

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For three months ended March 31, 1999

Commission File No. 1-4018

DOVER CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

53-0257888
(I.R.S. Employer Identification No.)

280 Park Avenue, New York, NY
(Address of principal executive offices)

10017
(Zip Code)

Registrant's telephone number, including area code: (212) 922-1640

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes No

The number of shares outstanding of the Registrant's common stock as of the close of the period covered by this report was 213,383,374.

Part. I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

DOVER CORPORATION AND SUBSIDIARIES
 CONSOLIDATED STATEMENT OF EARNINGS
 THREE MONTHS ENDED MARCH 31,
 (000 OMITTED)

	UNAUDITED	
	1999	1998
	-----	-----
Net sales	\$ 969,755	\$930,496
Cost of sales	626,882	598,372
	-----	-----
Gross profit	342,873	332,124
Selling & administrative expenses	233,719	214,503
	-----	-----
Operating profit	109,154	117,621
	-----	-----
Other deductions (income):		
Interest expense	13,623	11,839
Interest income	(9,204)	(5,180)
Foreign exchange	277	1,079
All other, net	(306)	(1,345)
	-----	-----
Total	4,390	6,393
	-----	-----
Earnings before taxes on income	104,764	111,228
Federal & other taxes on income	35,544	37,385
	-----	-----
Net earnings from continuing operations	69,220	73,843
Earnings from discontinued operations, net of tax		16,152
Gain on sale of discontinued operations, net of tax	523,938	
	-----	-----
Net earnings	\$ 593,158	\$ 89,995
	=====	=====
Weighted average number of common shares outstanding during the period		
- Basic	216,928	222,775
	=====	=====
- Diluted	218,326	224,822
	=====	=====
Net earnings per share:		
Basic - Continuing	\$ 0.32	\$ 0.33
Discontinued	--	0.07
Gain on sale	2.41	--
	-----	-----
Net earnings	\$ 2.73	\$ 0.40
	=====	=====
Diluted - Continuing	\$ 0.32	\$ 0.33
Discontinued	--	0.07
Gain on sale	2.40	--
	-----	-----
Net earnings	\$ 2.72	\$ 0.40
	=====	=====

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS
THREE MONTHS ENDED MARCH 31,
(000 OMITTED)

	UNAUDITED	
	1999	1998
	-----	-----
Net earnings	\$ 593,158	\$ 89,995
Other comprehensive earnings, net of tax:		
Foreign currency translation adjustments	(25,090)	(1,344)
Less: reclassification adjustment for adjustments included in net earnings	--	--
Total foreign currency translation adjustments	(25,090)	(1,344)
Unrealized gains (losses) on securities:		
Unrealized holding gains (losses) arising during period	--	(3,312)
Less: reclassification adjustment for gains (losses) included in net earnings	--	6
Other comprehensive earnings	(25,090)	(4,662)
Comprehensive earnings	\$ 568,068	\$ 85,333
	=====	=====

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31,
(000 OMITTED)

	UNAUDITED	
	1999	1998
	-----	-----
Retained earnings at January 1	\$1,992,991	\$1,703,335
Net earnings	593,158	89,995
	-----	-----
	2,586,149	1,793,330
Deduct:		
Common stock cash dividends		
\$ 0.105 per share (\$0.095 in 1998)	22,685	21,175
	-----	-----
Retained earnings at end of period	\$2,563,464	\$1,772,155
	=====	=====

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(000 OMITTED)

	UNAUDITED March 31, 1999	December 31, 1998
	-----	-----
Assets:		
Current assets:		
Cash & cash equivalents	\$ 519,942	\$ 96,774
Marketable securities	--	--
Receivables, net of allowance for doubtful accounts	611,711	575,630
Inventories	607,478	559,267
Prepaid expenses	80,126	72,853
	-----	-----
Total current assets	1,819,257	1,304,524
	-----	-----
Property, plant & equipment (at cost)	1,337,265	1,282,436
Accumulated depreciation	(749,665)	(710,473)
	-----	-----
Net property, plant & equipment	587,600	571,963
	-----	-----
Intangible assets, net of amortization	1,547,967	1,438,793
Other intangible assets	7,358	7,358
Deferred charges & other assets	32,917	59,755
Net assets of discontinued operations	--	244,883
	-----	-----
	\$ 3,995,099	\$ 3,627,276
	=====	=====
Liabilities:		
Current liabilities:		
Notes payable	\$ 104,696	\$ 427,529
Current maturities of long-term debt	6,472	6,060
Accounts payable	193,843	187,738
Accrued compensation & employee benefits	125,804	149,855
Accrued insurance	49,243	43,246
Other accrued expenses	199,155	175,036
Income taxes	372,021	283
	-----	-----
Total current liabilities	1,051,234	989,747
	-----	-----
Long-term debt	609,182	610,090
Deferred taxes	56,596	50,196
Other deferrals (principally compensation)	61,378	66,359
	-----	-----
Stockholders' equity:		
Preferred stock	--	--
Common stock	236,030	235,571
Additional paid-in surplus	27,907	18,630
	-----	-----
Cumulative translation adjustments	(52,333)	(27,243)
Unrealized holding gains (losses)	51	51
	-----	-----
Accumulated other comprehensive earnings	(52,282)	(27,192)
	-----	-----
Retained earnings	2,563,464	1,992,991
	-----	-----
Subtotal	2,775,119	2,220,000
Less: treasury stock	558,410	309,116
	-----	-----
	2,216,709	1,910,884
	-----	-----
	\$ 3,995,099	\$ 3,627,276
	=====	=====

See Notes to Consolidated Financial Statements.

