

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB/A

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

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

For the transition period from January 1, 1998 to June 30, 1998

Commission file number 0-9040

METRO-TEL CORP.

(Name of small business issuer in its charter)

Delaware 11-2014231

(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

290 N.E. 68th Street, Miami, Florida 33138 95035

(Address of principal executive offices) (Zip Code)

Issuer's telephone number, including area code: 305-754-4551

Securities registered under Section 12(b) of the Exchange Act: Common Stock,
\$.025 par value

Securities registered under Section 12(g) of the Exchange Act: None

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such
shorter period that the registrant was required to file such reports), and (2)
has been subject to such filing requirements for the past 90 days.

Yes No

Check if there is no disclosure of delinquent filers in response to
Item 405 of Regulation S-B contained in this form, and no disclosure will be
contained, to the best of registrant's knowledge, in definitive proxy or
information statements incorporated by reference in Part III of this Form 10-KSB
or any amendment to this Form 10-KSB.

Item 13. Exhibits and Reports on Form 8-K.

(a) Exhibits

2(a) Agreement of Merger dated as of July 1, 1998 among the
Company, Metro-Tel Acquisition Corp., Steiner-Atlantic
Corp., William K. Steiner and Michael S. Steiner.
Incorporated by reference to Exhibit A of the definitive
Proxy Statement of the Company filed with the Commission on
October 5, 1998 (File No. 0-9040).

3(a)(1) Certificate of Incorporation of the Company, as filed with
the Secretary of State of the State of Delaware on June 30,
1963. (Incorporated by reference to Exhibit 4.1(a) to the
Company's Current Report on Form 8-K dated (date of
earliest event reported) October 29, 1998.)

- 3(a)(2) Certificate of Amendment to the Certificate of Incorporation of the Company, as filed with the Secretary of State of the State of Delaware on March 27, 1968. (Incorporated by reference to Exhibit 4.1(b) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 3(a)(3) Certificate of Amendment to the Certificate of Incorporation of the Company, as filed with the Secretary of State of the State of Delaware on November 4, 1983. (Incorporated by reference to Exhibit 4.1(c) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 3(a)(4) Certificate of Amendment to the Certificate of Incorporation of the Company, as filed with the Secretary of State of the State of Delaware on November 5, 1986. (Incorporated by reference to Exhibit 4.1(d) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 3(a)(5) Certificate of Change of Location of Registered Office and of Agent, as filed with the Secretary of State of the State of Delaware on December 31, 1986. (Incorporated by reference to Exhibit 4.1(e) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 3(a)(6) Certificate of Ownership and Merger of Design Development Incorporated into the Company, as filed with the Secretary of State of the State of Delaware on June 30, 1998. (Incorporated by reference to Exhibit 4.1(f) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 3(a)(7) Certificate of Amendment to the Company's Certificate of Incorporation as filed with the Secretary of State of the State of Delaware on October 30, 1998. (Incorporated by reference to Exhibit 4.1(g) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)

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- 4(a)(1) Loan and Security Agreement dated November 2, 1998 between Steiner-Atlantic Corp. and First Union National Bank. (Incorporated by reference to Exhibit 4.2(a) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 4(a)(2) Guaranty and Security Agreement dated November 2, 1998 by the Company in favor of First Union National Bank. (Incorporated by reference to Exhibit 4.2(b) to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 10(a)(1)(i) Lease dated April 1, 1991 between the Company and CB Institutional Fund VII with respect to the Company's facilities at 240 South Milpitas Boulevard, Milpitas, California. (Exhibit 10(a)(2) to the Company's Annual Report on Form 10-K for the year ended June 30, 1991, File No. 0-9040).
- *10(a)(1)(ii) Second Amendment to Lease dated November 1, 1998 between the Company and The Realty Associates Fund III, L.P. (successor-in-interest to CB Institutional Fund VII) with respect to the Company's facilities at 240 South Milpitas Boulevard, Milpitas, California.

