UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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): **January 11, 2007**

Westell Technologies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**0-27266**	**36-3154957**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

750 North Commons Drive, Aurora, Illinois 60540
(Address of principal Mr. Mader offices) (Zip Code)

Registrant's telephone number, including area code **(630) 898-2500**

N/A

(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:

☐ 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Thomas E. Mader has agreed to join Westell Technologies, Inc. (the “Company”) as its President and Chief Executive Officer and become a member of the Company’s board of directors effective January 22, 2007. E. Van Cullens, current President and Chief Executive Officer, last year announced his intention to retire and will continue as a member of the Company's board of directors.

Mr. Mader, 57, served as corporate vice president and general manager of Motorola Corporation’s Wireline Networks business since 2005. Prior to joining Motorola, Mr. Mader served as the principal of Mader & Associates, a manufacturer’s representative for telecom/IP test equipment worldwide. From 2001 to 2003, Mr. Mader served as the President and Chief Executive Officer of Netrake Corporation, a provider of session border controllers for IP networks.

Under the terms of Mr. Mader’s employment agreement with the Company, Mr. Mader will receive an annual base salary of $450,000 per year. Mr. Mader’s base salary will be reviewed annually. Mr. Mader’s base salary may be increased, but not decreased, without his consent.

Mr. Mader is not entitled to a bonus for the fiscal year ending March 31, 2007. For the fiscal year ending March 31, 2008, Mr. Mader will be guaranteed a bonus of $225,000, which amount will be paid to Mr. Mader in a single lump sum payment on or before May 1, 2008. For subsequent fiscal years during the term of his employment, Mr. Mader will be eligible to receive a bonus based upon the achievement of performance goals to be developed for each year by the Company's Board and Compensation Committee.

Mr. Mader will also receive relocation payments of $60,000 payable upon the effective date of his employment and $90,000 upon the sale of his residence in Texas. In the event Mr. Mader resigns without good reason, Mr. Mader will repay any relocation payments received by Mr. Mader within the twelve month period immediately preceding the effective date of his resignation.

On February 1, 2007 Mr. Mader will receive a restricted stock award of 500,000 shares of Company Class A common stock pursuant to the Company’s 2004 Stock Incentive Plan (the "2004 Stock Incentive Plan"), one-fifth (100,000 shares) of which will vest on each February 1 from February 1, 2008 through February 1, 2012, so long as he remains an employee of the Company on the vesting date. The stock award will also provide, among other things, that all unvested portions of the stock award will fully vest upon (i) a change of control, or (ii) the termination of Mr. Mader's employment with the Company by reason of (A) the termination of such employment by the Company without cause, or (B) the termination of such employment by Mr. Mader for good reason. Mr. Mader will also be eligible to receive awards of options and other benefits under the 2004 Stock Incentive Plan as determined by the Company’s Compensation Committee from time to time commencing April, 2007.

If the Company terminates Mr. Mader’s employment without cause during the first three years of his employment or if Mr. Mader resigns for good reason during the first three years of his employment, he will be entitled to receive as severance (A) one year’s base salary payable in regular installments, provided, that such payments will be deferred until the six-month anniversary of the date of Mr. Mader's termination of employment if deferral to such anniversary date is required to comply with the provisions of Section 409A of the Internal Revenue Code and (B) a pro rata portion of Mr. Mader's anticipated bonus for the fiscal year in which the termination occurs

If Mr. Mader remains employed at the time of a change of control that occurs within five years, and within twelve months following the change of control, either the total of Mr. Mader’s salary and target bonus is reduced without his written consent or Mr. Mader’s primary duties and responsibilities as President and Chief Executive Officer of the Company are, without his written consent, materially reduced or modified in such a way as to be qualitatively beneath the duties and responsibilities befitting of the president and chief executive officer of a publicly held company of comparable size in the telecommunication industry in the United States, and if Mr. Mader resigns within six (6) months after such reduction in compensation or change in duties and responsibilities, he will be entitled to receive (A) one year's base salary payable in regular installments, provided, that such payments will be deferred until the six-month anniversary of the date of Mr. Mader's termination of employment if deferral to such anniversary date is required to comply with the provisions of Section 409A of the Internal Revenue Code and (B) 100% of the target bonus amount authorized and approved for Mr. Mader by the Company's Compensation Committee for such fiscal year or for the prior fiscal year, if higher.

Mr. Mader is subject to a non-competition covenant during the term of his employment and for an additional one year period following termination if, following termination of his employment with the Company, Mr. Mader is entitled to receive severance or if the Company elects to pay him the severance even if the Mr. Mader would not otherwise be entitled. Mr. Mader is subject to a non-soliciation covenant with respect to the Company's employees for one year following termination of his employment whether or not he is entitled to severance pay.

The foregoing description of the Employment Agreement with Mr. Mader and the restricted stock award does not purport to be complete and is qualified in its entirety by reference to the complete text of the Employment Agreement and the restricted stock award, copies of which are attached as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference in their entirety.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

10.1 Employment Agreement by and among Westell Technologies, Inc., Westell, Inc. and Thomas E. Mader.

10.2 Form of Restricted Stock Award for Thomas E. Mader.

SIGNATURE

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.

WESTELL TECHNOLOGIES, INC.

Date: January 12, 2007 By: /s/ Nicholas C. Hindman
Nicholas C. Hindman
Chief Financial Officer

EMPLOYMENT AGREEMENT

This Employment Agreement (as amended from time to time, this “Agreement”) is entered into this 8th day of January, 2007 with an effective date of January 22, 2007 (the “Effective Date”) by and among Westell Technologies, Inc, a Delaware corporation (the “Company”), Westell, Inc., an Illinois corporation (the “Operating Subsidiary”) and Thomas E. Mader (“Executive”).

In consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

SECTION 1. EMPLOYMENT AND DUTIES. Effective January 22, 2007, the Company hereby employs Executive to serve as President and Chief Executive Officer of the Company as well as President and Chief Executive Officer of the Operating Subsidiary, during the Term (as such term is defined in Section 3). Executive accepts such employment on the terms and conditions set forth in this Agreement. Executive shall perform the duties of President and Chief Executive Officer of the Company and of the Operating Subsidiary and shall perform such other duties consistent with such positions as may be assigned to Executive from time to time by the Board of Directors of the Company or the Operating Subsidiary (individually a “Board,” and collectively, the “Boards”). Executive shall devote his best efforts and skills to the business and interests of the Company and the Operating Subsidiary on a full-time basis, provided, however, that, to the extent such activities do not adversely affect the performance of his responsibilities to the Company and the Operating Subsidiary hereunder, Executive may (i) manage his personal investments and participate in charitable and civic affairs and (ii) serve on the boards of directors of for-profit or non-profit corporations if approved by the Boards, such approval not to be unreasonably withheld. Executive shall at all times observe and abide by the Company’s and the Operating Subsidiary’s written policies and procedures as in effect from time to time. Executive agrees to relocate his primary residence to the Chicago area within a reasonable period of time following the Effective Date.

As of the Effective Date, the number of directors constituting each of the Boards shall be increased by one, and effective upon the Effective Date, Executive shall have been elected by the Boards to fill each such vacancy and agrees to serve. At the request of either Board, Executive shall also serve as an officer and/or director of one or more subsidiaries of the Company or the Operating Subsidiary.

Upon any termination of Executive's employment with the Company for any reason, Executive shall promptly resign from all positions as officer and director of each of the Westell Companies.

SECTION 2. COMPENSATION. In consideration of the services to be performed by Executive hereunder, Executive shall receive from the Operating Subsidiary the following compensation and benefits:

2.1 Base Salary. During the Term, Executive shall be paid an annual base salary by the Operating Subsidiary (the "Base Salary") which shall be payable in installments consistent with the Operating Subsidiary's payroll schedule. The Base Salary shall be Four Hundred Fifty Thousand Dollars ($450,000) per year, subject to review each year during the Operating Subsidiary's annual salary review. The Operating Subsidiary may, in its sole discretion, increase the Base Salary as a result of any such review. Executive's Base Salary shall not be reduced without Executive's consent.

2.2 Benefits.

(a) During the Term, Executive shall be provided with employee benefits commensurate with those made generally available to other executives of the Operating Subsidiary. A list of the employee benefits provided generally to the executives of the Operating Subsidiary as of the Effective Date is attached hereto as Schedule 2.2, which Schedule is incorporated herein by reference for all purposes. In addition, Executive shall be provided certain special benefits (the "Special Benefits") also listed on Schedule 2.2. Neither the Company nor the Operating Subsidiary has undertaken any actions, or intends to undertake any actions, designed to eliminate, reduce or otherwise limit any of the employee benefits described on Schedule 2.2, but it is understood that such benefits other than the Special Benefits may change from time to time.

(b) If during the first three years of the Term, Executive's employment is terminated either by the Company without Cause or by Executive for "Good Reason", Executive shall be entitled to (i) continued benefits under COBRA as it applies to the benefits provided under subparagraph (a) above for Executive and those of his dependents who were covered dependents as of the effective date of the termination ("COBRA Qualified Beneficiaries") and (subject to the terms and conditions of the applicable benefit plans), the Company shall pay the Company portion of the required premium or contribution during the period in which the Executive is receiving severance payments from the Company or the COBRA period (whichever is shorter), in an amount which the Company was remitting on behalf of the Executive prior to his termination, except that Executive shall be required to continue to pay that portion of any premiums or contributions that the Executive was remitting prior to his termination to maintain such benefit (subject to any increases imposed by the benefit plan), and (ii) such other benefits as may be required by law or subject to the terms of any benefit or retirement plan or other arrangement that would by its terms apply to the Executive upon termination, provided that if a premium or contribution is required, Executive shall remit all required premiums and contributions in a manner required by the Company in order to continue that benefit.

(c) If Executive's employment is terminated other than under the circumstances specified in subparagraph (b) above, or if Executive's employment is terminated under the circumstances specified in subparagraph (b) above but does not execute, or Executive executes but revokes a release in the form of Exhibit A, Executive shall be entitled to (i) continued benefits under COBRA as it applies to the benefits provided under subparagraph (a) above for Executive and the COBRA Qualified Beneficiaries (subject to the terms and conditions of the applicable benefit plans), provided that Executive shall remit all required premiums or contributions in the manner required by the Company in order to continue that benefit, and (ii) such other benefits as may be required by law or subject to the terms of any benefit or retirement plan or other arrangement that would by its terms apply to the Executive upon termination, provided that if a premium or contribution is required, Executive shall remit all required premiums and contributions in a manner required by the Company in order to continue that benefit.

2.3 Bonuses. Executive shall not be entitled to receive any bonus for fiscal year ending March 31, 2007. For the fiscal year ending March 31, 2008, Executive shall be guaranteed a bonus of Two Hundred Twenty-Five Thousand Dollars ($225,000), which amount (subject to applicable withholding) shall be paid to Executive in a single lump sum payment on or before May 1, 2008. For subsequent fiscal years during the Term, Executive shall be eligible to receive a bonus based upon the achievement of performance goals to be developed for each year by the Company's Board and Compensation Committee. Except for payment of pro-rated bonuses in circumstances hereinafter described, eligibility for all bonuses, including the bonus for the fiscal year ending March 31, 2008 is subject to the Operating Subsidiary policy that the employee be employed on the "bonus payment date", which for purposes hereof shall be the earlier of (i) the date such bonus is actually paid, or (ii) May 1 of each year.