DOVER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
THREE MONTHS ENDED MARCH 31,
(000 OMITTED)

	UNAUDITED	
	1999	1998
	-----	-----
Cash flows from operating activities:		
Net earnings	\$ 593,158	\$ 89,995
	-----	-----
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Income from discontinued operations	--	(16,152)
Gain on sale of discontinued business	(523,938)	
Depreciation	29,146	25,808
Amortization	14,036	11,699
Net increase (decrease) in deferred taxes	3,637	4,962
Net increase (decrease) in LIFO reserves	570	486
Increase (decrease) in deferred compensation	(4,960)	(2,573)
Other, net	(7,090)	(3,532)
Changes in assets & liabilities (excluding acquisitions):		
Decrease (increase) in accounts receivable	(9,864)	18,436
Decrease (increase) in inventories, excluding LIFO reserve	(11,272)	(34,038)
Decrease (increase) in prepaid expenses	(6,419)	(167)
Increase (decrease) in accounts payable	(7,116)	(256)
Increase (decrease) in accrued expenses	(33,004)	(38,847)
Increase (decrease) in federal & other taxes on income	(194)	28,437
	-----	-----
Total adjustments	(556,468)	(5,737)
	-----	-----
Net cash provided by operating activities	36,690	84,258
	-----	-----
Cash flows from (used in) investing activities:		
Net sale (purchase) of marketable securities	--	(2,339)
Additions to property, plant & equipment	(26,305)	(24,926)
Acquisitions, net of cash & cash equivalents	(164,048)	(117,038)
Proceeds from sale of business	1,169,599	--
Purchase of treasury stock	(249,294)	(1,028)
	-----	-----
Net cash from (used in) investing activities	729,952	(145,331)
	-----	-----
Cash flows from (used in) financing activities:		
Increase (decrease) in notes payable	(324,350)	68,221
Increase (decrease) in long-term debt	(989)	(1,062)
Proceeds from exercise of stock options	4,550	4,161
Cash dividends to stockholders	(22,685)	(21,175)
	-----	-----
Net cash from (used in) financing activities	(343,474)	50,145
	-----	-----
Cash from discontinued operations	--	(14,254)
	-----	-----
Net increase (decrease) in cash & cash equivalents	423,168	(25,182)
Cash & cash equivalents at beginning of period	96,774	103,111
	-----	-----
Cash & cash equivalents at end of period	\$ 519,942	\$ 77,929
	=====	=====

See Notes to Consolidated Financial Statements.

DOVER CORPORATION CONSOLIDATED
MARKET SEGMENT RESULTS
(unaudited)

First quarter ended March 31, :	EARNINGS		SALES	
	1999	1998 *	1999	1998 *
Dover Industries	\$ 37,284,000	\$ 34,014,000	\$258,706,000	\$229,494,000
Dover Technologies	24,614,000	33,699,000	288,120,000	297,657,000
Dover Diversified	24,906,000	28,637,000	230,580,000	210,275,000
Dover Resources	26,933,000	32,046,000	193,757,000	194,301,000
Subtotal (after intramarket eliminations)	113,737,000	128,396,000	\$969,755,000	\$930,496,000
Corporate expense & interest net	(8,973,000)	(17,168,000)		
Earnings before taxes on income	104,764,000	111,228,000		
Taxes on income	35,544,000	37,385,000		
Net earnings - Continuing Operations	69,220,000	73,843,000		
Earnings from discontinued operations *		16,152,000		
Gain on sale of discontinued operations *	523,938,000			
Net earnings	\$ 593,158,000	\$ 89,995,000		

* On January 5, 1999, Dover completed the sale of its elevator business to Thyssen Industrie AG for \$1.17 billion. Results for 1998 have been restated to classify the elevator business as discontinued.

DOVER CORPORATION AND SUBSIDIARIES
MARKET SEGMENT IDENTIFIABLE ASSETS
(000 OMITTED)

	UNAUDITED	
	March 31, 1999	December 31, 1998
Dover Industries	\$ 738,243	\$ 732,136
Dover Technologies	1,098,717	1,000,209
Dover Diversified	909,561	802,872
Dover Resources	771,815	781,933
Corporate (1)	476,763	65,243
Total Continuing	3,995,099	3,382,393
Net assets of discontinued operations	--	244,883
Consolidated Total	\$ 3,995,099	\$3,627,276

(1) - Principally cash and equivalents

DOVER CORPORATION AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 MARCH 31, 1999

NOTE A - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and changes in financial position in conformity with generally accepted accounting principles. In the opinion of the Company, all adjustments, consisting only of normal recurring items necessary for a fair presentation of the operating results have been made. The results of operations of any interim period are subject to year-end audit and adjustments, and are not necessarily indicative of the results of operations for the fiscal year.

On January 5, 1999 the company sold the Dover Elevator International segment. The results of prior year first quarter have been restated to show the segment as discontinued operations.

NOTE B - Inventory

Inventories, by components, are summarized as follows :

	(000 omitted)	

	UNAUDITED	
	March 31,	December 31,
	1999	1998
	-----	-----
Raw materials	\$238,384	\$220,467
Work in progress	189,359	175,117
Finished goods	220,746	204,123
	-----	-----
Total	648,489	599,707
Less LIFO reserve	41,011	40,440
	-----	-----
Net amount per balance sheet	\$607,478	\$559,267
	=====	=====

NOTE C - Accumulated other comprehensive earnings

Accumulated other comprehensive earnings, by components are summarized as follows:

	UNAUDITED	(000 omitted)	

	ACCUMULATED		
	OTHER	Cumulative	Unrealized
	COMPREHENSIVE	Translation	Holding
	EARNINGS	Adjustments	Gains
	(LOSSES)		(losses)
	-----	-----	-----
Beginning balance	\$ (27,192)	\$ (27,243)	\$ 51
Current-period change	(25,090)	(25,090)	0
	-----	-----	-----
Ending balance	\$ (52,282)	\$ (52,333)	\$ 51
	=====	=====	=====

For a more adequate understanding of the Company's financial position operating results, business properties and other matters, reference is made to the Company's Annual Report on Form 10-K which was filed with the Securities and Exchange Commission on March 30, 1999.

On January 5, 1999, Dover completed the sale of its Elevator business to Thyssen Industrie AG for \$1.17 billion. Results for first quarter 1998 have been restated to classify the elevator business as discontinued.

Net earnings as reported was used in computing both basic EPS and diluted EPS without further adjustment. The Company does not have a complex capital structure; accordingly, the entire difference between basic weighted average shares and diluted weighted average shares results from assumed stock option exercise. The diluted EPS computation was made using the treasury stock method.

