

 UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

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

For the quarter ended June 30, 2000

OR

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

For the transition period from _____ to _____

Commission file number 1-10235

IDEX CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

630 DUNDEE ROAD, NORTHBROOK, ILLINOIS
(Address of principal executive offices)

36-3555336

(I.R.S. Employer
Identification No.)

60062

(Zip Code)

Registrant's telephone number: (847) 498-7070

Indicate by check mark 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 (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days.

Yes X

No ___

Number of shares of common stock of IDEX Corporation ("IDEX" or the
"Company") outstanding as of July 31, 2000: 30,081,333.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

IDEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS EXCEPT SHARE AND PER SHARE AMOUNTS)

	JUNE 30, 2000	DECEMBER 31, 1999
	----- (UNAUDITED)	-----
ASSETS		
Current assets		
Cash and cash equivalents.....	\$ 5,508	\$ 2,895
Receivables net.....	115,380	100,805
Inventories.....	114,021	106,141
Other current assets.....	6,449	3,874
	-----	-----
Total current assets.....	241,358	213,715
Property, plant and equipment -- net.....	129,444	129,917
Intangible assets -- net.....	398,128	385,061
Other noncurrent assets.....	11,040	9,874
	-----	-----
Total assets.....	\$779,970	\$738,567
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable.....	\$ 51,347	\$ 44,289
Dividends payable.....	4,211	4,153
Accrued expenses.....	43,794	43,192
	-----	-----
Total current liabilities.....	99,352	91,634
Long-term debt.....	279,444	268,589
Other noncurrent liabilities.....	50,932	49,320
	-----	-----
Total liabilities.....	429,728	409,543
	-----	-----
Shareholders' equity		
Common stock, par value \$.01 per share		
Shares authorized: 2000 and 1999 -- 75,000,000		
Shares issued and outstanding: 2000 -- 30,072,448;		
1999 -- 29,635,576.....	301	296
Additional paid-in capital.....	111,079	99,802
Retained earnings.....	258,257	233,326
Minimum pension liability adjustment.....	(1,759)	(1,759)
Accumulated translation adjustment.....	(8,315)	(2,543)
Treasury stock.....	(144)	(98)
Unearned compensation on restricted stock.....	(9,177)	--
	-----	-----
Total shareholders' equity.....	350,242	329,024
	-----	-----
Total liabilities and shareholders' equity.....	\$779,970	\$738,567
	=====	=====

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES
 STATEMENTS OF CONSOLIDATED OPERATIONS
 (IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	SECOND QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2000	1999	2000	1999
	(UNAUDITED)		(UNAUDITED)	
Net sales.....	\$185,258	\$161,484	\$361,920	\$317,972
Cost of sales.....	112,327	96,754	218,434	191,922
Gross profit.....	72,931	64,730	143,486	126,050
Selling, general and administrative expenses.....	38,257	35,018	75,949	69,999
Goodwill amortization.....	2,918	2,704	5,818	5,418
Operating income.....	31,756	27,008	61,719	50,633
Other income (expense) -- net.....	356	114	(143)	234
Income before interest expense and income taxes.....	32,112	27,122	61,576	50,867
Interest expense.....	4,060	4,345	8,224	8,863
Income before income taxes.....	28,052	22,777	53,352	42,004
Provision for income taxes.....	10,520	8,656	20,007	15,962
Net income.....	\$ 17,532	\$ 14,121	\$ 33,345	\$ 26,042
Basic earnings per common share.....	\$.58	\$.48	\$ 1.12	\$.88
Diluted earnings per common share.....	\$.57	\$.47	\$ 1.09	\$.87
Share data:				
Weighted average common shares outstanding.....	29,989	29,484	29,826	29,474
Weighted average common shares outstanding assuming full dilution.....	30,808	30,109	30,486	29,955

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED SHAREHOLDERS' EQUITY
(IN THOUSANDS EXCEPT SHARE AND PER SHARE AMOUNTS)

	COMMON STOCK & ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	MINIMUM PENSION LIABILITY ADJUSTMENT	ACCUMULATED TRANSLATION ADJUSTMENT	TREASURY STOCK	UNEARNED COMPENSATION ON RESTRICTED STOCK	TOTAL SHAREHOLDERS' EQUITY
	-----	-----	-----	-----	-----	-----	-----
Balance, December 31, 1999....	\$100,098	\$233,326	\$(1,759)	\$(2,543)	\$ (98)	\$ --	\$329,024
Net income.....		33,345					33,345
Unrealized translation adjustment.....				(5,772)			(5,772)
Comprehensive income.....		33,345		(5,772)			27,573
Issuance of 88,872 shares of common stock from exercise of stock options.....	1,788						1,788
Issuance of 350,000 shares of restricted common stock.....	9,494					(9,494)	--
Amortization of restricted stock awards.....						317	317
Purchase of common stock.....					(46)		(46)
Cash dividends declared on common stock (\$.28 per share).....		(8,414)					(8,414)
Balance, June 30, 2000 (unaudited).....	\$111,380	\$258,257	\$(1,759)	\$(8,315)	\$(144)	\$(9,177)	\$350,242
	=====	=====	=====	=====	=====	=====	=====

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CASH FLOWS
(IN THOUSANDS)