2.4 Relocation Benefits. The Operating Subsidiary shall pay Executive the following relocation allowances, subject to applicable withholding: (i) $60,000 upon the Effective Date, and (ii) $90,000 upon closing of the sale of Executive's Texas residence. In the event Executive resigns without Good Reason, Executive shall repay any relocation payments received by Executive within the twelve month period immediately preceding the effective date of Executive's resignation.

2.5 Restricted Stock Awards and Options.

(a) On February 1, 2007 Executive shall receive a restricted stock award of 500,000 shares of Company Class A common stock pursuant to the Westell Technologies, Inc. 2004 Stock Incentive Plan (the "2004 Stock Incentive Plan"), one-fifth (100,000 shares) of which will vest on each February 1 from February 1, 2008 through February 1, 2012, so long as he remains an employee of the Company on the vesting date. The stock award shall also provide, among other things, that all unvested portions of the stock award shall fully vest upon (i) a Change of Control, or (ii) the termination of Executive's employment with the Company by reason of (A) the termination of such employment by the Company without Cause, or (B) the termination of such employment by Executive for Good Reason.

(b) Executive will also be eligible to receive awards of options and other benefits under the 2004 Stock Incentive Plan as determined by the Compensation Committee of Company's Board from time to time commencing April, 2007, it being understood that there is no commitment as to frequency or amount of any such awards.

Section 3. TERM.

3.1 Commencement. The term of Executive's employment hereunder shall commence on the Effective Date and continue until terminated in accordance with this Agreement. The term of Executive's employment hereunder is referred to herein as the "Term."

3.2 Termination for Cause. The Company may terminate Executive's employment for Cause upon written notice specifying the cause for termination and the intended termination date, provided that Executive fails to reasonably address and remedy the circumstances constituting "Cause" within the applicable cure period, if any. Upon termination for Cause, Executive shall be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of such termination, and such post termination benefits as are specified in Section 2.2(c).

3.3 Termination by Company Without Cause. The Company may terminate Executive's employment without Cause at any time upon written notice within the first three years of the Term or upon at least thirty (30) days prior written notice after the first three years of the Term. If the Company terminates Executive's employment without Cause, Executive shall be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of such termination, and such post termination benefits as are specified in Section 2.2(b) or 2.2(c), as applicable. If such termination occurs during the first three years of the Term, Executive shall also be entitled to receive as severance, upon execution of a release in the form attached as Exhibit A hereto and the expiration of any revocation period thereunder without revocation, and conditional upon

Executive’s continued adherence to the post termination covenants in this Agreement, (A) an amount equal to one year's Base Salary at the Base Salary rate in effect for Executive as of the effective date of the termination, payable in regular installments at the time salary would have been payable, provided, however, that such payments shall be deferred until the six-month anniversary of the date of Executive's termination of employment if deferral to such anniversary date is required to comply with the provisions of Section 409A of the Internal Revenue Code and (B) a pro rata portion of Executive's anticipated bonus under Section 2.3 for the fiscal year in which the termination occurs, the amount of which pro rata portion shall be equal to (x) the target bonus amount authorized and approved for Executive by the Company’s Compensation Committee for such fiscal year multiplied by (y) a fraction, the numerator of which is the number of days (through and including the effective date of the termination) in such fiscal year that Executive was employed by the Company, and the denominator of which is the number 365.

3 . 4 Termination by Executive for Good Reason. Executive may resign from and terminate his employment with the Company for Good Reason at any time upon at least ten (10) days prior written notice, provided that the Company fails to reasonably address and remedy the circumstances constituting "Good Reason" within such ten (10) day period. If Executive resigns for Good Reason, Executive shall be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of such termination, and such post termination benefits as are specified in Section 2.2(b) or 2.2(c), as applicable. If such termination occurs during the first three years of the Term, Executive shall also be entitled to receive, as severance, upon execution of a release in the form attached as Exhibit A hereto and the expiration of any revocation period thereunder without revocation, and conditional upon Executive’s continued adherence to the post termination covenants in this Agreement, (A) an amount equal to one year's Base Salary at the Base Salary rate in effect for Executive as of the effective date of the termination, payable in regular installments at the time salary would have been payable, provided, however, that such payments shall be deferred until the six-month anniversary of the date of Executive's termination of employment if deferral to such anniversary date is required to comply with the provisions of Section 409A of the Internal Revenue Code, and (B) a pro rata portion of Executive's anticipated bonus under Section 2.3 for the fiscal year in which the termination occurs, the amount of which pro rata portion shall be equal to (x) the target bonus amount authorized and approved for Executive by the Company Board’s Compensation Committee for such fiscal year multiplied by (y) a fraction, the numerator of which is the number of calendar days (through and including the effective date of the termination) in such fiscal year that Executive was employed by the Company, and the denominator of which is the number 365.

3.5 Termination by Executive Without Good Reason. Executive may resign from and terminate his employment with the Company without Good Reason at any time upon at least thirty (30) days prior written notice. If Executive resigns from the Company other than for Good Reason, Executive shall be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of such termination, and such post termination benefits as are specified in Section 2.2(c). In the event Executive resigns from the Company at any time, the Company shall have the right to make such resignation effective as of any date prior to the expiration of any required notice period.