In June 1998, the FASB issued statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities", effective for all fiscal quarters of all fiscal years beginning after June 15, 1999. The Company does not expect the statement to have a significant effect on its current financial reporting and disclosure requirements.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

(1) MATERIAL CHANGES IN CONSOLIDATED FINANCIAL CONDITION:

The Company's liquidity increased during the first three months of 1999 as compared to the position at December 31, 1998. The proceeds from sale of elevator business (\$1.17 billion), net of amounts invested in treasury stock (\$249 million) and acquisitions (\$166 million) is the principle reason for the increase in liquidity.

Working capital increased from \$314,777 million at the end of last year to \$768,023 million at March 31, 1999.

The Company repurchased 7,482,000 shares of its common stock in the first quarter, paying an average price of \$33 per share. This investment of \$249 million, plus the \$166 million of acquisitions described below, redeploys about one-half of the after-tax proceeds from the sale of the elevator business. The balance, plus the Company's normal free cash flow, will continue to be invested in solid, fairly-priced acquisition transactions and in opportunistic share repurchases.

The Company completed five add-on and one stand-alone acquisitions during the quarter at a combined cost of \$166 million. The largest of these was Alphasem (Switzerland) a maker of semiconductor manufacturing equipment - which joins the Company's Universal Instruments. Alphasem is well known for its die bonders and sorters used in back-end semiconductor assembly. Its technology in this area will help Universal's Advanced Manufacturing Assembly business in the area of "array" package placement.

Van Dam (Netherlands) a maker of equipment for printing on plastic material joins Belvac; Hydra-Tight (U.K.) a leader in bolt tensioning and other mechanical jointing products joins Waukesha Bearings; TTI Testron (test fixtures) will be integrated into Everett Charles; and EMA (Brazil) gives De-Sta-Co Industries a position in that market for manual and power clamps.

Dover Diversified completed the only stand-alone acquisition - Graphic Microsystems (California), which manufactures pressroom automation equipment for precise color measurement and ink control. Its expertise in opto-electronics and machine control has created systems that increase a printer's ability to handle complex, shorter-run printing jobs while improving quality and reducing ink consumption and scrap.

These acquisitions, as a group, have an annualized sales volume of about \$150 million. Their profit impact in 1999 will be small due to acquisition write-offs, imputed financing costs, and the soft current electronics market for Alphasem and TTI Testron.

At March 31, 1999, net debt (defined as long-term debt plus current maturities on long-term debt plus notes payable less cash and equivalents and marketable securities) of \$200.4 million represented 8.3% of total capital. This compares with 33.1% at December 31, 1998.

(2) MATERIAL CHANGES IN RESULTS OF OPERATIONS:

The Company earned \$2.72 per diluted share in its first quarter ending March 31, compared to \$.40 per share in the first quarter of 1998. This year's figure includes \$2.40 per share (\$524 million) realized from the sale of its elevator business, concluded in early January, while the 1998 figure includes \$.07 earned by the elevator business.

Continuing operations earned \$.32 per share in the first quarter, compared to \$.33 per share in the prior year. The decision to exit from two small operations in this year's first quarter resulted in a pretax charge of \$3.7 million, equivalent to slightly more than one cent per share.

Non-operational factors at the Company largely offset the \$14.6 million (11%) decline in segment profits described below. Interest costs dropped \$6.7 million and average diluted shares outstanding dropped 3%, reducing the earnings per share decline to 3%.

DOVER INDUSTRIES:

Dover Industries was the only market segment to achieve a gain in first quarter earnings which exceeded prior year by 10% on a 13% sales gain. Acquisitions made during 1998 (principally PDQ - car washing equipment) represented \$1.3 million of the \$3.3 million gain in segment profits. Most Industries companies achieved sales and earnings gains, which were strongest at Heil Environmental and Rotary Lift. The U.S. market for refuse trucks, and Heil's position within it, are strong, as reflected in a 24% increase in shipments and book-to-bill ratio of 1.22. Rotary achieved higher sales and margins as its more competitive posture in the market place raised unit volume substantially and permitted unit cost reduction. Total bookings at Industries were 1.06x shipments for the quarter. In March they were 34% above prior year (20% adjusted for acquisitions).

DOVER TECHNOLOGIES:

Technologies' segment profits declined \$9 million (27%), primarily due to continued softness in its four companies that serve the circuit board assembly and test market (CBAT). Sales in this market were down 8% (13% adjusted for acquisitions) with a \$7 million decline in operating profits. Imaje realized lower, but still excellent, margins on increased sales. Strong gains in several of Quadrant's product lines (notably high frequency oscillators and filters used in wired communications) offset declines in other areas especially components used in wireless communication infrastructure. Provision was also made for a \$1.3 million non-recurring loss anticipated from the sale of product line. Book-to-bill ratios were above 1.0 at most companies, and averaged 1.07 for CBAT and 1.06 for Technologies as a whole.

DOVER DIVERSIFIED:

Profits in the Diversified segment fell \$3.7 million (13%) despite a 10% sales gain. The profit decline includes a \$2.4 million loss from the shut down of a facility acquired by Tranter early last year. Operating profits for Belvac's can making machines dropped by more than \$4 million reflecting low year-end backlog and continued low spending on new equipment by can makers. The majority of Diversified's other businesses also earned less than last year with only Sargent, SWF, and Waukesha achieving gains. Acquisitions made subsequent to the close of last year's first quarter added \$29 million to Segment sales and about \$5 million to earnings (after acquisition premium write-offs). Diversified's book-to-bill in the quarter was 1.05, mostly due to strength at A-C Compressor which has long lead times between orders and shipments.

DOVER RESOURCES:

Profits in the Resources segment dropped \$5.1 million (16%) from prior year, primarily due to a decline of \$5.5 million in the Petroleum Equipment Group and Quartzdyne whose sales fell over 50%. New investment in oil/gas drilling and related production equipment has been severely impacted by low energy prices since the second quarter of last year. A record performance by OPW-Fueling Components,

smaller gains at two other companies, and the addition of \$2.5 million from acquisitions (primarily Wilden) offset declines at several other companies. The Resources' companies involved in energy and chemical transfer products (Wilden, Blackmer, Cook and OPW-Fluid Transfer Group) have experienced modest sales slow-downs with larger profit decreases (due to the high marginal profitability of their products). Combined margins in these four businesses dropped 4 points to 19%. Resources had a .95 book-to-bill ratio for the quarter and expects only a modest sequential improvement in profits in the second quarter.