- *10(a)(2) Lease dated October 6, 1995 between Steiner and William, K. Steiner with respect to Steiner's facilities located 290 N.E. 68th Street, 297 N.E. 67st and 277 N.E. 67 St. Miami, Florida.
- 10(b)(1)(i)+ Employment Agreement dated July 1, 1981 between the Company and Venerando J. Indelicato. (Exhibit 10(b)(1)(i) to the Company's Annual Report on Form 10-KSB for the year ended June 30, 1995, File No. 0-9040).
- 10(b)(1)(ii)+ Amendment No. 1 dated July 1, 1983 to the Employment Agreement dated July 1, 1981 between the Company and Venerando J. Indelicato. (Exhibit 10(b)(1)(ii) to the Company's Annual Report on Form 10-KSB for the year ended June 30, 1995, File No. 0-9040).
- **10(b)(1)(iii)+ Amendment No.2 dated October 30, 1998 to the Employment Agreement dated July 1, 1981 between the Company and Venerando J. Indelicato.
- 10(b)(2)+ Letter agreement dated August 29, 1996 between the Company and Richard A. Wildman, a former executive officer of the Company. (Exhibit 10(b)(2) to the Company's Annual Report on Form 10-KSB for the year ended June 30, 1997, File No. 0-9040).

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- 10(c)(1)+ The Company's 1991 Stock Option Plan, as amended. (Incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K dated (date of earliest event reported) October 29, 1998.)
- 10(c)(2)(a)+ The Company's 1984 Non-Employee Director Stock Option Plan, as amended. (Exhibit 10(d)(2) to the Company's Annual Report on Form 10-K for the year ended June 30, 1987, File No. 0-9040).
- 10(c)(2)(b)+ The Company's 1994 Non-Employee Director Stock Option Plan. (Exhibit A to the Company's Proxy Statement dated October 14, 1994 used in connection with the Company's 1994 Annual Meeting of Stockholders, File No. 0-9040).
- 10(c)(3)+ Form of Stock Option Agreement dated June 25, 1991 entered into between the Company and each of Sheppard Beidler (option has since expired), Lloyd Frank and Michael Michaelson, together with a schedule identifying the details in which the actual agreements differ from the exhibit filed herewith. (Exhibit 10(c)(4) to the Company's Annual Report on Form 10-K for the year ended June 30, 1991, File No. 0-9040).
- 10(c)(4)+ Form of Stock Option Agreement dated May 4, 1993 entered into between the Company and each of Sheppard Beidler, Lloyd Frank and Michael Michaelson, together with a schedule identifying the details in which the actual agreements differ from the exhibit filed herewith. (Exhibit 10(c)(4) to the Company's Annual Report on Form 10-KSB for the year ended June 30, 1993, File No. 0-9040).

*27 Financial Data Schedule.

* Filed with the original filing of this Report.

** Filed herewith.

All other exhibits are incorporated herein by reference to the filing

indicated in the parenthetical reference following the exhibit description.

+ Management contract or compensatory plan or arrangement.

(b) Reports on Form 8-K

None

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

METRO-TEL CORP.

Dated: March 11, 1999

By: /s/ Venerando J. Indelicato

Venerando J. Indelicato
Treasurer and Chief Financial Officer

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EXHIBIT INDEX

Exhibit Number -----	Description -----
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**10(b)(1)(iii)+ Amendment No.2 dated October 30, 1998 to the Employment Agreement dated July 1, 1981 between the Company and Venerando J. Indelicato.

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*27 Financial Data Schedule.

* Filed with the original filing of this Report.

** Filed herewith.

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+ Management contract or compensatory plan or arrangement.

