

DGT HOLDINGS CORP.

FORM 8-K (Current report filing)

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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

Date of Report (Date of earliest event reported) July 18, 2006

DEL GLOBAL TECHNOLOGIES CORP.
(Exact name of registrant as specified in charter)

New York ----- (State or other jurisdiction of incorporation)	0-3319 ----- (Commission File Number)	13-1784308 ----- (IRS Employer Identification No.)
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One Commerce Park, Valhalla, NY 10595

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (914) 686-3650

(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 OF A MATERIAL DEFINITIVE AGREEMENT.

On July 24, 2006, the registrant entered into a separation agreement and general release (the "Separation Agreement") with Walter F. Schneider, the former President and Chief Executive Officer of the registrant. The Separation Agreement, which is attached hereto as EXHIBIT 99.01 and incorporated herein by reference, provides for a payment of one (1) year's base salary payable pro-rata over 12 months by the registrant to Mr. Schneider; provided, however, that in the event the registrant sells any of its assets for cash and such sale results in net cash proceeds to the registrant of at least \$5.0 million, then the registrant shall pay to Mr. Schneider any balance outstanding of the severance payment within ten (10) days after receipt by the registrant of such net cash proceeds from such asset sale. Mr. Schneider agreed to release and discharge the registrant, as more fully described in the Separation Agreement. This summary of the Separation Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the actual text of such agreement.

ITEM 1.02. TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT.

The Separation Agreement supersedes the Severance Benefits Agreement, dated May 23, 2005, between the registrant and Mr. Schneider (the "Severance Benefits Agreement"), except that the terms and conditions of Article IV of the Severance Benefits Agreement survive and remain in full force and effect.

ITEM 5.02. DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

On July 18, 2006, Walter F. Schneider, age 71, voluntarily resigned as President and Chief Executive Officer of the registrant as well as a director of the registrant effective July 21, 2006. The Board of Directors of the registrant has appointed James A. Risher, age 63 and a current director of the registrant, as interim Chief Executive Officer effective July 22, 2006.

Mr. Risher has been a member of the registrant's Board of Directors since April 27, 2005. Mr. Risher has been the Managing Partner of Lumina Group, LLC, a private company engaged in the business of consulting and investing in small and mid-size companies, since 1998. From February 2001 to May 2002, Mr. Risher served as Chairman and Chief Executive Officer of BlueStar Battery Systems International, Inc., a Canadian public company that is an e-commerce distributor of electrical and electronic products to selected automotive aftermarket segments and targeted industrial markets. From 1986 to 1998, Mr. Risher served as a director, Chief Executive Officer and President of Exide Electronics Group, Inc. ("Exide"), a global leader in the uninterruptible power supply industry. He also served as Chairman of Exide from December 1997 to July 1998. Mr. Risher has also been a director of SL Industries, Inc., a manufacturer and marketer of power and data quality systems and equipment for individual, medical, aerospace and consumer applications, since May 2003 and a director of New Century Equity Holdings Corp., a holding company seeking to acquire a new business, since October 2004.

Mr. Risher does not have any family relationships with any of the directors, executive officers, or any people nominated or chosen by the registrant to become a director or executive officer.

Except as described below, Mr. Risher is not a party to any transactions listed in Reg. S-K Item 404(a).

Lumina Group LLC, a company owned by Mr. Risher, and the registrant are party to a consulting agreement, dated as of June 14, 2006, which is attached hereto as EXHIBIT 99.02 and incorporated herein by reference and which agreement provides that Lumina Group will provide certain consulting services to the Company for a fee of \$20,000 per month. The consulting agreement has a term of 90 days and provides that Lumina Group shall assign Mr. Risher to this consulting engagement. This summary of the consulting agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the actual text of such agreement.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements of Businesses Acquired.

Not Applicable.

(b) Pro Forma Financial Information.

Not Applicable.

(c) Shell Company Transactions.

Not Applicable.

(d) Exhibits.