OUTLOOK:

In mid-March the Company told a group of security analysts (press release 3/16) that it expected first quarter EPS to exceed \$.30 per share but be below Wall Streets' expectations, which had been in the mid to high \$.30's. The Company expects earnings levels to improve during the balance of the year, but with strong growth delayed until recovery begins in the Technology segment.

YEAR 2000:

The Company has taken action to assess the nature and extent of the work required to make its systems, products, factories and infrastructure Year 2000 ready. The Company is approaching resolution of Year 2000 problems along two separate tracks: (1) Corporate and Subsidiary Offices and Dover-wide information systems. (2) Company-by-Company for each of the Company's 46 separate businesses. Corrective action has been ongoing for several years. Additionally, the Company is evaluating Year 2000 readiness of suppliers and where critical suppliers are not Year 2000 ready, the Company will monitor their progress and take appropriate actions.

At the corporate/subsidiary level, appropriate remediation has been completed for telecommunications equipment, and computer equipment and critical systems and the Company believes they are Year 2000 compliant.

At the operating company level, each business has taken responsibility for its own Year 2000 compliance and has assembled working groups to deal with critical plant and office equipment; products, including "fixes" for any previous product generations that are Year 2000 sensitive; software; and the ability of critical suppliers to maintain deliveries. Progress of the working groups is monitored by each company President and reported to Subsidiary and Corporate management.

As of March 31, 1999 each of the 46 companies has gone through a process to take an inventory of critical systems, to make an assessment of Year 2000 readiness of those systems, to perform necessary remediation including replacing or updating existing systems as needed, and to perform appropriate Year 2000 testing. More than two-thirds of the Company's 46 companies have completed these procedures. All others have identified specific problems remaining and have action plans to solve them by June 30, 1999. Further, the Company believes products of all of these companies are either Year 2000 compliant or can be made so by customers, using "fixes" already developed. Based on current progress and future plans, the Company believes that the Year 2000 date change will not significantly affect the Company's ability to deliver products and services to its customers on a timely basis.

During 1997, 1998 and the first three months of 1999 the Company and its companies spent approximately \$22 million, \$27 million and \$4 million, respectively, on computer equipment, software, and non-employee consultants. Most of these expenditures were for new systems and improved functionality, but an undetermined amount also served to meet Year 2000 compliance needs. The Company and its companies do not separately track the internal cost incurred for the Y2K project.

While no amount of preparation and testing can guarantee Year 2000 compliance, the Company intends to complete its Year 2000 readiness during 1999, and does not anticipate that expenditures to reach this goal will be material. Moreover, due to the decentralized nature of the Company and the lack of reliance on shared or "centralized" systems by its operating companies, the Company believes that any Year 2000 problems that might become evident after 1999 will not be material to the Company. Appropriate contingency plans will be developed in critical areas if deemed necessary. However, given the uncertain consequences of failure to resolve significant Year 2000 issues, there can be no assurance that any one or more such failures would not have a material adverse effect on the actual outcomes and results could be affected by future factors including, but not limited to, the continued availability of skilled personnel,

cost control, the ability to locate and remediate software code problems, critical suppliers and subcontractors meeting their commitments to be Year 2000 ready, and timely actions by customers.

The above statement and similar statements, including estimated future costs, timetables, contingency plans and remediation plans, and statements containing the words "believes," "intends," "anticipates" and "expects" and words of similar import, constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934.

This "Year 2000 Plan" constitutes a "Year 2000 Readiness Disclosure" within the meaning of the "Year 2000 Information and Readiness Disclosure Act."

EUROPEAN MONETARY UNION - EURO:

On January 1, 1999, several member countries of the European Union established fixed conversion rates between their existing sovereign currencies, and adopted the Euro as their new common legal currency. The Euro conversion may affect cross-border competition by creating cross-border price transparency. The Company's businesses are assessing their pricing/marketing strategy in order to ensure that it remains competitive in a broader European market. The Company is also assessing its information technology systems to allow for transactions to take place in both the legacy currencies and the Euro and the eventual elimination of the legacy currencies, and reviewing whether certain existing contracts will need to be modified. Final accounting, tax and governmental legal and regulatory guidance generally has not been provided in final form. The Company will continue to evaluate issues involving the introduction of the Euro. Based on current information and the Company's current assessment, it does not expect that the Euro conversion will have a material adverse effect on its business, results of operations, cash flows or financial condition.

PART II OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- (10.1) Dover Corporation Supplemental Executive Retirement Plan, as Amended
- (10.2) Form of Executive Employee Supplemental Retirement Agreement - Agreement Letter
- (27) Financial Data Schedule. (EDGAR filing only)

(b) No reports on Form 8-K were filed this quarter.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DOVER CORPORATION

Date: April 20, 1998

/s/ John F. McNiff

John F. McNiff, Chief Financial Officer,
Vice President and Treasurer

Date: April 20, 1998

/s/ George F. Meserole

George F. Meserole, Chief Accounting
Officer, Vice President and Controller

DOVER CORPORATION
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

ARTICLE 1. PURPOSE OF THE PLAN

The purpose of this Dover Corporation Supplemental Executive Retirement Plan is to promote the long-term success of the Company by providing a uniform minimum level of retirement benefits to salaried officers and other key executives on whom major responsibility for the present and future success of the Company rests.

ARTICLE 2. DEFINITIONS

2.01. "Administrator" means the Dover Corporation Pension Committee.

2.02. "Affiliated Company" means the Company and any other member of the controlled group of corporations (within the meaning of Section 414(b) of the Code) of which the Company is a member. Except as otherwise determined by the Administrator, a corporation shall not be considered as an Affiliated Company during any period while it is not a member of such controlled group.

2.03. "Applicable Percentage" means (i) 100% in the case of a Participant whose Termination Date is on or after his or her Normal Retirement Date, (ii) in the case of a Participant whose Termination Date precedes his or her Normal Retirement Date by not more than 10 years, 100% minus the product of 5/12 of 1% and the number of months between the Participant's Termination Date and his or her Normal Retirement Date, (iii) in the case of a Participant whose Termination Date precedes his or her Normal Retirement Date by more than 10 years but not more than 20 years, 50% minus the product of 1/4 of 1% and the number of months in excess of 120 by which the Participant's Termination Date precedes his or her Normal Retirement Date, and (iv) in the case of a Participant whose Termination Date precedes his or her Normal Retirement Date by more than 20 years, 20% minus the product of 1/12 of 1% and the number of months in excess of 240 by which the Participant's Termination Date precedes his or her Normal Retirement Date.

