the defense thereof with counsel selected by the indemnifying party (which counsel shall be reasonably satisfactory to the indemnified party). If the indemnifying party assumes the defense of a Third Party Claim, the indemnified party will cooperate

in all reasonable respects with the indemnifying party in connection with such defense, and shall have the right to participate in such defense with counsel selected by it. The fees and disbursements of such counsel, however, shall be at the expense of the indemnified party; provided, however, that, in the case of any Third Party Claim of which the indemnifying party has not employed counsel to assume the defense, the fees and disbursements of such counsel shall be at the expense of the indemnifying party. Except as otherwise provided herein, the indemnified party will not, except at its own cost and expense, settle or compromise any Third Party Claim for which it is entitled to indemnification hereunder without the prior written consent of the indemnifying party, which will not be unreasonably withheld.

(e) REDUCTION FOR INSURANCE. The gross amount which an indemnifying party is liable to, for, or on behalf of the indemnified party pursuant to this Section 8 (the "Indemnifiable Loss") shall be reduced (including, without

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limitation, retroactively) by any insurance proceeds actually recovered by or on behalf of such indemnified party related to the Indemnifiable Loss. If an indemnified party shall have received or shall have had paid on its behalf an indemnity payment in respect of an Indemnifiable Loss and shall subsequently receive directly or indirectly insurance proceeds in respect of such Indemnifiable Loss, then such indemnified party shall pay to such indemnifying party the net amount of such insurance proceeds or, if less, the amount of such indemnity payment.

#### SECTION 10. DEMAND REGISTRATION.

(a) Subject to Section 9(f) hereof, at any time on or after the date Mr. Giuseppe Carmelo Ammendola is no longer employed by Villa, Mr. Giuseppe Carmelo Ammendola may make a written demand (a "Demand Registration") for registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), for resale of all or part of the Stock Consideration received by him (the "Registrable Securities"). Any demand for a Demand Registration shall specify the number of shares of Registrable Securities to be registered. Subject to the conditions of this Section 9, the Purchaser shall use its best efforts to file such registration statement under the Securities Act as promptly as practicable after the date any such request is received by the Purchaser and to use its best efforts to cause such registration statement to be declared effective. The Purchaser shall notify Mr. Giuseppe Carmelo Ammendola promptly when any such registration statement has been declared effective. The Purchaser shall not be obligated to effect more than one (1) Demand Registration under this Section 9(a) in respect of the Registrable Securities.

(b) Registrations under Section 9(a) hereof shall be on the appropriate registration form of the U.S. Securities Exchange Commission (the "SEC") as shall permit the disposition of the Registrable Securities to be registered in accordance with the intended method or methods of disposition; provided, however, that such intended method of disposition shall not include an underwritten offering of the Registrable Securities.

(c) Mr. Giuseppe Carmelo Ammendola shall bear all costs and expenses in connection with any registration in accordance with Section 9(a) hereof up to a maximum of \$300,000. The Purchaser shall bear all costs and expenses in excess of \$300,000 in connection with any registration in accordance with Section 9(a) hereof.

(d) Upon receipt by Mr. Giuseppe Carmelo Ammendola of any notice from the Purchaser of any request by the SEC for any amendment or supplement to the registration statement filed in connection with any Demand Registration or any prospectus relating thereto or for additional information or of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of the securities

covered by such registration statement, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or upon any suspension by the Purchaser of the ability of all "insiders" to transact in the Purchaser's securities because of the existence of material

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no-public information, Mr. Giuseppe Carmelo Ammendola shall immediately discontinue disposition of such Registrable Securities pursuant to the registration statement covering such Registrable Securities until he receives the supplemented or amended prospectus or the restriction on the ability of "insiders" to transact in the Company's securities is removed, as applicable, and, if so directed by the Purchaser, Mr. Giuseppe Carmelo Ammendola will deliver to the Purchaser all copies then in his possession of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice.

(e) Mr. Giuseppe Carmelo Ammendola shall provide such information as may be reasonably requested by the Purchaser in connection with the preparation of the registration statement, including amendments and supplements thereto, in order to effect the registration of the Registrable Securities under the Securities Act pursuant to Section 9(a) hereof and in connection with the Purchaser's obligations to comply with federal and applicable state securities laws.

(f) Notwithstanding anything herein to the contrary, as to the Registrable Securities, such securities shall cease to be Registrable Securities and the provisions of Section 9 hereof shall terminate when: (i) a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such registration statement; (ii) such securities shall have been otherwise transferred, new certificates for them not bearing a legend restricting further transfer shall have been delivered by the Purchaser and subsequent public distribution of them shall not require registration under the Securities Act; (iii) such securities shall have ceased to be outstanding; or (iv) the Registrable Securities are salable under Rule 144(k) of the Securities Act.

#### SECTION 11. MISCELLANEOUS.

(a) EXPENSES. Each party shall pay its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby; provided, however, that (i) the Purchaser and the Sellers shall each pay one-half of the stamp-duties relevant to the endorsement and delivery of the Shares and (ii) the notary fees to be paid for the notarization of the endorsement of the certificates representing the Shares shall be borne by the Purchaser. The Purchaser shall have the right to select the notary public who will attend the closing of the transactions contemplated by this Agreement.