99.01 Separation Agreement and General Releases dated as of July 24, 2006.

99.02 Consulting Agreement, dated as of June 14, 2006, between the Company and Lumina Group LLC.

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: July 24, 2006

By: /s/ Mark A. Koch

Mark A. Koch
Principal Accounting Officer

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.01	Separation Agreement and General Releases dated as of July 24, 2006
99.02	Consulting Agreement, dated as of June 14, 2006, between the Company and Lumina Group LLC

SEPARATION AGREEMENT AND GENERAL RELEASES

This Separation Agreement and General Releases (the "Agreement") is dated as of July 24, 2006, by and between Del Global Technologies Corp., a New York corporation (who along with its subsidiaries is referred to herein as the "Company"), and Walter F. Schneider ("Schneider").

WHEREAS, this Agreement governs the terms of Schneider's separation from the Company and the Company's financial and other obligations to Schneider.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. TERMINATION DATE. Schneider acknowledges that his last day of employment with the Company was July 21, 2006 (the "Termination Date"). Schneider understands and agrees that, as of the Termination Date, he is no longer authorized to incur any expenses, obligations, or liabilities on behalf of the Company, and agrees that he shall submit for reimbursement any outstanding expenses incurred with appropriate documentation for which he seeks reimbursement within four (4) weeks following the Termination Date. Schneider further understands and agrees that, as of the Termination Date, he is no longer authorized to conduct any business on behalf of the Company or to hold himself out as an employee, agent or representative of the Company. Effective on the Termination Date, Schneider resigns as a director of the Company and any and all positions he may hold on any Board of Directors of Company subsidiaries and/or affiliates and any executive positions he holds with any Company subsidiaries and/or affiliates including, without limitation, Villa Sistemi Medicali, S.p.A.

2. SEVERANCE BENEFITS AND OTHER PAYMENTS DUE.

(a) Separate and apart from the severance benefits described below, the Company shall continue to pay Schneider his full base salary through the Termination Date at the rate in effect immediately prior to the Termination Date, and shall pay Schneider \$19,327 for his earned but unused vacation pay. Such vacation pay shall be paid to Schneider as required by law on the next payday following the Termination Date.

(b) The Company will pay Schneider a severance payment (the "Severance Payment") equal to \$300,000 which is one (1) times Schneider's annual base salary in effect immediately prior to the Termination Date. The Severance Payment shall be paid to Schneider in pro-rata equal installments pursuant to the Company's standard payroll practices over a twelve-month period commencing with the first payday following the Termination Date; provided, however, that in the event the Company sells any of its assets or the assets of any of its U.S. subsidiaries for cash and such sale results in net cash proceeds to the Company of at least \$5.0 million, then the Company shall pay to Schneider any balance outstanding of the Severance Payment within ten (10) days after the receipt by the Company of such net cash proceeds from such asset sale.

(c) Schneider will also be entitled to receive health insurance coverage for himself and his dependents under the same plan or plans under which he was covered prior to the Termination Date or substantially similar group medical plan(s) established by the Company or any one of its subsidiaries thereafter. Such health insurance coverage shall be paid for by the Company to the same extent as if Schneider was still employed by the Company, and Schneider will be required to make such payments as he would be required to make if he was still employed by the Company. This coverage will continue for a period of one (1) year following the Termination Date.

(d) The Company shall withhold from any amounts payable under subparagraphs (a) and (b) above all federal, state, city or other taxes required by applicable law to be withheld by the Company and shall make all required employer payments for Social Security and Medicare.