2.04. "Beneficiary" means the person or persons designated by the Participant to receive any payments which may be required to be paid pursuant to the Plan following his or her death, or, in the absence of any such designated person, the Participant's estate; provided, however, that a married Participant's Beneficiary shall be his or her spouse unless the spouse consents in writing to the designation of a different Beneficiary.

2.05. "Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.06. "Company" means Dover Corporation and any successor thereto.

2.07. "Compensation" means an Employee's basic salary, bonuses (including payments deemed by an Employer to be the equivalent of bonuses), and commissions paid or made available by an Affiliated Company, including the portion of any such remuneration deferred under a qualified or nonqualified deferred compensation plan or arrangement or contributed to a cafeteria plan. Other forms of remuneration, including but not limited to long-term incentive compensation, shall not be included in an Employee's Compensation.

2.08. "Death Benefit" means a death benefit payable pursuant to Section 5.01.

2.09. "Disability" means a disability which causes a Participant to be eligible to receive disability benefits under his or her Employer's long-term disability program or, in the case of a Participant who is not covered by a long-term disability program, a disability which would cause the Participant to be eligible for social security disability benefits. A Participant's Disability shall be deemed to have ended on the last day of the last month with respect to which he or she receives benefits described in the preceding sentence.

2.10. "Effective Date" means January 1, 1997.

- 2.11. "Eligible Employee" means an Employee of an Employer who has been granted by an Affiliated Company a stock option or a cash performance participation award in each of five years (not necessarily consecutive) under the Dover Corporation 1995 Incentive Stock Option Plan and 1995 Cash Performance Program or a predecessor or successor plan or program.
- 2.12. "Employee" means an employee of an Affiliated Company.
- 2.13. "Employer" means the Company and any Affiliated Company or division thereof that has adopted the Plan. A list of Employers is attached hereto as Exhibit A.
- 2.14. "Final Average Compensation" means 12 times the average of a Participant's monthly Compensation during the 60 consecutive complete calendar months of service during the 120 consecutive complete calendar months of service with an Affiliated Company prior to the Participant's ceasing to be an Employee during which his or her Compensation was the highest. Any month in which Compensation was not received, by reason of a leave of absence or otherwise, shall be omitted in determining a Participant's Final Average Compensation. In the case of any periods of part-time employment occurring in a Plan Year in which an Eligible Employee is credited with less than one Year of Service, Compensation with respect to such periods of part-time service shall be appropriately adjusted to a full-time basis. In the event that a Participant is paid an annual bonus during the 12-month period commencing on his or her Termination Date, for purposes of calculating the Participant's Final Average Compensation the amount of such bonus shall be substituted for the amount of the first bonus taken into account during the applicable 60-month period, but only if (i) the 60-month period used for purposes of the Final Average Compensation calculation includes the Participant's last full month of employment, and (ii) the effect of such substitution is to increase the Participant's Final Average Compensation.
- 2.15. "Gross Benefit" has the meaning provided in Section 4.01(b).
- 2.16. "Normal Retirement Age" means age 65.
- 2.17. "Normal Retirement Date" means the first day of the month coinciding with or next following the date a Participant attains his or her Normal Retirement Age.
- 2.18. "Offset Benefit" has the meaning provided in Section 4.01(c).
- 2.19. "Participant" means an individual who has commenced participation in the Plan pursuant to Article 3 and whose benefit under the Plan has not been distributed.
- 2.20. "Plan" means this Dover Corporation Supplemental Executive Retirement Plan, as amended from time to time.
- 2.21. "Plan Year" means the calendar year.
- 2.22. "Prior Plan" means the Dover Corporation Supplemental Executive Retirement Plan, as in effect prior to the adoption of this Plan.
- 2.23. "Retirement Benefit" means a retirement benefit payable pursuant to Section 4.01(a).
- 2.24. "Termination Date" means the first day of the month coinciding with or next following date on which a Participant has a Termination of Employment.
- 2.25. "Termination of Employment" means a Participant's termination of employment with an Affiliated Company, whether voluntary or involuntary, for any reason, including but not limited to quitting or discharge, but other than a family or medical or other leave of absence, transfer of employment to another Affiliated Company, incurring of a Disability, or death.
- 2.26. "Year of Service" means 12 consecutive months of service. Any period of service of less than 12 consecutive months shall be counted on the basis of 1/12 of a Year of Service for each month of service. For purposes of this definition, a month of service means any calendar month during any part of which an Employee is employed by an Affiliated Company.

ARTICLE 3. PARTICIPATION

3.01 Participation as of Effective Date. Any Eligible Employee as of the Effective Date shall become a Participant as of such date.

3.02 Subsequent Participation. Any other Employee shall become a Participant on the date he or she becomes an Eligible Employee.

3.03 Cessation of Participation. A Participant shall cease to be a Participant on the date that all distributions due the Participant or his or her Beneficiary have been made.

ARTICLE 4. RETIREMENT BENEFIT

4.01 Amount of Benefit.

(a) Each Participant shall be entitled under this Plan following his or her retirement or other Termination of Employment to a benefit (the "Retirement Benefit") equal to the Participant's Gross Benefit reduced by his or her Offset Benefits.

(b) The Gross Benefit under the Plan, expressed as a single life annuity commencing on the Participant's Termination Date, shall be the Applicable Percentage of the product of (i) the Participant's Years of Service (not to exceed 30) and (ii) 2% of the Participant's Final Average Compensation.

(c) The Participant's Offset Benefits shall consist of the following benefits to which the Participant is or will become entitled, or which the Participant received prior to the date of determination:

(1) All benefits paid or accrued under all qualified or nonqualified defined benefit or defined contribution retirement plans sponsored by an Affiliated Company; provided, however, that only the portion of any such benefit attributable to Affiliated Company contributions shall be taken into account. For purposes of the preceding sentence, Affiliated Company contributions shall not include a Participant's elective deferrals under any such plan, or earnings credited to any such elective deferrals to the extent such earnings are based on a reasonable interest rate or on one or more predetermined investments.