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Exhibit 10(b)(1)(iii)

AMENDMENT NO. 2, dated as of October 30, 1998, to EMPLOYMENT AGREEMENT dated as of July 1, 1981, as amended by Amendment No. 1 dated as of July 1, 1983 (as amended to date, the "Employment Agreement") between METRO-TEL CORP., a Delaware corporation with offices at 250 South Milpitas Boulevard, Milpitas, California 95035 (the "Company"), and VENERANDO J. INDELICATO residing at 12307 Marblehead Drive, Tampa, Florida 33626 (the "Employee").

WITNESSETH:

WHEREAS, Metro-Tel Acquisition Corp., a wholly-owned subsidiary of the Company ("Subsidiary") is to be merged (the "Merger") with and into Steiner-Atlantic Corp. ("Steiner") pursuant to an Agreement of Merger dated as of July 1, 1998 among the Company, Subsidiary, Steiner, William Steiner and Michael S. Steiner (the "Merger Agreement") and, in connection therewith, Michael S. Steiner is to become President and Chief Executive Officer of the Company and employee is to become Chief Financial Officer of the Company; and

WHEREAS, in connection therewith, parties are desirous of changing Employee's position, title and duties and reduce the term of employment provided for in the Employment Agreement; and

WHEREAS, the parties wish to reflect the present annual salary of Employee as same has been increased to date by the Board of Directors;

NOW, THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. Section 1 of the Employment Agreement is hereby amended to read as follows:

"Employment and Term. The Company hereby employs Employee as Chief Financial Officer of the Company, and the Employee hereby agrees to serve as such officer, for an indeterminate period; provided, however, that either the Company, by action of its Board of Directors, or the Employee may notify the other that it or he, as the case may be, elects to terminate Employee's employment with the Company on a date set forth in such notice, which date shall not be earlier than the later of December 31, 1999 or ninety (90) days after such notice is deemed given pursuant to the provisions of Section 14 of this Agreement. Employee agrees to devote such time as is reasonably necessary to discharge his duties and responsibilities attributable to such office. Employee may work out of his residence in Tampa, Florida, in a manner consistent with his employment by the Company during the twelve months preceding the date of Amendment No. 2 to this Agreement. Employee further agrees to serve in a similar position with the Company's wholly-owned subsidiaries and as a director of the

Company and its wholly-owned subsidiaries if elected and to perform and render the services and duties incidental thereto."

2. Section 2 of the Employment Agreement is hereby amended to change the amount set forth therein from \$100,000 to \$175,000 (to reflect the changes heretofore made by the Company's Board of Directors), which amount shall be paid in equal installments at the time the Company pays its employees in accordance with the Company's regular pay periods for employees.

3. Section 3 of the Employment Agreement is hereby deleted in its entirety.

4. Section 1 of the Employment Agreement shall take precedence over Section 4 in the event of a conflict between them.

5. Section 14 of the Employment Agreement is hereby amended in its entirety to read as follows:

"14. Notices. All notices required or permitted to be given hereunder shall be in writing and deemed to have been duly given on the earliest of the date when personally delivered, the first business day following the sending thereof by nationally recognized overnight carrier by next business day delivery service or the fifth calendar day following mailing by registered or certified mail, return receipt requested, in all cases with delivery charges prepaid, and addressed as follows:

If to the Company:

Metro-Tel Corp.
250 South Milpitas Boulevard
Milpitas, California 95035
Attention: President

If to the Employee:

Mr. Venerando J. Indelicato
12307 Marblehead Drive
Tampa, Florida 33626

6. Section 16 of the Employment Agreement is hereby amended in its entirety to read as follows:

"16. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida."

7. This Amendment No. 2 is to become effective only upon (and without further action of the parties hereto) the effectiveness of the Merger. Except as specifically set forth herein, all of the terms and conditions of the Employment Agreement shall remain unaltered and in full force and effect.

IN WITNESS WHEREOF, this instrument has been executed and delivered as of the date first written above.

METRO-TEL CORP.

By: /s/ Lloyd Frank

Lloyd Frank, Secretary

/s/ Venerando J. Indelicato

Venerando J. Indelicato