3.6 Termination by Executive Following Change of Control. If Executive remains employed at the time of a Change of Control that occurs within five years from the date hereof, and within twelve months following the Change of Control, either the total of Executive's Salary and target bonus are reduced without his written consent or Executive's primary duties and responsibilities as President and Chief Executive Officer of the Company and the Operating Subsidiary are, without his written consent, materially reduced or modified in such a way as to be qualitatively beneath the duties and responsibilities befitting of the president and chief executive officer of a publicly held company of comparable size in the telecommunication industry in the United States, and if Executive resigns within six (6) months after such reduction in compensation or change in duties and responsibilities, he shall be entitled to receive (i) the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of such termination, and such post termination benefits as are specified in Section 2.2(c), and (ii) upon execution of a release in the form attached as Exhibit A hereto and the expiration of any revocation period thereunder without revocation, and conditional upon Executive's continued adherence to the post termination covenants in this Agreement, (A) an amount equal to one year's Base Salary at the Base Salary rate in effect for Executive as of the effective date of the termination, payable in regular installments at the time salary would have been payable, provided, however, that such payments shall be deferred until the six-month anniversary of the date of Executive's termination of employment if deferral to such anniversary date is required to comply with the provisions of Section 409A of the Internal Revenue Code, (B) 100% of the target bonus amount authorized and approved for Executive by the Company Board's Compensation Committee for such fiscal year or for the prior fiscal year, if higher, and (C) if the Change of Control occurs within the first three years of the Term, the same post termination benefits as are set forth in Section 2.2(b).

3.7 Death. Executive's employment with the Company shall automatically be terminated upon Executive's death, in which case Executive's estate shall (i) be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a) , respectively, through the date of Executive's death, and (ii) and such post termination benefits as are specified in Section 2.2(c).

3.8 Disability. Executive's employment with the Company shall automatically be terminated upon Executive's Disability, in which case Executive shall (i) be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2(a), respectively, through the effective date of the termination, and (ii) and such post termination benefits as are specified in Section 2.2(c).

3.9 Notice of Termination. Any purported termination of Executive's employment by the Company or by Executive shall be communicated by a written Notice of Termination to the other party hereto in accordance with Section 7.5 hereof. A "Notice of Termination" shall mean a written notice that indicates the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances, if applicable, claimed to provide a basis for termination of Executive's employment.

Section 4. CERTAIN COVENANTS OF EXECUTIVE.

4.1 Confidential Information

(a) Executive acknowledges that the information, observations and data obtained by him during the course of his employment by the Company concerning the Business and affairs of the Westell Companies or of third parties that the Westell Companies may be required to keep confidential (the "Westell Company Information") are confidential and are the property of the Westell Companies or of such third parties. Executive hereby agrees that he shall not disclose to any unauthorized person or use for his own account or for the account of any third party any Westell Company Information without the Company's prior written consent, unless and then only to the extent the Westell Company Information becomes generally known to and available for use by the public other than as a result of Executive's acts or failure to act. Executive shall use his best efforts to prevent the unauthorized misuse, espionage, loss or theft of the Westell Company Information. Executive further agrees to deliver to the Company at the termination of his employment, or at any other time the Company may request in writing, all memoranda, notes, plans, records, reports and other documents (and copies thereof) relating to the Business of the Westell Companies that Executive may then possess or have under his control.

4.2 No Competition. During the Term, and if following termination of Executive's employment with the Company, Executive is entitled to receive severance or if the Company elects to pay him the severance specified in Section 3.3 even if the Executive would not otherwise be entitled, then in consideration, Executive agrees that for one year following termination, Executive shall not, directly or indirectly, for himself, or for any Entity, without the prior written consent of the Board of Company through its Chairman (which may be given or denied in his sole discretion):

(a) engage in or Participate In the Business or any other business that competes with, or develops or offers products or services competitive with the products or services of the Business, from Illinois or any state or country in which the Westell Companies have Business or customers, or have solicited customers; or

(b) engage in or Participate In the Business or any other business that competes with, or develops or offers products or services competitive with the products or services of the Business, from any other location throughout the world; or

(c) call upon, solicit, serve, or accept business, from any customer or prospective customer (wherever located) of the Westell Companies for the purpose of selling products or services competitive with the products or services of the Business; or

(d) interfere with any business relationship of the Westell Companies, with any of their customers or prospective customers or induce any such customers or prospective customers to discontinue or reduce their relationship with the Westell Companies.

To the extent that Executive is employed by or consults for an entity which is a subsidiary, division or other affiliate of a larger business enterprise, the determination as to whether the employment violates this Section 4.2 shall be made solely by reference to the business activities conducted by the particular subsidiary, division or affiliate by which Executive becomes employed or serves as consultant.

4.3 No Solicitation. Whether or not Executive is entitled to severance pay, Executive shall not, for twelve (12) months following termination: (i) induce or attempt to induce any person who is employed by the Westell Companies in any capacity to leave such person’s position, or in any way interfere with the relationship between the Westell Companies and such person, or (ii) hire directly or through another entity, in any capacity, any person who was employed by the Westell Companies within 12 months prior to termination of Executive's employment or during the 12 months after termination, unless and until such person has been separated from employment with the Westell Companies for at least six months.

4.4 Inventions. Any methodologies, inventions, improvements, discoveries, processes, programs or systems developed or discovered by the Executive, whether during working hours or by using the Westell Companies' facilities, equipment or trade secrets, shall be the sole and exclusive property of the Operating Subsidiary. The Executive shall, upon reasonable request by the Company, execute and deliver such assignments and other documents necessary to vest, at the Company's sole expense, all right, title and interest in any discovery or development in the Operating Subsidiary. The Westell Companies may, upon prior notice to the Executive and without any fee, film, videotape, photograph and record the Executive’s voice and likeness, and may utilize the Executive’s name and likeness, in connection with the promotion of the Westell Companies during employment upon prior notice. The Operating Subsidiary shall own all rights in any such film, videotape, photograph or record of the Executive’s voice and likeness for such use. The Executive acknowledges receipt of the notice provided by the Operating Subsidiary pursuant to the Employee Patent Act (765 Illinois Compiled Statutes, Act 1060), reproduced here:

NOTICE TO EMPLOYEE

This is to notify you that pursuant to the Employee Patent Act (765 Illinois Compiled Statutes, Act 1060), the provisions of this Agreement regarding the assignment of your rights in discoveries and inventions to the Operating Subsidiary DOES NOT APPLY to an invention for which no equipment, supplies, facilities or trade secret information of the Westell Companies was used and which was developed entirely on your own time, unless (a) the invention relates (i) to the business of the Westell Companies or (ii) to the Westell Companies’ actual or demonstrably anticipated research or development, or (b) the invention results from or is the product of any work performed by you for the Westell Companies in the scope of your efforts on behalf of the Company.