(2) The employer portion of any social security or other retirement benefits provided by any Federal, state, local, or foreign government. Such employer portion shall be equal, in the case of a social security benefit, to the employer portion of the Participant's projected social security benefit (at the Participant's social security full benefit retirement age) multiplied by a fraction the numerator of which is the Participant's Years of Service and the denominator of which is 35. For purposes of determining a Participant's projected social security benefit, it shall be assumed that the social security wage base remains constant in years following the Participant's Termination of Employment and that in each of the 35 years prior to the Participant's social security full benefit retirement age he or she has earned income of at least the social security wage base applicable to such year.

(d) In the event an Offset Benefit is not payable in the form of a single life annuity commencing on the Participant's Termination Date, the offset calculation in Section 4.01(a) shall be performed using such actuarial and other adjustments as the Administrator shall determine.

4.02 Automatic Cash-Outs. Notwithstanding the provisions of Sections 4.02 and 4.03, in the case of any Participant who has a Termination of Employment:

(1) Before his or her Normal Retirement Age and either before attaining age 55 or before having completed 10 Years of Service; or

(2) At a time when the lump-sum value of his or her Retirement Benefit under the Plan is \$50,000 or less the Participant's Retirement Benefit shall automatically be paid in a lump sum within 30 days after his or her Termination of Employment.

4.03 Automatic Payments in Other Circumstances. In the case of any Participant to whom Section 4.02 does not apply and for whom no valid election under Section 4.04 is in effect, such Participant's Retirement Benefit shall be paid in the manner set forth in this Section 4.03.

(a) If the Participant participates in one or more qualified defined benefit plans sponsored by an Affiliated Company, the Participant's benefit shall commence at the same time and be paid in the same form as the Participant's benefit under that qualified plan. If the Participant is covered under more than one such plan, the plan in which he or she has the greatest benefit will be controlling.

(b) If the Participant does not participate in any qualified defined benefit plan sponsored by an Affiliated Company, the Participant's benefit shall be paid as an actuarially reduced 50% joint and survivor annuity (if the Participant is married) or a single life annuity (if the Participant is unmarried), commencing in either case at his or her Normal Retirement Date (or, if later, the first day of the month coinciding with or next following the date of his or her actual retirement).

4.04 Election of Optional Forms of Benefit.

(a) A Participant may file an election with the Administrator, on such form as the Administrator shall prescribe, specifying (i) the form in which his Retirement Benefit is to be paid and (ii) the time at which such benefit is to commence in the event of the Participant's retirement or other termination of employment before his or her Normal Retirement Age. Such election may, subject to Section 4.04(c), be changed at any time.

(b) If a valid election is in effect pursuant to this Section 4.04, except as otherwise provided in Section 4.02 a Participant's Retirement Benefit shall be paid in the form specified in such election. Such Retirement Benefit shall commence (i) on the Participant's Normal Retirement Date (or, if later, the first day of the month coinciding with or next following the date of the Participant's actual retirement) if the Participant retires at or after his or her Normal Retirement Age, (ii) in other cases, on the date specified in the Participant's election.

(c) An election or change in election pursuant to Section 4.04(a) shall be valid only if filed with the Administrator either (i) by December 31, 1997 or within 90 days after a Participant becomes eligible to participate in the Plan, whichever is later, or (ii) at least 12 months before he or she retires or otherwise terminates employment. Notwithstanding the preceding sentence, if a Participant whose most recent valid election is for an annuity form of benefit demonstrates to the satisfaction of the Administrator that a relevant change in family circumstances has occurred since the filing of such election, such participant may change his election to a different form of annuity commencing on the same date as that specified on such prior election, or may designate a new contingent Beneficiary, without regard to such 12-month requirement.

(d) If, pursuant to Section 4.04(c), a change in a Participant's election is not valid, the valid election previously in effect shall determine the form and timing of the Participant's Retirement Benefit.

(e) The forms of benefit that a Participant may elect under the Plan are (i) a single life annuity, (ii) a 100% or 50% joint and survivor annuity, or (iii) a single life annuity with 120-month period certain. A lump-sum payment generally is not available as an elective form of benefit. A Participant may indicate on an election that the Participant wishes to receive his or her benefit in a lump sum, but in that event must also indicate the form in which the Participant wishes the benefit to be paid if the lump-sum request is denied. Requests for lump-sum payments will be considered by the Administrator on a case-by-case basis, and the granting of any such request shall be within the Administrator's sole discretion.

(f) A participant who elects a joint and survivor form of benefit shall designate his contingent Beneficiary in conjunction with such election. In the event of such Beneficiary's death before the Retirement Benefit Date, the participant's Retirement Benefit shall be paid in the form of a single life annuity unless he has filed a valid change in election pursuant to Section 4.04(c).

4.05 Disability.

A Participant who incurs a Disability as an Employee shall continue to accrue Years of Service during his or her period of Disability. Upon the Participant's subsequent termination of employment, retirement or death following cessation of his or her Disability, he or she (or his or her Beneficiary) shall be entitled to receive distribution of his or her Retirement Benefit or Death Benefit pursuant to the other provisions of the Plan. For purposes of calculating such Retirement Benefit, the Participant's Final Average Compensation shall be determined as of the commencement of his or her Disability.

ARTICLE 5. DEATH BENEFIT

5.01 In the event of a Participant's death prior to the commencement of payment of his or her Retirement Benefit, the Participant's Beneficiary shall be paid within 30 days after the Administrator receives notification of the Participant's death, a lump-sum Death Benefit equal to the Retirement Benefit the Participant would have received had he or she had a Termination of Employment immediately before his or her death (or on the Participant's actual Termination Date, if earlier) and elected to receive his or her benefit in a lump sum. In calculating such Retirement Benefit, the amount of any Offset Benefits shall be determined without regard to the fact of the Participant's death.

ARTICLE 6. ADMINISTRATION

6.01 This Plan shall be administered by the Administrator. The Administrator shall have discretionary authority to interpret the Plan and to adopt rules and regulations consistent with the Plan. The Administrator's good-faith determination with respect to any issue relating to the interpretation of the Plan shall be conclusive and final.