(e) In the event that the Company fails to make any of the payments required by subparagraph (b) above on the date due or within five (5) business days after a written notice of such failure to pay is provided (the "Notice Period"), then any and all unpaid amounts due shall accelerate and be payable to Schneider. For each day after the date of such Notice Period has expired, and for every day thereafter that the unpaid amount is not paid in full to Schneider, then the total of all unpaid amounts of the Severance Payment shall accelerate and be payable to Schneider immediately and all such unpaid amounts shall accrue interest at the rate of 9% per annum. If payments due have not been made prior to the time that the Notice Period has expired, then Schneider may commence a lawsuit for any and all unpaid amounts required by subparagraph (b) above, including the amounts accelerated, plus interest on all such amounts, and the Company agrees to pay the full amount of Schneider's reasonable attorneys fees and expenses in such lawsuit. Further, the Company agrees that in any such lawsuit, the Company will not assert any affirmative defenses, setoffs, or counterclaims; provided, however, that nothing shall prohibit the Company from bringing a separate action against Schneider for breach of this Agreement or of any other legal obligation that Schneider may have to the Company. In any such lawsuit against Schneider, the party who substantially prevails in such action shall be entitled to payment from the other party for all of its or his costs and expenses incurred in such action, including reasonable attorneys fees.

(f) Schneider acknowledges and agrees that he is not otherwise due any other monies from the Company including any unpaid salary, benefits, change in control payments, or other compensation other than outstanding expenses for which he will submit for reimbursement as provided in Section 1 hereof, any unpaid base salary in the current payroll period through the Termination Date, any unpaid vacation pay as set forth above and any vested amounts under any employee benefit plan governed by ERISA that have not yet been paid to him (including group medical benefits). Schneider understands that he is not entitled to any payments from the Company of any kind or nature pursuant to any other agreement or agreements with the Company other than the payment and benefits described or referred to within this Agreement. Schneider further understands that aside from the foregoing, he is not entitled to and will not receive any further payment or benefits of any kind from the Company. This is not intended to be a declination of COBRA coverage or a waiver of any rights under COBRA.

3. RELEASES. In exchange for the consideration provided for in this Agreement, without any further deed or action, Schneider irrevocably and unconditionally releases the Company, its predecessors, parents, subsidiaries, affiliates, and past, present and future officers, directors, agents, consultants, employees, representatives, and insurers, as applicable, together with all successors and assigns of any of the foregoing (collectively, the "Releasees"), of and from all claims, demands, actions, causes of action, rights

of action, contracts, controversies, covenants, obligations, agreements, damages, penalties, interest, fees, expenses, costs, remedies, reckonings, extents, responsibilities, liabilities, suits, and proceedings of whatsoever kind, nature, or description, direct or indirect, vested or contingent, known or unknown, suspected or unsuspected, in contract, tort, law, equity, or otherwise, under the laws of any jurisdiction, that Schneider or his legal representatives, successors or assigns, ever had, now has, or hereafter can, shall, or may have, against the Releasees, as set forth above, jointly or severally, for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of the world through, and including, the date of this Agreement ("Claims"), arising out

of Schneider's employment with the Company.

It is understood and agreed that Schneider hereby expressly waives any and all laws or statutes, of any jurisdiction whatsoever, which may provide that a general release does not extend to claims not known or suspected to exist at the time of executing a release which if known would have materially affected the decision to give said release. It is expressly intended and agreed that this Release does in fact extend to such unknown or unsuspected Claims arising out of Schneider's employment with the Company, related to anything which has happened to the date hereof even if knowledge thereof would have materially affected the decision to give said release.

Such release includes, but is not limited to, the violation of any express or implied contract; any federal, state or local laws, restricting an employer's right to terminate employees, or otherwise regulating employment; workers compensation, wage and hour, or other employee relations statutes, executive orders, ordinance, or regulations, including any rights or claims under Title VII of the Civil Rights Act of 1964, as amended the Civil Rights Act of 1991, the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, the Family and Medical Leave Act of 1993, the Civil Rights Act of 1866, the Age Discrimination in Employment Act of 1967, the Fair Labor Standards Act, the WARN Act, or any state or local laws covering the same subject matter; tort (including, without limitation, negligent conduct, invasion of privacy and defamation); any federal, state, or local laws providing recourse for retaliation, wrongful discharge, dismissal or other obligations arising out of public policy, physical or personal injury, fraud, negligent misrepresentations, and similar or related claims. The laws referred to in this section include statutes, regulations, other administrative guidance, and common law doctrines. Any and all claims and/or disputes arising out of or relating to any of the foregoing shall be, and are, finally compromised, released and settled.