4.5 Reasonable Scope and Duration. Executive acknowledges that the restrictions in this Section 4 are reasonable in scope, are necessary to protect the trade secrets and other confidential and proprietary information of the Westell Companies, that the benefits provided hereunder are full and fair compensation for these covenants and that these covenants do not impair Executive’s ability to be employed in other areas of his expertise and experience. Specifically, Executive acknowledges the reasonableness of the international scope of these covenants by reason of the international customer base and prospective customer base and activities of the Westell Companies, the widespread domestic and international scope of Executive's contacts created during his employment with the Westell Companies, the domestic and international scope of Executive's responsibilities with the Westell Companies and his access to marketing strategies of the Westell Companies. Notwithstanding the foregoing, if any court determines that any of the terms herein are unreasonable or unenforceable, such court may interpret, alter, amend or modify any or all of such terms to include as much of the scope, time period and intent as will render such restrictions enforceable, and then in such reduced form, enforce such terms. In the event of Executive’s breach of any covenant in this Section 4, the term of the covenant shall be extended for a period equal to the period that the breach continues.

4.6 Equitable Relief. Executive agrees that any violation by Executive of any covenant in this Section 4 may cause such damage to the Company as will be serious and irreparable and the exact amount of which will be difficult to ascertain, and for that reason, Executive agrees that the Company shall be entitled, as a matter of right, to a temporary, preliminary and/or permanent injunction and/or other injunctive relief, ex parte or otherwise, from any court of competent jurisdiction, restraining any further violations by Executive. Such injunctive relief shall be in addition to and in no way in limitation of, any and all other remedies the Company shall have in law and equity for the enforcement of such covenants and provisions.

SECTION 5. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF EXECUTIVE. Executive represents and warrants to the Company that (i) the performance of this Agreement will not breach any agreement or obligation by which Executive is bound to keep in confidence proprietary information acquired by Executive or in confidence or in trust prior to employment by the Company or any other agreement to which Executive is a party or is bound, and (ii) he has not taken and does not have in his possession or control any confidential information or property relating to any former employer. Executive agrees that he will not use confidential information or property of any other employer while employed by the Company.

SECTION 6. DEFINITIONS. For the purposes of this Agreement, the following terms shall have the meanings indicated:

(a) "Business" means the design, development, manufacture and sale of DSL modem, broadband products and telco access products and related services of the Westell Companies as they exist or are being developed on the Effective Date, extensions of those products and services during Executive's employment and new products and services commenced or in development during his employment.

(b) "Cause" shall mean (i) the failure by Executive to comply with a particular directive or request from the Board of either the Company or the Operating Subsidiary regarding a matter material to either company, and the failure thereafter by Executive to reasonably address and remedy such noncompliance within thirty (30) days (or such shorter period as shall be reasonable or necessary under the circumstances) following Executive's receipt of written notice from such Board confirming Executive's noncompliance; (ii) the taking of an action by Executive regarding a matter material to either the Company or the Operating Subsidiary, which action Executive knew at the time the action was taken to be specifically contrary to a particular directive or request from the Board of either the Company or the Operating Subsidiary, (iii) the failure by Executive to comply with the written policies of the Company or the Operating Subsidiary regarding a matter material to the Company or the Operating Subsidiary, including expenditure authority, and the failure thereafter by Executive to reasonably address and remedy such noncompliance within thirty (30) days (or such shorter period as shall be reasonable or necessary under the circumstances) following Executive's receipt of written notice from such Board confirming Executive's noncompliance, but such opportunity to cure shall not apply if the failure is not curable; (iv) Executive's engaging in willful, reckless or grossly negligent conduct or misconduct which, in the good faith determination of the Company's Board or the Operating Subsidiary's Board, is materially injurious to the Company, the Operating Subsidiary, or one or more of the other Westell Companies, monetarily or otherwise; (v) the aiding or abetting a competitor or other breach by the Executive of his fiduciary duties to the Company, the Operating Subsidiary or any other of the Westell Companies for which he serves as officer or director; (vi) a material breach by Executive of his obligations of confidentiality or nondisclosure or (if applicable) any breach of Executive's obligations of noncompetition or nonsolicitation under this Agreement; (vii) the use or knowing possession by Executive of illegal drugs on the premises of any of the Westell Companies; or (viii) Executive is convicted of, or pleads guilty or no contest to, a felony or a crime involving moral turpitude.

(c) "Change of Control" shall mean a change in control of either the Company or the Operating Subsidiary, which shall be deemed to exist at such time as (i) both of the following shall have occurred: (A) the members of the Penny Family shall collectively cease to be the direct or indirect "beneficial owners" (as defined in Rule 13d-3 under the Exchange Act) of common stock of the Company or the Operating Subsidiary representing at least 30% of the voting power represented by all outstanding shares of common stock of all classes of the Company or the Operating Subsidiary, and (B) any person or group (within the meaning of Rule 13d-5 under the Exchange Act and Sections 13(d) and 14(d) of the Exchange Act) other than the Penny Family becomes the direct or indirect "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of common stock of the Company representing greater than 30% of the total voting power represented by all outstanding shares of common stock of all classes of the Company or the Operating Company; or (ii) a merger or consolidation of the Company or the Operating Subsidiary with any other Entity shall occur in which both (A) the members of the Penny Family shall collectively cease to be the direct or indirect beneficial owners (as previously defined) of capital stock of the surviving entity representing at least 30% of the total voting power represented by all outstanding shares of the capital stock of all classes of the surviving entity, and (B) any person or group (as previously defined) other than the Penny Family becomes the direct or indirect beneficial owner (as previously defined) of capital stock of the surviving entity representing greater than 30% of the total voting power represented by all outstanding shares of the capital stock of all classes of the surviving entity; or (iii) the Board of Directors or stockholders of the Company or the Operating Subsidiary approve a plan of complete liquidation of the Company or the

Operating Subsidiary or there shall occur a sale or disposition by the Company or the Operating Subsidiary of all or substantially all of their respective assets.

