

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning <u>08/01/2009</u> and ending <u>07/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☐ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>DELTA SYSTEMS EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ►	<u>002</u>	
	1c Effective date of plan	<u>01/01/1994</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DELTA SYSTEMS, INC.</u> <u>1734 FROST ROAD</u> <u>STREETSBORO, OH 44241-5008</u>	2b Employer Identification Number (EIN) <u>34-1122797</u>	2c Sponsor's telephone number <u>330-626-2811</u>	2d Business code (see instructions) <u>335900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>02/25/2011</u>	<u>MICHAEL JEZIORSKI</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") DELTA SYSTEMS, INC. 1734 FROST ROAD STREETSBORO, OH 44241-5008	3b Administrator's EIN 34-1122797 3c Administrator's telephone number 330-626-2811
---	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	245
---	----------	-----

6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	162
b Retired or separated participants receiving benefits.....	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	3
d Subtotal. Add lines 6a , 6b , and 6c	6d	166
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	166
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	166
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	5

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2I 2P 3I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☐ **C** (Service Provider Information)
 (5) ☐ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 08/01/2009 and ending 07/31/2010		
A Name of plan DELTA SYSTEMS EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN)	002
C Plan sponsor's name as shown on line 2a of Form 5500 DELTA SYSTEMS, INC.	D Employer Identification Number (EIN) 34-1122797	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	61596	35787
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	141275	158242
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	6930022	6901996
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7132893	7096025

Liabilities

g Benefit claims payable	1g	82	3
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	4868598	4188783
k Total liabilities (add all amounts in lines 1g through 1j)	1k	4868680	4188786

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2264213	2907239
---	-----------	---------	---------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	979932	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		979932

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	105	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		105

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	165616	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		165616

(3) Rents	2b(3)		
-----------------	--------------	--	--

(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	1193578	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		1193578
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		82
d Total income. Add all income amounts in column (b) and enter total.....	2d		2339313

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1335786	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1335786
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		360475
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	26	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		26
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1696287

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		643026
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **SS&G FINANCIAL SERVICES, INC.**

(2) EIN: **34-1945695**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2009 or fiscal plan year beginning 08/01/2009 and ending 07/31/2010

A Name of plan <u>DELTA SYSTEMS EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DELTA SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>34-1122797</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>1221604</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>34-1772438</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☒ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**DELTA SYSTEMS, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN**

***FINANCIAL
STATEMENTS***

***FOR THE
YEARS ENDED
JULY 31,
2010 AND 2009***

DELTA SYTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits.....	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements.....	5-12
SUPPLEMENTAL INFORMATION	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	13

Cleveland Office

32125 Solon Road
Cleveland, OH 44139

www.SSandG.com

440-248-8787

440-248-0841 (f)

INDEPENDENT AUDITORS' REPORT

To the Trustee of the
Delta Systems, Inc.
Employee Stock Ownership Plan
Cleveland, Ohio

We have audited the accompanying statements of net assets available for benefits of the Delta Systems, Inc. Employee Stock Ownership Plan (the Plan) as of July 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of July 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Providing the
services that
bring solutions***

member of:
OSCPA, PCOAB, the AICPA's
Center for Audit Quality, and
The Leading Edge Alliance

As discussed in Note A to the financial statements, the 2010 and 2009 financial statements include investments in Delta Systems, Inc. common stock valued at \$6,901,997 and \$6,930,022, respectively, whose values have been estimated by the Board of Directors based on an annual independent appraisal in the absence of readily ascertainable market values. We have examined the procedures used by the Board of Directors in arriving at its estimate of the value of such investments and have inspected underlying documentation, and in the circumstances, we believe that such procedures are reasonable and the documentation is appropriate for the years ended July 31, 2010 and 2009. However, because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material aspects when considered in relation to the basic financial statements taken as a whole.

SS & G Financial Services, Inc.

CERTIFIED PUBLIC ACCOUNTANTS

Cleveland, Ohio
January 28, 2011

SS&G *Financial Services*
Certified Public Accountants & Advisers

www.SSandG.com

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF JULY 31, 2010 AND 2009

	<u>2010</u>			<u>2009</u>		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 158,242	\$ -	\$ 158,242	\$ 141,275	\$ -	\$ 141,275
Dividend receivable	35,787	-	35,787	61,596	-	61,596
Investment in Delta Systems, Inc. common stock, at fair value	<u>4,191,023</u>	<u>2,710,974</u>	<u>6,901,997</u>	<u>4,232,665</u>	<u>2,697,357</u>	<u>6,930,022</u>
Total assets	4,385,052	2,710,974	7,096,026	4,435,536	2,697,357	7,132,893
LIABILITIES						
Note payable, sponsor	-	4,024,800	4,024,800	-	4,699,800	4,699,800
Benefit claims payable	4	-	4	82	-	82
Employer security dividend payable to participants	<u>163,983</u>	<u>-</u>	<u>163,983</u>	<u>168,798</u>	<u>-</u>	<u>168,798</u>
Total liabilities	<u>163,987</u>	<u>4,024,800</u>	<u>4,188,787</u>	<u>168,880</u>	<u>4,699,800</u>	<u>4,868,680</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 4,221,065</u>	<u>\$ (1,313,826)</u>	<u>\$ 2,907,239</u>	<u>\$ 4,266,656</u>	<u>\$ (2,002,443)</u>	<u>\$ 2,264,213</u>