Notwithstanding the foregoing, this release does not include Schneider's right to enforce the terms of this Agreement, his rights under COBRA, or his rights to vested benefits under ERISA or any other statute whereby a party cannot waive his rights in a private agreement with his employer. Except to enforce this Agreement or as otherwise provided by law, Schneider agrees that he will not pursue, file or assert or permit to be pursued, filed or asserted any civil action, suit or legal proceeding seeking equitable or monetary relief (nor will he seek or in any way obtain or accept any such relief in any civil action, suit or legal proceeding) in connection with any matter concerning his employment relationship with the Company and/or the termination thereof with respect to all of the claims released herein arising from the beginning of the world up to and including the date of execution of this Agreement (whether known or unknown to him and including any continuing effects of any acts or practices prior to the date of execution of this Agreement).

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If Schneider should bring any action arising out of the subject matter covered by this Agreement, except to enforce this Agreement or his rights under law, he understands and recognizes that he will, at the option of the Company, be considered in breach of this Agreement and shall be required to immediately return any and all funds received pursuant to this Agreement. Furthermore, if the Company should substantially prevail in any such lawsuit, Schneider shall pay to the Company all of its costs and expenses incurred in such an action, including reasonable attorney's fees. If Schneider should bring any action to enforce this Agreement or defend any action by the Company to enforce this Agreement, and if he substantially prevails in such action, the Company shall pay to Schneider all of his costs and expenses incurred in such an action, including reasonable attorney's fees.

In exchange for the consideration provided for in this Agreement, and without any further deed or action, the Company hereby irrevocably and unconditionally releases and forever discharges Schneider and his heirs, executors, and representatives of and from all claims, demands, actions, causes

of action, rights of action, contracts, controversies, covenants, obligations, agreements, damages, penalties, interest, fees, expenses, costs, remedies, reckonings, extents, responsibilities, liabilities, suits, and proceedings of whatsoever kind, nature, or description, direct or indirect, vested or contingent, which are presently known in contract, tort, law, equity, or otherwise, or under the laws of any jurisdiction, that the Company now has, or hereafter can, shall, or may have, against Schneider for, upon, or by reason of any matter, cause, or thing whatsoever from the beginning of the world through, and including, the date of this Agreement (the "Schneider Claims").

4. COMPANY INFORMATION AND PROPERTY. Schneider agrees to immediately return to the Company all Company property and information in his possession including, but not limited to, Company files, financial models, strategies, compilations, studies, manuals, memoranda, client lists or other client information, or other documents or records related to the Company's business and operations, in any form in which they are maintained, and agrees that he will not retain any copies, duplicates, reproductions, or excerpts thereof in any form. Schneider also agrees to immediately return any computer equipment, Blackberry equipment, cell phones, access codes, discs, software, or other Company-owned items in his possession; provided, however, that Schneider shall be allowed to keep the Company laptop computer currently in his possession.

5. COOPERATION; INDEMNIFICATION. Schneider agrees that, upon reasonable request, he will cooperate with the Company so long as such cooperation does not interfere in any material respects with any full-time job he may have or business he is conducting at the time. The obligation to cooperate will extend only to these matters with which Schneider may have been involved while he was employed by the Company. The Company agrees to reimburse Schneider for any and all expenses reasonably incurred by him in connection with any such request made by the Company. The Company acknowledges and confirms that Schneider is entitled to indemnification to the extent provided for in the Company's charter and bylaws, the charter and bylaws of any of the Company's subsidiaries that Schneider served as an officer and/or director, including Villa Sistemi Medicali, S.p.A., and any insurance policies of the Company or its subsidiaries providing for indemnification coverage to Schneider.

6. CONFIDENTIALITY. Schneider agrees that he will not disclose, directly or indirectly, the underlying facts that led up to this Agreement or the terms or amount to be paid under this Agreement. Schneider represents that

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he has not and will not, in any way, publicize the terms of this Agreement and agrees that its terms are confidential and will not be disclosed by him, except that he may discuss the terms of this Agreement with his attorneys, financial or tax advisors, and members of his immediate family, or as otherwise required by law.