(d) "Disability" shall mean in the case of Executive, the condition of being mentally and/or physically disabled such that Executive shall be eligible to receive benefits either under a long term disability insurance plan maintained by the Operating Subsidiary or under the Social Security disability program.

(e) "Entity" means any business, whether a corporation, partnership, sole proprietorship, limited liability company, joint venture or other entity.

(f) Exchange Act" means the Securities Exchange Act of 1934, as amended.

(g) "Good Reason" shall mean the occurrence of any of the following events: (i) a material breach by either the Company or the Operating Subsidiary of one or more of its respective covenants or obligations under this Agreement, provided that the Company or the Operating Subsidiary shall have failed to reasonably cure such breach within the applicable cure period provided hereunder, if any; (ii) Executive's Base Salary (as it may be increased from time to time), and benefits under this Agreement are reduced without Executive's prior written consent (unless in the case of changes in benefits other than Special Benefits, such benefits are changed for Company and Operating Subsidiary executives generally); (iii) Executive's primary duties and responsibilities as President and Chief Executive Officer of the Company and the Operating Subsidiary are reduced so as to no longer be befitting of the president and chief executive officer of a publicly held company of comparable size in the telecommunication industry in the United States; (iv) Executive is required, without his consent, to relocate his principal office to a location, or commence principally working out of another office located, more than 35 miles from the Operating Subsidiary's principal executive offices in Aurora, Illinois; or (v) the Company and the Operating Subsidiary fail at any time during the Term to maintain officer and director liability insurance coverage for their officers and directors, provided that such coverage is available at reasonable cost.

(h) "Participate In" means the having of any direct or indirect interest in any Entity, whether as a partner, shareholder, member, operator, sole proprietor, agent, representative, independent contractor, consultant, franchiser, franchisee, joint venturer, owner or otherwise, or the rendering of any direct or indirect service or assistance to any Entity (whether as a director, officer, manager, supervisor, employee, agent, consultant or otherwise); provided that the term "Participate In" shall not include the mere ownership of less than 5% of the stock of a publicly-held corporation whose stock is traded on a national securities exchange or in the over-the-counter market.

(i) "Penny Family" means the Voting Trust, any beneficiary of the Voting Trust, the voting trustee of the Voting Trust and Robert C. Penny III (individually and as a trustee of any other trust), and "Voting Trust" means the Westell Technologies, Inc., f/k/a Electronic Information Technologies, Inc., Voting Trust Agreement dated February 23, 1994, as amended.

(j) "Westell Companies" means the Company, all of its direct and indirect subsidiary companies, and any of them.

Section 7. MISCELLANEOUS.

7 . 1 Settlement of Disputes. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Chicago Illinois, in accordance with the rules of the American Arbitration Association then in effect by a single arbitrator. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The arbitrator shall not have the power to award any punitive, consequential or punitive damages. Notwithstanding the foregoing, the Westell Companies shall have the right of equitable relief in the courts pursuant to section 4.6.

7 . 2 Entire Agreement; Amendment. This Agreement represents the entire understanding of the parties hereto with respect to the employment of Executive and supersede all prior agreements with respect thereto. This Agreement may not be altered or amended except in writing executed by both parties hereto. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement.

7 . 3 Assignment; Benefit. This Agreement is personal and may not be assigned by either party. Notwithstanding the foregoing, but subject to the provisions herein pertaining to the occurrence of a Change of Control and the consequences thereof, the Company may, from time to time, cause a purchaser of the business and assets of the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company and the Operating Subsidiary would be required to perform it if no such assumption had taken place. In that event, such purchaser shall become primarily liable to Executive for payments hereunder, and the Company and the Operating Subsidiary shall be thereafter released from any further obligations under this Agreement.

7.4 Applicable Law. This Agreement shall be governed by the laws of the State of Illinois, without regard to the principles of conflicts of laws.

7.5 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (i) if to Executive, when personally delivered, or (ii) if to either party when delivered by recognized overnight courier such as Federal Express or when mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the Company at its principal office and to Executive at Executive's principal residence as shown in the Company's personnel records, provided that all notices to the Company shall be directed to the attention of the Board of the Company with a copy to the Secretary of the Company, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

7.6 Waiver. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and the Company. No waiver by either party at any time of any breach by the other party of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

7.7 Tax Effect. All payments or benefits provided hereunder shall be subject to deduction for applicable withholding. Executive acknowledges that he is responsible for payment of all income taxes in connection with the restricted stock award, and that either withholding from salary or payment to the Operating Subsidiary of such tax shall be due at such time as income is recognized.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date and year first above written.

-

Westell Technologies, Inc.

By: /s/ John W. Seaholtz, Chairman of the board

Westell, Inc.