(b) NOTICES. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered personally or by facsimile transmission, in either case with receipt acknowledged, or three days after being sent by registered or certified mail, return receipt requested, postage prepaid:

(i) If to the Purchaser to:

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One Commerce Park  
Valhalla, New York 10595  
Attention: Chief Executive Officer

with a copy to:  
Olshan Grundman Frome Rosenzweig & Wolosky LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
Attention: Steven Wolosky, Esq.

(ii) If to the Sellers, to the addresses listed on the signature pages hereto.

or to such other address as any party shall have specified by notice in writing to the other in compliance with this Section 10.

(c) ENTIRE AGREEMENT. This Agreement, including the Schedules hereto, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersedes all prior agreements, representations and understandings among the parties hereto.

(d) BINDING EFFECT, BENEFITS, ASSIGNMENTS. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; nothing in this Agreement, expressed or implied, is intended to confer on any other person, other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement. This Agreement may not be assigned without the prior written consent of the other parties hereto.

(e) APPLICABLE LAW. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of law.

(f) JURISDICTION. Unless otherwise provided herein, the parties hereto agree to submit to the jurisdiction of any Federal or state court located in the State of New York for the purpose of resolving any action or claim arising out of the performance of the provisions of this Agreement.

(g) HEADINGS. The headings and captions in this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

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(h) COUNTERPARTS. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(i) FURTHER ASSURANCES. At, and from time to time after the date hereof, at the request and expense of the Sellers but without further consideration, Sellers will execute and deliver such other instruments of conveyance, assignment, transfer, and delivery and take such other action as the Purchaser reasonably may request in order more effectively to convey, transfer, assign and deliver to the Purchaser, and to place the Purchaser in possession and control of the Shares.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year hereinabove first set forth.

By: /s/ Walter F. Schneider

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Name: Walter F. Schneider  
Title: President and Chief Executive Officer

/s/ Giuseppe Carmelo Ammendola

-----  
Giuseppe Carmelo Ammendola

Address: Corso Sempione, 83  
Milano  
Italy

/s/ Emilio Bruschi

-----  
Emilio Bruschi

Address: Via Monte Santo, 14  
Cormaredo (MI)  
Italy

/s/ Roberto Daglio

-----  
Roberto Daglio

Address: Via C. D'Adda, 6/c  
Settimo Milanese (MI)  
Italy

/s/ Luigi Emmanuele

-----  
Luigi Emmanuele

Address: Via T. Tasso, 26  
Bresso (MI)  
Italy

[LOGO of DEL Global  
Technologies  
Corp.]

FOR IMMEDIATE RELEASE

DEL GLOBAL TECHNOLOGIES ACQUIRES  
FULL OWNERSHIP OF ITS MAJORITY-OWNED VILLA SISTEMI MEDICALI SUBSIDIARY

VALHALLA, NY - December 27, 2005 -- Del Global Technologies Corp. (DGTC) ("Del Global" or "the Company") today announced that it has acquired the remaining shares of capital stock of its Italian subsidiary, Villa Sistemi Medicali S.p.A. ("Villa"), that it did not already own. The Company had previously held 80% of Villa. As a result of this transaction, Villa is now a 100% owned subsidiary of Del Global. Total consideration was comprised of a combination of cash of \$2,950,000 and 904,762 restricted shares of Del Global common stock.

Founded in 1961 and based in Milan, Villa is the largest manufacturer of medical

and dental x-ray imaging devices in Italy. Villa's ISO 9001:2000 and EN46001 certified facility designs and manufactures a broad medical product portfolio that covers conventional and digital R/F imaging, general radiographic imaging and mobile x-ray systems. Villa's dental X-ray devices include a wide range of intra-oral and panoramic systems.

Walter F. Schneider, President and Chief Executive Officer of Del Global, stated, "Achieving total ownership of Villa is an important step towards implementing the Company's previously announced global sales initiative. Villa has developed a well recognized and highly regarded brand name, and products manufactured by Villa are in operation all over the world. We fully expect to leverage the brand equity and core competencies of both Villa and Del Medical Imaging to create a single, cohesive, international sales and marketing organization with the mission of strengthening the Company's global market penetration in diagnostic imaging systems."

Del Global Technologies Corp. is primarily engaged in the design, manufacture and marketing of cost-effective medical imaging and diagnostic systems consisting of stationary and portable x-ray systems, radiographic/fluoroscopic systems, dental imaging systems and proprietary high-voltage power conversion subsystems for medical and other critical industrial applications. Through its RFI subsidiary, Del Global manufactures electronic filters, high voltage capacitors, pulse modulators, transformers and reactors, and a variety of other products designed for industrial, medical, military and other commercial applications.

Statements about future results made in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current economic environment. Del Global cautions that these statements are not guarantees of future performance. These statements involve a number of risks and uncertainties that are difficult to predict, including, but not limited to: the ability of Del Global to implement its business plan; retention of management; changing industry and competitive conditions; obtaining anticipated operating efficiencies; securing necessary capital facilities; favorable determinations in various legal matters; market and operating risks from foreign currency exchange exposures; and favorable general economic conditions. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Company's filings with the Securities and Exchange Commission.

**CONTACT:**

Del Global Technologies Corp.  
Walter F. Schneider, President & Chief Executive Officer  
Mark Koch, Principal Accounting Officer  
(914) 686-3650

**INVESTOR RELATIONS:**  
The Equity Group Inc.  
Devin Sullivan (212) 836-  
Maura Gedid (212) 836-960

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**End of Filing**

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