See accompanying notes to financial statements.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED JULY 31, 2010 AND 2009

	2010			2009		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
CONTRIBUTIONS AND INVESTMENT INCOME						
Employer contributions	\$ 55,488	\$ 924,444	\$ 979,932	\$ 430,289	\$ 983,968	\$ 1,414,257
Interest income	187	-	187	1,709	-	1,709
Dividend income	90,727	74,890	165,617	93,601	79,157	172,758
Dividends used for loan payments	(36,140)	36,140	-	(24,123)	24,123	-
Net appreciation in fair value of investment	629,585	563,993	1,193,578	-	-	-
Allocation of 20,696 and 21,725 shares of common stock of Delta Systems, Inc. at market value at July 31, 2010 and 2009, respectively	<u>550,375</u>	<u>-</u>	<u>550,375</u>	<u>477,957</u>	<u>-</u>	<u>477,957</u>
Total contributions and investment income	1,290,222	1,599,467	2,889,689	979,433	1,087,248	2,066,681
DEDUCTIONS						
Net depreciation in fair value of investment	-	-	-	1,237,347	1,046,410	2,283,757
Interest expense	-	360,475	360,475	-	412,247	412,247
Dividend income paid to participants	52,953	-	52,953	59,594	-	59,594
Benefits paid to participants - cash	61,231	-	61,231	428,185	-	428,185
Benefits paid to participants - stock diversification	1,221,603	-	1,221,603	-	-	-
Fees	26	-	26	26	-	26
Allocation of 20,696 and 21,725 shares of common stock of Delta Systems, Inc. at market value at July 31, 2010 and 2009, respectively	<u>-</u>	<u>550,375</u>	<u>550,375</u>	<u>-</u>	<u>477,957</u>	<u>477,957</u>
Total deductions	1,335,813	910,850	2,246,663	1,725,152	1,936,614	3,661,766
(DECREASE) INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	(45,591)	688,617	643,026	(745,719)	(849,366)	(1,595,085)
NET ASSETS AVAILABLE FOR BENEFITS						
Beginning of year	<u>4,266,656</u>	<u>(2,002,443)</u>	<u>2,264,213</u>	<u>5,012,375</u>	<u>(1,153,077)</u>	<u>3,859,298</u>
NET ASSETS AVAILABLE FOR BENEFITS						
End of year	<u>\$ 4,221,065</u>	<u>\$ (1,313,826)</u>	<u>\$ 2,907,239</u>	<u>\$ 4,266,656</u>	<u>\$ (2,002,443)</u>	<u>\$ 2,264,213</u>

See accompanying notes to financial statements.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Plan description and basis of presentation

Delta Systems, Inc. (Company) established the Delta Systems, Inc. Employee Stock Ownership Plan (Plan) effective as of January 1, 1994. The Plan operates as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 401(a) and 4975(e)(7) and the regulations there under of the Internal Revenue Code of 1986, as amended (Code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by a Plan Committee comprised of persons appointed by the Company's Board of Directors. The Plan's Trustees are appointed by the Company's Board of Directors. The following description of the Plan provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

In October 2006, the Plan entered into a \$6,724,800 term loan agreement with the Company. The proceeds of the loan were used to purchase 188,317 shares of the Company's common stock at \$35.71 per share (see Note G). After the purchase of stock, the Plan owned 30% of Delta Systems, Inc. common stock.

In April 2010, the Plan was amended to allow for an immediate put and take of Delta stock to terminated participants.

During fiscal year 2010, the Company purchased 55,527 shares of the Company's common stock from Plan participants. After the sale of the stock, the plan owned 27% of the Company's common stock.

The Plan is a defined contribution retirement plan. The Plan is funded by employer contributions to a trust. Plan contribution amounts are determined annually by the Board of Directors of the Company. Plan contributions may be made in cash, shares of the Company's stock, or other property as the Board may determine and must be made by the due date of the Company's Federal income tax return, including extensions. The Plan does not permit participant contributions. During the period that debt is outstanding, the Company, as guarantor of the Plan's debt, has agreed to make contributions to the Plan that will be sufficient to enable to Plan's Trustees to make payments of principal and interest. The lender has no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan for the years ended July 31, 2010 and 2009 present separately the assets and liabilities and changes therein pertaining to:

The amounts calculated or attributed to qualified participants (allocated).
Stock not yet allocated to participants (unallocated).