By: /s/ John W. Seaholtz, Chairman of the board

/s/ Thomas E. Mader
Thomas E. Mader

SCHEDULE 2.2

General executive benefits (In accordance with terms of the plans, certain of these benefits will require the Executive to pay all or some of the cost)

Vacation (4 weeks)
Section 125 Spending Accounts
Medical coverage
Vision Coverage
Short Term Disability
Long Term Disability
Basic Life Insurance
Supplemental Life Insurance
401(k) retirement savings plan
US Savings bond payroll deduction
Stock Purchase Plan
Travel Assistance Program
Tuition Reimbursement
Workers Compensation

Special Benefits

Financial planning allowance - $10,000 first fiscal year, $5,000 annually thereafter

Initiation, dues and assessments for local country club

EXHIBIT A
GENERAL RELEASE AGREEMENT

This General Release ("Agreement") is entered into by and between Westell Technologies, Inc. (the "Company") and Thomas E. Mader (the "Executive"). In consideration of the mutual promises set forth below, the Company and Executive agree and covenant as follows:

1. Executive, hereby resigns from all board seats and officer positions with the Company, Westell, Inc., an Illinois corporation and the wholly owned subsidiary of the Company (the "Operating Subsidiary") and any other and any entity for which he has been so serving at the Company’s request.

2. Executive hereby on behalf of himself and his heirs, executors, administrators, attorneys, successors and assigns, hereby remises, releases, forever discharges and covenants not to sue the Company, the Operating Subsidiary, any of their its subsidiaries, and their current and former shareholders, directors, officers, attorneys, agents, employees, successors and assigns (the "Released Parties"), with respect to all claims, suits, demands, actions or causes of action of any kind or nature whatsoever, whether the underlying facts are known or unknown, which Executive has had or now claims, pertaining to or arising out of Executive's employment by the Company or the Operating Subsidiary or Executive's separation from employment with the Company or the Operating Subsidiary, whether under any local, state or federal common law, statute, regulation or ordinance, including, without limitation, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, as amended (including the Older Workers Benefit Protection Act), 42 U.S.C. § 1981, the Civil Rights Act of 1991, the Family and Medical Leave Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Equal Pay Act, and the Illinois Human Rights Act, and any tort, contract or quasi-contract claims, except as hereinafter stated, or to any Workers' Compensation Act claim Executive may have.

Nothing herein shall however constitute a release by Executive of his rights under the Employment Agreement dated January 8, 2007that arise in connection with termination without Cause or for Good Reason (as defined therein), nor shall it release the Company from any indemnification obligations it may have under Delaware law or the Company's certificate of incorporation or bylaws with respect to Executive's role as an officer or director of the Company, the Operating Subsidiary from any indemnification obligations it may have under Illinois law or the Operating Subsidiary’s articles of incorporation or bylaws with respect to Executive's role as an officer or director of the Operating Subsidiary, any rights under options that remain exercisable following termination, or any vested benefits under the Company’s or the Operating Subsidiary’s qualified benefit plans.

3. Subject to the such time constraints and other limitations as may be imposed on Executive by his business and personal commitments and obligations, Executive agrees to cooperate fully in any investigation or other legal proceeding relating to the Company, the Operating Subsidiary or any of their subsidiaries with respect to any matter that arose during his employment with the Company, or that may involve matters within his knowledge. If any claims are asserted by the Company or any of the Released Parties against a third party (or by a third party against the Company or any of the Released Parties) regarding such a matter, Executive agrees to cooperate fully in the prosecution or defense of such claim by the Company and any of the Released Parties without additional charge other than reimbursement for out of pocket expenses.

4. Executive represents that Executive has not filed any charges, suits, claims or complaints against the Released Parties with respect to claims released under Section 2, and agrees not to do so in the future with respect to any such claims.

5. Executive understands and expressly acknowledges that he is not releasing or waiving any rights or claims that may arise after the date this Agreement is executed. Executive understands and expressly acknowledges that, in exchange for Executive's entry into this Agreement, Executive is receiving consideration in addition to anything of value to which Executive is already entitled.

6. Executive acknowledges that the Company has advised Executive to consult an attorney, at Executive's expense, with respect to this Agreement. Executive further acknowledges that Executive has twenty-one (21) days from receipt of this Agreement to accept and sign this Agreement and that Executive has seven (7) days to revoke acceptance of this Agreement, including its waiver and release provisions after signing it. Notice of such revocation shall be provided to the attention of the vice president of Human Resources of the Company. Executive further acknowledges that Executive may waive the twenty-one day consideration period by requesting and executing a form for that purpose. The form may be requested from the vice president of Human Resources. This Agreement shall not become effective until the revocation period has expired.

7. This Agreement is not, and shall not in any way be construed as, an admission by the Company that it has acted wrongfully with respect to Executive.

8. Executive acknowledges that he has carefully read and fully understands all of the provisions of this Agreement, and that he is knowingly, voluntarily and willfully entering into this Agreement.

9. Executive acknowledges that in executing this Agreement, Executive has not relied upon any representation by the Company that is not set forth in this Agreement or in the Employment Agreement.

10. This Agreement shall be construed and enforced pursuant to the substantive laws of the State of Illinois.

PLEASE READ THIS AGREEMENT CAREFULLY
IT CONTAINS A RELEASE OF ALL KNOWN
AND UNKNOWN CLAIMS

Westell Technologies, Inc.

By:______________________________

Date_____________________________

____
Executive

Date___________________________

____
Witness Signature

____
Name of Witness (Printed)

____
(Street Address)

____
(City, State, Zip Code)

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RESTRICTED STOCK AWARD

THIS STOCK AWARD ("Award") is granted this first day of February, 2007 by Westell Technologies, Inc., a Delaware corporation ("Westell Technologies") to Thomas E. Mader (the "Executive").

WHEREAS, Westell Technologies is of the opinion that its interests will be advanced by granting Executive a proprietary interest in Westell Technologies, thus providing Executive with a more direct stake in Westell Technologies' welfare and creating a closer relationship between Executive's interests and those of Westell Technologies;

NOW, THEREFORE, in consideration of services rendered to Westell Technologies by the Executive and the services and other conditions required hereunder, Westell Technologies hereby grants this Award to Executive pursuant to the WESTELL TECHNOLOGIES, INC. 2004 STOCK INCENTIVE PLAN on the terms expressed herein.