7. NON-DISPARAGEMENT. Schneider represents and agrees that he shall refrain from making any written or oral statements to any person or entity with whom the Company or Schneider has had or may have a business or social relationship which may reasonably be expected to impugn or degrade the character, integrity, or ethics of the Company, its affiliates, directors, employees, or clients, or which may reasonably be expected to damage the business, image or reputation of the Company, its affiliates, directors, employees, or clients.

8. APPLICABLE LAW AND JURISDICTION. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of law principles. Any dispute regarding this Agreement, or relating to Schneider's employment with the Company shall be brought in the courts located in New York County, New York which will be the exclusive jurisdiction for such disputes. The Company and Schneider hereby expressly waive a right to a jury trial in any such actions.

9. ENTIRE AGREEMENT. This Agreement may not be changed or altered, except by a writing signed by both parties. Until such time as this Agreement has been executed and subscribed by both parties hereto: (i) its terms and conditions and any discussion relating thereto, without any exception whatsoever, shall not be binding nor enforceable for any purpose upon any party; and (ii) no provision contained herein shall be construed as an inducement to act or to withhold an action, or be relied upon as such. This Agreement constitutes an integrated, written contract, expressing the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any and all prior agreements and understandings, oral or written, between the parties, including but not limited to the Severance Benefits Agreement dated May 23, 2005 between the Company and you (the "Severance Benefits Agreement") EXCEPT THAT that the terms and conditions of Article IV of the Severance Benefits Agreement shall survive and shall be of full force and effect after the execution of this Agreement, except that Article 4.3 of the Severance Benefits Agreement shall be amended to add the words "property containing any" before the words "Confidential Information."

10. ASSIGNMENT. Schneider represents and warrants that he has not assigned or transferred any claim he is releasing, nor has he purported to do so. This Agreement binds Schneider's heirs, administrators, representatives, executors, successors, and assigns, and will insure to the benefit of all Released Parties and their respective heirs, administrators, representatives, executors, successors, and assigns. This Agreement is binding upon the Company and its successors and assigns.

11. SEVERABILITY. If any provision in this Agreement is found to be unenforceable, all other provisions will remain fully enforceable.

12. INDEPENDENT LEGAL COUNSEL. Schneider acknowledges that he has consulted with independent legal counsel regarding the legal effect of this Agreement, and is entering into this Agreement freely and voluntarily.

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13. BINDING EFFECT. This Agreement will be deemed binding and effective immediately upon its execution by Schneider; provided, however, that in accordance with the Age Discrimination in Employment Act of 1967 ("ADEA") (29 U.S.C. ss. 626, as amended), Schneider's waiver of ADEA claims under this Agreement is subject to the following: Schneider may consider the terms of his waiver of claims under the ADEA for twenty-one (21) days before signing it. Schneider may revoke his waiver of claims under the ADEA within seven (7) days of the day he executes this Agreement. Schneider's waiver of claims under the ADEA will not become effective until the eighth (8th) day following his signing of this Agreement. Schneider may revoke his waiver of ADEA claims under this Agreement by delivering written notice of such revocation via facsimile before the end of the seventh (7th) day following his signing of this Agreement to: Del Global Technologies Corp., facsimile number 847-288-7011, Attention: Chairman of the Board. In the event that Schneider revokes his waiver of ADEA claims under this Agreement prior to the eighth (8th) day after signing it, the remaining portions of this Agreement shall remain in full force in effect, provided that the obligation of the Company to provide the payments and benefits set forth in Agreement shall be null and void. Schneider further understands that if he does not revoke the ADEA waiver in this Agreement within seven (7) days after signing this Agreement, his waiver of ADEA claims will be final, binding, enforceable, and irrevocable.

SCHNEIDER UNDERSTANDS THAT FOR ALL PURPOSES OTHER THAN HIS WAIVER OF CLAIMS UNDER THE ADEA, THIS AGREEMENT WILL BE FINAL, EFFECTIVE, BINDING, AND IRREVOCABLE IMMEDIATELY UPON ITS EXECUTION.