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Plan description and basis of presentation, continued

Employees of the Company are generally eligible to participate in the Plan providing they worked at least 1,000 hours during the Plan year. Participants must be employed on the last working day of a Plan year to be eligible for an allocation of Company contributions for such year. Allocations are made to eligible participants in the ratio that each participant's eligible compensation for the Plan year bears to the total eligible compensation paid to all participants during the Plan year. The number of shares available for allocation is determined by dividing the current year's loan principal and interest payments made plus any dividends received on unallocated shares by the remaining loan principal and interest payments to be made plus the current year's loan principal and interest payments made and any dividends on unallocated shares and then multiplying that total by the collateralized shares.

There were 20,696 shares in 2010 and 21,726 shares in 2009 released from collateralization and allocated to participants. The current value of the Company's common shares was \$26.60 per share at July 31, 2010 and \$22.00 per share at July 31, 2009. Allocations are made equally to participants' accounts subject to certain limitations as defined by the Plan. The Plan was amended effective August 1, 2007, and under the amendment vesting of participant account balances begins with two years of service at 20%. Each year of service in addition gives rise to an additional 20% vesting with 100% vesting occurring at six years of service. Previously vesting began with three years of service at 20% and each year of service in addition gave rise to an additional 20% vesting with 100% vesting occurring at seven years of service. Special rules apply when a break in service occurs.

Upon termination of service due to death, disability, retirement or other reasons, participants with a vested interest in their accounts of \$5,000 or less will receive a lump-sum distribution, participants with a vested interest in their accounts of \$5,000 or more may receive a lump-sum distribution, annual installments over the next five years or any combination of the foregoing. Effective August 1, 2007, distributions may be delayed by the Plan Administrator up to an additional five plan years after termination of service.

Distributions may be made in cash or, if a participant elects, in the form of the Company's common shares plus cash for any fractional share. Distributions in the form of Company common shares are subject to rights of first refusal and bear limited put options.

Forfeited non-vested accounts totaled \$25,735 and \$16,394 for the years ended July 31, 2010 and 2009, respectively. Forfeitures are allocated to eligible participants in the same ratio as Company contributions.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - Plan description and basis of presentation, continued

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. In the event of Plan termination, the interest of each participant in the trust fund will be 100% vested and will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code.

The Company pays all expenses incurred for the design, establishment or termination of the Plan. The Trust pays all costs of administering the Plan and Trust unless such expenses are paid by the Company.

All Company stock held by the trust is voted by the Trustees in accordance with instructions from the Committee. However, participants and beneficiaries are entitled to direct the voting of shares allocated to his/her account on issues such as approval or disapproval of Corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets, or other similar transactions prescribed by regulation.

The Plan Committee has adopted a policy to pass through cash dividends received on respective shares of allocated Company Stock directly to the Plan participants or their beneficiaries by 1) payment directly to participants or their beneficiaries within 90 days of the end of the Plan year or 2) payment to the Plan on behalf of such participant or beneficiary and reinvested in Qualifying Employer Securities. Eligible Plan participants who have terminated employment prior to the date the dividends are paid are entitled to a dividend only on their vested shares of Company stock. The balance of any dividends attributable to the nonvested shares are retained by the Plan as income in that year.

The Plan has provisions for participant direction of their account once a participant has attained age 55 and completed 10 years of participation under the Plan. The participant can only diversify their account during a six-year period commencing on the first day of the Plan year the participant meets the requirement. The participant is allowed to diversify up to 25% of their account during the first five years and up to 50% of their account in the final year. Upon the participant making the necessary election, the administrator shall, in its discretion, determine the nondiscriminatory manner in which such diversification election is to be satisfied, including a lump-sum distribution, participant directed investment, and/or transfer to another plan sponsored by the Company.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - Summary of significant accounting policies

The significant accounting policies followed by the Plan are summarized below.

Method of accounting

The financial statements and supplemental information of the Plan are prepared on the accrual basis of accounting.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Plan administrator to make estimates and assumptions that affect the certain reported amounts and disclosures. While actual results could differ from those estimates, the Plan administrator does not expect those differences to be significant to the financial statements.

Risks and uncertainties

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the financial statements.

Cash and cash equivalents

For purposes of the statements of cash flows, cash and cash equivalents include cash on hand, cash held in banks and all highly liquid investments purchased with maturities of three months or less.

Dividend income

Dividend income is accrued on the ex-dividend date.

Investment valuation

The common shares of the Company are valued at fair value as of the end of the Plan year. Fair value is determined by an annual independent appraisal.