1. Stock Award. Westell Technologies hereby grants to Executive an award of five hundred thousand (500,000) shares of Class A common stock of Westell Technologies (the "Award Shares"), subject to the forfeiture and nontransferability provisions set forth in Sections 2 and 3, respectively, and the other terms and conditions set forth herein.

2. Restrictions. Except for such proportions as shall have been released pursuant to Section 4 from the forfeiture period set forth in Section 3, the Executive shall not sell, assign, transfer, convey, pledge, hypothecate, encumber, donate or otherwise dispose of any of the Award Shares under any conditions (and any disposition or attempted disposition shall be void and of no force or effect whatsoever) until February 1, 2012 , at which time the Award Shares shall be released from the restrictions herein if the Executive is then an employee of Westell Technologies.

3. Forfeiture. Except for such partial or full vesting as may occur pursuant to Section 4 below, if Executive's employment with Westell Technologies terminates prior to February 1, 2012, for any reason, whether such termination is voluntary or involuntary and whether it occurs by reason of resignation, removal, or otherwise, any Award Shares not yet vested shall be immediately forfeited and returned to Westell Technologies without any payment or other consideration for the shares. In connection therewith, Executive has executed and delivered to Westell Technologies stock powers endorsed in blank and grants Westell Technologies an irrevocable power of attorney to transfer forfeited Award Shares to Westell Technologies.

4. Vesting. (a) On February 1, 2008 one fifth (100,000) of the Award Shares shall become vested and nonforfeitable if Executive is then an employee of Westell Technologies.

(b) On February 1, 2009 an additional one fifth (100,000) of the Award Shares shall become vested and nonforfeitable if Executive is then an employee of Westell Technologies.

(c) On February 1, 2010 an additional one fifth (100,000) of the Award Shares shall become vested and nonforfeitable if Executive is then an employee of Westell Technologies.

(d) On February 1, 2011 an additional one fifth (100,000) of the Award Shares shall become vested and nonforfeitable if Executive is then an employee of Westell Technologies.

(e) On February 1, 2012 the last one fifth (100,000) of the Award Shares shall become vested and nonforfeitable if Executive is then an employee of Westell Technologies.

(f) Notwithstanding clauses (a) through (e) above, any unvested portions of the Award Shares shall fully vest upon (i) a Change of Control, or (ii) the termination of Executive's employment with Westell Technologies by reason of (A) the termination of such employment by Westell Technologies without Cause, or (B) the termination of such employment by Executive for Good Reason. As used herein, Change of Control, Cause and Good Reason have the meanings ascribed to those terms in the Employment Agreement (as amended from time to time) between Westell Technologies and the Executive dated January __ , 2007.

5. Legend. Certificates representing the Award Shares (and any shares received in respect of the Award Shares as contemplated by Paragraph 7) shall bear a legend as follows:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE ISSUER AND THE HOLDER DATED FEBRUARY 1, 2007, A COPY OF SUCH AGREEMENT MAY BE OBTAINED BY THE HOLDER HEREOF AT THE ISSUER’S PRINCIPAL PLACE OF BUSINESS WITHOUT CHARGE."

6. Dividends. Executive shall be entitled to receive and retain all dividends and other distributions paid on the Award Shares granted under this Award that have not been forfeited except for stock dividends. Executive shall not be entitled to receive any dividends or other distributions on any Award Shares that are paid after the Award Shares have been forfeited.

7. Adjustments and Certain Distributions. In the event that, prior to the termination of the restrictions hereunder on all the Award Shares, Westell Technologies shall have effected one or more stock splits, stock dividends or other increases of its common stock outstanding without receiving consideration therefor, all stock received by Executive in respect of the Award Shares that are then subject to the restrictions and risk of forfeiture hereunder shall also be held subject to such restrictions and risk of forfeiture. In addition, any stock or other securities of any Westell Technologies subsidiaries received by Executive in respect of any Award Shares that are then subject to the restrictions and risk of forfeiture hereunder shall also be held subject to such restrictions and risk of forfeiture.

8. Non-Transferability. This Award and the rights and privileges conferred by this Award are personal to Executive and shall not, until vested, be sold, assigned, transferred, conveyed, pledged, hypothecated, encumbered or donated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process.

9. Withholding Taxes. Not withstanding anything to the contrary in this Award, the lapse of restrictions on the Award Shares is further conditioned on any applicable withholding taxes having been collected by lump sum payroll deduction or by direct payment by the Executive to Westell Technologies. If Executive does not make such payment when requested, Westell Technologies may refuse to deliver the Award Shares and to remove the legend on the Award Shares unless and until arrangements satisfactory to Westell Technologies for such payment have been made.

IN WITNESS WHEREOF, Westell Technologies has caused this Award to be granted on the date first above written.

Westell Technologies, Inc.

By:

Title______________________________

ACCEPTED:

Thomas E. Mader

ASSIGNMENT SEPARATE FROM CERTIFICATE

ASSIGNMENT OF RESTRICTED STOCK THAT HAS BEEN FORFEITED
UNDER TERMS OF FEBRUARY 1, 2007 STOCK AWARD

FOR VALUE RECEIVED, the undersigned does hereby assign and transfer to Westell Technologies, Inc., ________________________shares of Class A Common Stock of Westell Technologies, Inc., standing in the name of the undersigned on the books of the corporation represented by Certificate No. ____________, and does hereby irrevocably constitute and appoint ________________ to transfer said stock on the books of the corporation with full power of substitution in the premises.

Dated: _____________________________

Thomas E. Mader