14. ACKNOWLEDGEMENT. Schneider acknowledges that he: (a) has carefully read this Agreement in its entirety; (b) has had an opportunity to consider it for at least twenty-one (21) days; (c) has been advised to consult and has had

an opportunity to consult with legal counsel of his choosing in connection with this Agreement; (d) fully understands the significance of all of the terms and conditions of this Agreement and has discussed them with independent legal counsel; (e) has had answered to his satisfaction any questions asked with regard to the meaning and significance of any of the provisions of this Agreement; and (f) is signing this Agreement voluntarily and of his own free will and agrees to abide by all the terms and conditions contained herein.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the first date set forth above.

DEL GLOBAL TECHNOLOGIES CORP.

By: /s/ James R. Henderson

Name: James R. Henderson
Title: Chairman of the Board

/s/ Walter F. Schneider

Walter F. Schneider

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CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement") is made and entered into as of this 14th day of June, 2006, by and between DEL GLOBAL TECHNOLOGIES CORP., a New York corporation ("Company"), and LUMINA GROUP LLC, a North Carolina limited liability company ("Consultant").

BACKGROUND:

WHEREAS, Company desires to retain Consultant to provide certain services to Company, and Consultant desires to provide such services to Company, all subject to and in accordance with the terms and conditions contained herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the premise, the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Company hereby retains Consultant to provide to Company the consulting services more particularly described on Exhibit A attached hereto (the "Services"), and Consultant agrees to render the Services to Company. Consultant shall perform the Services upon the specific request of, and in accordance with the directions of, Company in each instance. Consultant will work on Company matters at least four (4) days per week. Consultant agrees to assign James A. Risher ("Risher") to this consulting engagement to provide the Services.

2. OBLIGATIONS OF CONSULTANT. In its performance of the Services hereunder, Consultant shall at all times comply with and abide by the terms and conditions set forth in this Agreement and all applicable policies and procedures of Company. Consultant shall further perform the Services in accordance with all applicable laws, rules and regulations and by following and applying the highest professional guidelines and standards.

3. COMPENSATION. Subject to the terms and conditions set forth in this Agreement, and as full and complete compensation for the Services, Company shall pay to Consultant, and Consultant shall accept, a fee of \$20,000 per month during the Term, payable bi-weekly.

4. EXPENSE REIMBURSEMENT. Company shall pay or reimburse Consultant for all reasonable business expenses incurred or paid by Consultant in the course of performing its duties hereunder, including but not limited to reasonable travel expenses (including first class air travel) for Risher. As a condition to such payment or reimbursement, however, Consultant shall maintain and provide to Company reasonable documentation and receipts for such expenses.

5. INDEPENDENT CONSULTANT. Both Consultant and Company, in the performance of this Agreement, will be acting in their own separate capacities and not as agents, employees, partners, joint venturers or associates of one another. It is expressly understood and agreed that Consultant is an independent

contractor of Company in all manners and respects and that consultant is not authorized to bind Company to any liability or obligation or to represent that he has any such authority. Consultant shall be solely responsible for all of its withholding taxes, social security taxes, unemployment taxes, and workers' compensation insurance premiums.

6. TERM AND TERMINATION.

(a) Unless sooner terminated pursuant to the terms hereof, this Agreement shall commence as of the date hereof and continue for a period of ninety (90) days (the "Term").

(b) Notwithstanding anything else contained herein to the contrary, and in addition to any other rights and remedies available at law, in equity or hereunder, either party hereto may cancel and terminate this Agreement at any time upon fourteen (14) days' prior written notice.

7. NON-COMPETITION. Consultant agrees that during the Term and for a period of eighteen (18) months from the date of the termination or expiration of this Agreement, it and its officers, directors, members and affiliates will not, directly or indirectly, compete with Company by providing to any company that is in a "Competing Business" services substantially similar to the services currently being provided by Consultant. Competing Business shall be defined as any business that engages, in a material way, in the businesses currently being conducted by Company.