Evaluation of subsequent events

The Company has evaluated subsequent events through January 28, 2011, and has determined that there were no subsequent events that have occurred through that date that have not already been reflected in the financial statements and/or disclosed in the notes.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - Administration of Plan assets

The Plan's assets, which consist principally of Delta Systems, Inc. common stock, are held by the Trustee of the Plan.

Actual management of marketable securities in accordance with Plan investment policy has been delegated by the Plan Committee to qualified investment managers. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

NOTE D - Employer contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its notes. The Company made discretionary contributions of cash totaling \$55,488 in 2010 and \$430,289 in 2009.

NOTE E - Investments in Delta Systems, Inc.

Investment in Delta Systems, Inc. common stock at July 31 consists of:

	<u>2010</u>	<u>2009</u>
Allocated shares	136,867	170,669
Shares released for allocation	20,696	21,725
Unallocated shares	<u>101,911</u>	<u>122,607</u>
	<u>259,474</u>	<u>315,001</u>

NOTE F - Fair value measurements

The Plan has adopted the provisions of *Fair Value Measurements*. *Fair Value Measurements* does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

Fair Value Measurements enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. *Fair Value Measurements* requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE F - Fair value measurements, continued

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common shares of the Company: Fair value is estimated by the Board of Trustees based on an annual independent appraisal in the absence of readily ascertainable market values. Such investments are classified within Level 3 of the fair value hierarchy. Because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the difference could be material.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of July 31, 2010:

	Fair Value Measurements at Reporting Date Using			
	Level 1	Level 2	Level 3	Total
Investment in Delta Systems, Inc. common stock	\$ -	\$ -	\$ 6,901,997	\$ 6,901,997
Balance at July 31, 2010	\$ -	\$ -	\$ 6,901,997	\$ 6,901,997

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE F - Fair value measurements, continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of July 31, 2009:

	Fair Value Measurements at Reporting Date Using			
	Level 1	Level 2	Level 3	Total
Investment in Delta Systems, Inc. common stock	\$ -	\$ -	\$ 6,930,022	\$ 6,930,022
Balance at July 31, 2009	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,930,022</u>	<u>\$ 6,930,022</u>

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets:

Balance, beginning of year, August 31, 2008	\$ 9,213,779
Realized and unrealized gains (losses), net	<u>(2,283,757)</u>
Balance, end of year, July 31, 2009	6,930,022
Stock diversification (55,527 shares)	(1,221,603)
Realized and unrealized gains (losses), net	<u>1,193,578</u>
Balance, end of year July 31, 2010	<u>\$ 6,901,997</u>

NOTE G - Note payable

During the year ended July 31, 2007, the Plan entered into an agreement to purchase 188,317 shares of Delta Systems, Inc. These unallocated common shares owned by the Plan are collateral for a term loan agreement obtained by the Plan with the Company used to finance the purchase of such shares. The loan balance is \$4,024,800 as of July 31, 2010 and \$4,699,800 as of July 31, 2009. The Company has guaranteed the repayment of the loans and contributes funds to the Plan to cover the principal and interest payments on a monthly basis.

The loan agreement provides for a fixed rate of interest of 7.67% for the 10 year term of the loan.

Future principal payments on notes payable are as follows:

July 31:	
2011	\$ 675,000
2012	675,000
2013	675,000
2014	675,000
2015	675,000
Thereafter	<u>649,800</u>
	<u>\$4,024,800</u>

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE H - Related party transactions

There were no prohibited transactions with a party in interest during 2010 and 2009.

NOTE I - Reconciliation of financial statements to Form 5500

The following is a reconciliation of changes in net assets per the financial statements to changes in net assets per the Form 5500 for the year ended July 31, 2009:

Changes in net assets per the financial statements	\$ (1,595,085)
Dividend income paid to participants	<u>85,352</u>
Changes in net assets per the Form 5500	<u>\$ (1,680,437)</u>

NOTE J - Tax status

The Plan obtained its most recent determination letter on October 28, 2010, in which the Internal Revenue Service stated that the Plan, as then designated, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

DELTA SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

EIN: 34-1122797
PLAN NO: 002

SCHEDULE H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

JULY 31, 2010

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description (including maturity date, rate of interest, collateral, par or maturity value)	<u>Cost</u>	<u>Current Value</u>
* Delta Systems, Inc.		Common Stock, \$2 par value, 157,563 shares allocated	\$ 5,725,331	\$ 4,191,023
* Delta Systems, Inc.		Common Stock, \$2 par value, 101,911 shares unallocated	3,639,242	2,710,974
PNC Bank		Interest bearing cash	<u>158,242</u>	<u>158,242</u>
Total			<u>\$ 9,522,815</u>	<u>\$ 7,060,239</u>

* Investment known to be a party-in-interest.

See accompanying notes to financial statements.

Plan Name	Delta Systems Employee Stock Ownership Plan	EIN:	34-1122797
Plan Sponsor's Name	Delta Systems, Inc.	PN:	002

[illegible]