ARTICLE 7. GENERAL PROVISIONS

7.01 No Contract of Employment. The establishment of the Plan shall not be construed as conferring any legal rights upon any Participant for a continuation of employment, nor shall it interfere with the rights of the Company to discharge a Participant and to treat him without regard to the effect which such treatment might have upon him as a Participant in the Plan.

7.02 Withholding. As a condition to a Participant's entitlement to benefits hereunder, the Company shall have the right to deduct (or cause to be deducted) from any amounts otherwise payable to a Participant, whether pursuant to the Plan or otherwise, or otherwise to collect from the Participant, any required withholding taxes with respect to benefits under the Plan.

7.03 Anti-Alienation Provisions. Subject to any applicable law, no benefit under the Plan shall be subject in any manner to, nor shall the Company be obligated to recognize, any purported anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to do so shall be void. No such benefit shall in any manner be liable for or subject to garnishment, attachment, execution, or a levy, or liable for or subject to the debts, contracts, liabilities, engagements, or torts of the Participant.

7.04 Unfunded Benefits. The Plan is an unfunded plan maintained by the Company for the purpose of providing deferred compensation for a select group of management or highly compensated employees. The Plan shall not be construed as conferring on a Participant any right, title, interest, or claim in or to any specific asset, reserve, account, or property of any kind possessed by the Company. To the extent that a Participant or any other person acquires a right to receive payments from the Company, such rights shall be no greater than the rights of an unsecured general creditor.

7.05 Claim for Benefits. Any claim for benefits under the Plan shall be made in writing to the Administrator. If a claim is denied, the Administrator shall so notify the Participant within 90 days after receipt of the claim. The notice of denial shall state (i) the specific reason for the denial of the claim, (ii) specific references to the pertinent Plan provisions upon which the denial is based, (iii) a description of any additional material or information necessary to perfect the claim together with an explanation of why such material or information is necessary, and (iv) an explanation of the claims review procedure.

Within 60 days after the Participant's receipt of notice of denial of a claim, the Participant may (i) file a request with the Administrator that it conduct a full and fair review of the denial of the claim, (ii) review pertinent documents, and (iii) submit questions and comments to the Administrator in writing.

The decision by the Administrator with respect to the review must be given within 60 days after receipt of the request, unless special circumstances require an extension. In no event shall the decision be delayed beyond 120 days after receipt of the request for review. The decision shall be written in a manner calculated to be understood by the Participant and shall contain specific reasons for the decision and a specific reference to the Plan provisions upon which the decision is based.

7.06 Incapacity. If the Administrator determines that any person to whom a benefit is payable under the Plan is unable to care for his or her affairs because of illness or accident, any payment due may be paid to the individual's spouse, child, parent, sibling, or to any person deemed by the administrator to have incurred expense for such person otherwise entitled to payment unless a prior claim therefor shall have been made by a duly appointed guardian, committee, or other legal representative.

7.07 Successor Entities. This plan shall be binding upon the successors and assigns of the Company. The Company shall require any successor (whether direct or indirect, and whether by purchase, merger, consolidation, or otherwise) to all or substantially all of the business or assets of the Company, by written agreement to expressly assume and agree to perform the Company's obligations under the Plan in the same manner and to the same extent that the Company would be required to perform them if no such succession had taken place. The provisions of this Section 7.07 shall continue to apply to each subsequent employer of the Participant hereunder in the event of any subsequent merger, consolidation, or transfer of assets of such subsequent employer.

7.08 Prior Plan. Effective as of the date of adoption of this Plan, the Prior Plan has been terminated, and Participants are entitled to no further benefits thereunder. In no event shall the accrued benefit of such a Participant under this Plan be less than his or her accrued benefit under the Prior Plan immediately prior to such termination.

7.09 Governing Law. The laws of the State of New York shall govern the construction of this Plan and the rights and the liabilities hereunder of the parties hereto.

7.10 Plan Year. The plan year shall be the calendar year.

7.11 Headings. All headings are inserted solely for reference and shall not constitute a part of this Plan, nor affect its meaning, construction, or effect.

ARTICLE 8. CHANGE OF CONTROL

8.01 Definition of Change of Control.

(a) For purposes hereof, a "Change of Control" shall be deemed to have taken place upon the occurrence of any of the following events (capitalized terms not previously defined in the Plan are defined in Section (b) below):

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the

directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) there is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 50% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 20% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the Company's then outstanding securities; or

(iv) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such transaction or series of transactions.

(b) For purposes of this Section 8.01, the following terms shall have the meanings indicated:

(i) "Affiliate" shall have the meaning set forth in Rule 12b-2 under Section 12 of the Exchange Act.

(ii) "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act, except that a Person shall not be deemed to be the Beneficial Owner of any securities which are properly filed on a Form 13-G.

(iii) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

(iv) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company or any of its Affiliates, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

8.02 Payments Upon Change of Control.

(a) In the event of a Change of Control, the value of each Participant's Retirement Benefit accrued through the date of the Change of Control (and based on the Participant's Years of Service through the date of the Change of Control) shall be paid to the Participant (or if the Participant has died to the Beneficiary of the Participant) in a single lump sum payment within five days after the Change of Control. For purposes hereof, the amount of the lump sum payment shall be determined using (i) the actuarial assumptions set forth in the Administration Manual for the Plan as in effect immediately prior to the Change of Control, or (ii) such actuarial assumptions as shall be specified by the Continuing Directors (as defined in Article Fourteenth of the Company's Certificate of Incorporation) of the Company, provided that in no event shall the amount of the lump sum payment be less than the amount as determined pursuant to (i) above.

(b) All determinations as to eligibility for and amount of benefits payable pursuant to (a) above shall be made by the Continuing Directors (as defined in Article Fourteenth of the Company's Certificate of Incorporation) of the Company, and the decision of such persons shall be final and binding on the Company and the Participant.

ARTICLE 9. AMENDMENT OR TERMINATION

9.01 The Company's Board of Directors or the Administrator may amend or terminate this Plan at any time; provided, however, that no amendment or termination of the Plan shall adversely affect the right of any Participant to receive his or her accrued benefit under the Plan, as determined as of the date of such amendment or termination.