8. NONSOLICITATION OF EMPLOYEES. For a period of two years after the termination or expiration of this Agreement, Consultant and its officers, directors, members and affiliates shall not, on its or their own behalf or on behalf of any other person, partnership, association, corporation, or other entity, solicit or in any manner attempt to influence or induce any employee of Company or its subsidiaries or affiliates (known by Consultant to be such) to leave the employment of Company or its subsidiaries or affiliates, nor shall it or any of its officers, directors, members or affiliates use or disclose to any person, partnership, association, corporation or other entity any information obtained while a consultant to Company concerning the names and addresses of Company's employees.

9. NONDISCLOSURE OF TRADE SECRETS. During the term of this Agreement, Consultant will have access to and become familiar with various trade secrets and proprietary and confidential information of Company, its subsidiaries and affiliates, including, but not limited to, processes, computer programs, compilations of information, records, sales procedures, customer requirements, pricing techniques, customer lists, methods of doing business and other confidential information (collectively, referred to as "Trade Secrets") which are owned by Company, its subsidiaries and/or affiliates and regularly used in the operation of its business, and as to which Company, its subsidiaries and/or affiliates take precautions to prevent dissemination to persons other than certain directors, officers and employees. Consultant acknowledges and agrees that the Trade Secrets (1) are secret and not known in the industry; (2) give Company or its subsidiaries or affiliates an advantage over competitors who do not know or use the Trade Secrets; (3) are of such value and nature as to make it reasonable and necessary to protect and preserve the confidentiality and secrecy of the Trade Secrets; and (4) are valuable, special and unique assets of

Company or its subsidiaries or affiliates, the disclosure of which could cause substantial injury and loss of profits and goodwill to Company or its subsidiaries or affiliates. Consultant may not use in any way or disclose any of the Trade Secrets, directly or indirectly, either during the term of this Agreement or at any time thereafter, except as required in the course of its employment under this Agreement, if required in connection with a judicial or administrative proceeding, or if the information becomes public knowledge other than as a result of an unauthorized disclosure by the Consultant. All files, records, documents, information, data and similar items relating to the business of Company, whether prepared by Consultant or otherwise coming into its possession, will remain the exclusive property of Company and may not be removed from the premises of Company under any circumstances without the prior written consent of the Board (except in the ordinary course of business during Consultant's period of active employment under this Agreement), and in any event must be promptly delivered to Company upon termination of Consultant's

employment with Company. Consultant agrees that upon its receipt of any subpoena, process or other request to produce or divulge, directly or indirectly, any Trade Secrets to any entity, agency, tribunal or person, Consultant shall timely notify and promptly hand deliver a copy of the subpoena, process or other request to the Board. For this purpose, Consultant irrevocably nominates and appoints Company (including any attorney retained by Company), as its true and lawful attorney-in-fact, to act in Consultant's name, place and stead to perform any act that Consultant might perform to defend and protect against any disclosure of any Trade Secrets.

10. SEVERABILITY. The parties hereto intend all provisions of Sections 7, 8 and 9 hereof to be enforced to the fullest extent permitted by law. Accordingly, should a court of competent jurisdiction determine that the scope of any provision of Sections 7, 8 or 9 hereof is too broad to be enforced as written, the parties intend that the court reform the provision to such narrower scope as it determines to be reasonable and enforceable. In addition, however, Consultant agrees that the nonsolicitation and nondisclosure agreements set forth above each constitute separate agreements independently supported by good and adequate consideration shall be severable from the other provisions of, and shall survive, this Agreement. The existence of any claim or cause of action of Consultant against Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by Company of the covenants of Consultant contained in the nonsolicitation and nondisclosure agreements. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision never constituted a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added as part of this Agreement, a provision as similar in its terms to such illegal, invalid or enforceable provision as may be possible and be legal, valid and enforceable.

11. OWNERSHIP OF WORK PRODUCT. All work product, property, data, documentation, information or materials conceived, discovered, developed or created by Consultant pursuant to this Agreement (collectively, the "Work Product") shall be owned exclusively by Company. To the greatest extent possible, any Work Product shall be deemed to be a "work made for hire" (as defined in the United States Copyright Act, 17 U.S.C.A. Section 101 et seq., as

amended) and owned exclusively by Company. Consultant hereby unconditionally and irrevocably transfers and assigns to Company all right, title and interest in or to any Work Product.

12. NOTICES.

(a) All notices provided for or required by this Agreement shall be in writing and shall be delivered personally to the other party, or mailed by certified or registered mail (return receipt requested), or delivered by a recognized overnight courier service, as follows:

If to Company:	Del Global Technologies Corp. 11550 West King Street Franklin Park, IL 60131 Attention: Chairman of the Board
If to Consultant:	Lumina Group LLC 1900 Eastwood Road, Suite 11

(b) Notices delivered pursuant to Section 12(a) hereof shall be deemed given: at the time delivered, if personally delivered, three (3) business days after being deposited in the mail, if mailed; and one (1) business day after timely delivery to the courier, if by overnight courier service.

(c) Either party hereto may change the address to which notice is to be sent by written notice to the other party in accordance with the provisions of this Section 12.

13. INDEMNIFICATION. Company shall indemnify, hold harmless and defend Consultant, from and against any and all claims, liabilities, losses, suits, actions, costs, expenses, damages and fees (including reasonable attorneys' fees) of any kind or nature (collectively "Damages"), arising out of or resulting in any way from the services provided by Consultant under this Agreement, except for Damages caused by the negligence or willful misconduct of Consultant.

14. MISCELLANEOUS.

(a) This Agreement, including all Exhibits hereto (which are incorporated herein by this reference), contains the entire agreement and understanding concerning the subject matter hereof between the parties hereto. No waiver, termination or discharge of this Agreement, or any of the terms or provisions hereof, shall be binding upon either party hereto unless confirmed in writing. This Agreement may not be modified or amended, except by a writing executed by both parties hereto. No waiver by either party hereto of any term or provision of this Agreement or of any default hereunder shall affect such party's rights thereafter to enforce such term or provision or to exercise any right or remedy in the event of any other default, whether or not similar.

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(b) This Agreement shall be governed by and construed in accordance with the laws of the State of New York. If any action is brought to enforce or interpret this Agreement, venue for the action will lie in New York City, New York.

(c) Consultant may not assign this Agreement, in whole or in part, without the prior written consent of Company, and any attempted assignment not in accordance herewith shall be null and void and of no force or effect.

(d) This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(e) The headings contained herein are for the convenience of the parties only and shall not be interpreted to limit or affect in any way the meaning of the language contained in this Agreement.

(f) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same Agreement. Any signature page of any such counterpart, or any electronic facsimile thereof, may be attached or appended to any other counterpart to complete a fully executed counterpart of this Agreement, and any telecopy or other facsimile transmission of any signature shall be deemed an original and shall bind such party.

(g) If any provision of this Agreement shall be held void, voidable, invalid or inoperative, no other provision of this Agreement shall be

affected as a result thereof, and accordingly, the remaining provisions of this Agreement shall remain in full force and effect as though such void, voidable, invalid or inoperative provision had not been contained herein.

(h) This Agreement shall not be construed more strongly against either party hereto regardless of which party is responsible for its preparation.

(i) Upon the reasonable request of the other party, each party hereto agrees to take any and all actions, including, without limitation, the execution of certificates, documents or instruments, necessary or appropriate to give effect to the terms and conditions set forth in this Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day and year first above written.

"Company"

DEL GLOBAL TECHNOLOGIES CORP.

By: /s/ James R. Henderson

Name: James R. Henderson
Title: Chairman of the Board

LUMINA GROUP LLC

By: /s/ James A. Risher

Name: James A. Risher
Title: Managing Partner

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EXHIBIT A

Consultant will perform such duties as are customarily associated with the position of chief operating officer.