PARTICIPATING EMPLOYERS AS OF FEBRUARY 4, 1999

INDEPENDENT SUBSIDIARY	SUBSIDIARY/DIVISION
Dover Corporation	Corporate Headquarters OPW Fueling Components Civacon OPW Engineered Systems
Dover Diversified Inc.	Corporate Headquarters Sargent Controls Sargent Technologies * Waukesha Bearings Corp. SWEP North America, Inc. Tranter, Inc. Central Research Laboratories
	* Includes Kahr Bearing and Precision Kinetics
Dover Industries, Inc.	Corporate Headquarters Rotary Lift
Dover Resources, Inc.	Corporate Headquarters Blackmer Pump C. Lee Cook De-Sta-Co Norris Sucker Rods O'Bannon Pump Norriseal Ronningen-Petter

April 20, 1999

Re: Executive Deferred Income Plan - Replacement of Change of Control Provisions

Dear _____:

You (the "Executive") are or were a key executive of Dover Corporation (the "Corporation") or of a direct or indirect subsidiary of the corporation (a "Subsidiary") who entered into an Executive Employee Supplemental Retirement Agreement as of January 1, 1985 with the Corporation (the "EDIP") pursuant to which you deferred a portion of your compensation in exchange for the Corporation's agreement to pay a substantial retirement benefit to you beginning at age 65. You also entered into a separate letter agreement in 1992 (the "Prior EDIP Amendment") in which you and the Corporation agreed to certain amendments to the EDIP to provide you with certain benefits in the event that a Change of Control (as defined in the Prior EDIP Amendment) occurred.

Set forth below is an amendment to the EDIP (the "1999 EDIP Amendment"), which replaces and supersedes the Prior EDIP Amendment. The purpose of this 1999 EDIP Amendment is to replace the definition of Change in Control in the Prior EDIP Amendment with a more favorable definition.

1. In the event any Person attempts to effect a Change of Control, you will not voluntarily terminate your employment with the Corporation or a Subsidiary, as the case may be, and unless involuntarily terminated will continue to render services to the Corporation or such Subsidiary until such Person has abandoned or terminated all efforts to effect a Change of Control or until after the Change of Control has occurred. For purposes of this Agreement, the term, Person is defined in paragraph 2(b) below.

2. (a) A "Change of Control" shall be deemed to have taken place upon the occurrence of any of the following events (capitalized terms are defined below):

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities beneficially owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing 20% or more of either the then outstanding shares of common stock of the Corporation or the combined voting power of the Corporation's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors of the Corporation and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Corporation) whose appointment or election by the Board of Directors of the Corporation or nomination for election by the Corporation's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(iii) there is consummated a merger or consolidation of the Corporation or any direct or indirect subsidiary of the Corporation with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Corporation outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) at least 50% of the combined voting power of the voting securities of the Corporation or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Corporation (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Corporation (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Corporation or its Affiliates) representing

20% or more of either the then outstanding shares of common stock of the Corporation or the combined voting power of the Corporation's then outstanding securities; or

(iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation or there is consummated an agreement for the sale or disposition by the Corporation of all or substantially all of the Corporation's assets, other than a sale or disposition by the Corporation of all or substantially all of the Corporation's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Corporation in substantially the same proportions as their ownership of the Corporation immediately prior to such transaction or series of transactions.

(b) For purposes of this Section 2(a), the following terms shall have the meanings indicated:

(i) "Affiliate" shall have the meaning set forth in Rule 12b-2 under Section 12 of the Exchange Act.

(ii) "Beneficial Owner" shall have the meaning set forth in Rule 13d-3 under the Exchange Act, except that a Person shall not be deemed to be the Beneficial Owner of any securities which are properly filed on a Form 13-G.

(iii) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time.

(iv) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Corporation or any of its Affiliates, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities or (iv) a corporation owned, directly or indirectly, by the stockholders of the Corporation in substantially the same proportions as their ownership of stock of the Corporation.

3. Notwithstanding anything to the contrary set forth in the EDIP, in the event of a Change of Control:

(a) (i) if you are not receiving benefit payments at the date of a Change of Control all of the benefits provided by the Agreement shall become immediately vested and immediately payable, in cash, in one lump sum amount equal to the Actual Deferrals (as defined in the EDIP) together with interest compounded annually at the rate(s) set forth in the EDIP from the Time of Deferral (as defined in the Agreement) to the date of payment.

(ii) if you or any beneficiary are receiving benefit payments at the date of a Change of Control, the Total Benefit (as set forth in the Benefit Schedule attached to the EDIP), less the amount of benefits actually received you and/or any beneficiary, present valued at a discount rate of 8% per year or such other lower rate as is established by the Continuing Directors as defined in Article Fourteenth of the Corporation's Certificate of Incorporation), shall be immediately vested and immediately payable in cash in one lump sum.

(b) The Corporation shall pay such lump sum amount to you promptly but in no event more than five days after a Change of Control.

(c) The first line of text in Section 5 of the EDIP is hereby deleted in its entirety and replaced with the following:

"The Continuing Directors (as defined in Article Fourteenth of the Company's Certificate of Incorporation) of the Company shall appoint"

(d) Section 12 of the EDIP shall be deleted in its entirety and replaced with the following:

"12. Amendment and Termination. The Continuing Directors (as defined in Article Fourteenth of the Company's Certificate of Incorporation) of the Company only with the prior written consent of the Executive Employee may amend or terminate this Agreement."

4. Other than as set forth above, the terms and conditions of the EDIP remain unchanged.

5. Except as otherwise expressly provided herein, this letter shall not confer any right or impose any obligation on you to continue in the employ of the Corporation nor shall it limit the right of the Corporation or you to terminate your employment at any time prior to a Change of Control nor shall it limit the right of the Board of Directors to amend or terminate the EDIP at any time prior to a Change of Control.

6. In the event of an inconsistency between the EDIP and this letter, the terms and conditions of this letter shall control.

Very truly yours,

DOVER CORPORATION

Agreed and Accepted

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Executive

This schedule contains summary financial information extracted from the Dover Corporation Quarterly Report to stockholders for the three months ended March 31, 1998 and is qualified in its entirety by reference to such financial statements.

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3-MOS		
	DEC-31-1999	
	JAN-1-1999	
	MAR-31-1999	
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		0
		634,388
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		969,755
	969,755	
		626,882
		860,601
		(29)
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		523,938
		0
		0
		593,158
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		2.72