	FOR THE SIX MONTHS ENDED JUNE 30,	
	2000	1999
	(UNAUDITED)	
Cash flows from operating activities		
Net income.....	\$ 33,345	\$ 26,042
Adjustments to reconcile to net cash provided by operations:		
Depreciation and amortization.....	11,484	10,759
Amortization of intangibles.....	6,593	6,078
Amortization of unearned compensation.....	317	--
Amortization of debt issuance expenses.....	112	242
Deferred income taxes.....	25	2,668
Increase in receivables.....	(12,051)	(7,929)
(Increase) decrease in inventories.....	(3,160)	3,634
Increase (decrease) in trade accounts payable.....	6,406	(1,361)
Decrease in accrued expenses.....	(426)	(1,922)
Other -- net.....	(6,286)	(1,368)
	-----	-----
Net cash flows from operating activities.....	36,359	36,843
	-----	-----
Cash flows from investing activities		
Additions to property, plant and equipment.....	(8,567)	(8,881)
Acquisitions of businesses (net of cash acquired).....	(34,369)	(48,175)
	-----	-----
Net cash flows from investing activities.....	(42,936)	(57,056)
	-----	-----
Cash flows from financing activities		
Borrowings under credit facilities for acquisitions.....	34,369	48,175
Net repayments under credit facilities.....	(15,847)	(12,493)
Repayments of other long-term debt.....	(2,154)	(3,815)
Increase (decrease) in accrued interest.....	30	(486)
Dividends paid.....	(8,355)	(8,250)
Proceeds from stock option exercises.....	1,193	1,471
Purchase of common stock.....	(46)	(98)
	-----	-----
Net cash flows from financing activities.....	9,190	24,504
	-----	-----
Net increase in cash.....	2,613	4,291
Cash and cash equivalents at beginning of year.....	2,895	2,721
	-----	-----
Cash and cash equivalents at end of period.....	\$ 5,508	\$ 7,012
	=====	=====
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for:		
Interest.....	\$ 8,082	\$ 9,107
Income taxes.....	18,937	10,866
Significant non-cash activities:		
Debt acquired with acquisition of business.....	--	13,065

See Notes to Consolidated Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS

IDEX Corporation ("IDEX" or the "Company") manufactures an extensive array of proprietary engineered industrial products sold to customers in a variety of industries around the world. The Company believes that each of its principal business units holds the number-one or number-two market share position in each unit's niche market. IDEX believes that its consistent financial performance has been attributable to the manufacture of quality proprietary products designed and engineered by the Company, coupled with its ability to identify and successfully integrate strategic acquisitions. IDEX consists of three reportable business segments: Pump Products Group, Dispensing Equipment Group, and Other Engineered Products Group.

The Pump Products Group designs, produces and distributes a wide variety of industrial pumps, compressors and related controls for the movement of liquids, air and gases. The devices and equipment produced by the Group are used by a large and diverse set of industries, including chemical processing, machinery, water treatment, medical equipment, petroleum distribution, oil and refining, and food processing.

The Dispensing Equipment Group produces highly engineered equipment for dispensing, metering and mixing colorants, paints, inks and dyes; refinishing equipment; and centralized lubrication systems. This proprietary equipment is used in a variety of retail and commercial industries around the world. These units provide componentry and systems for applications such as tinting paints and coatings, industrial and automotive refinishing, and the precise lubrication of machinery and transportation equipment.

The Other Engineered Products Group manufactures engineered banding and clamping devices, fire fighting pumps and rescue tools. The high-quality stainless steel bands, buckles and preformed clamps and related installation tools are used in applications including securing hoses, signals, pipes, poles, electrical lines, sign-mounting systems and numerous other "hold-together" applications. The group also includes a leading manufacturer of truck-mounted fire pumps and rescue tool systems used by public and private fire and rescue organizations.

Information about the operations of IDEX in different business segments follows based on the nature of products and services offered. The Company's basis of segmentation and basis of segment profit measurement for the quarter and six months ended June 30, 2000, are the same as those set forth under "Business Segments and Geographic Information" on pages 30 and 31 of the 1999 Annual Report to Shareholders. Intersegment sales are accounted for at fair value as if the sales were to third parties. Amounts are in thousands.

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

	SECOND QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2000	1999	2000	1999
	(UNAUDITED)		(UNAUDITED)	
Net sales				
Pump Products				
From external customers.....	\$101,109	\$ 94,137	\$199,450	\$187,798
Intersegment sales.....	797	754	1,443	1,401
Total group sales.....	101,906	94,891	200,893	189,199
Dispensing Equipment				
From external customers.....	47,172	33,141	87,091	59,400
Intersegment sales.....	--	2	1	2
Total group sales.....	47,172	33,143	87,092	59,402
Other Engineered Products				
From external customers.....	36,977	34,206	75,379	70,774
Intersegment sales.....	1	1	2	2
Total group sales.....	36,978	34,207	75,381	70,776
Intersegment elimination.....	(798)	(757)	(1,446)	(1,405)
Total net sales.....	\$185,258	\$161,484	\$361,920	\$317,972
Operating income				
Pump Products.....	\$ 18,942	\$ 17,430	\$ 38,265	\$ 34,683
Dispensing Equipment.....	10,715	7,462	17,932	11,138
Other Engineered Products.....	6,549	5,766	13,988	12,081
Corporate Office and Other.....	(4,450)	(3,650)	(8,466)	(7,269)
Total operating income.....	\$ 31,756	\$ 27,008	\$ 61,719	\$ 50,633

2. ACQUISITIONS

The Company acquired Ismatec SA on April 17, 2000 and Trebor International, Inc. on May 31, 2000 at a total cost of approximately \$34 million with borrowings under the Company's U.S. bank credit facilities. Ismatec, with headquarters near Zurich, Switzerland is a leading European manufacturer of peristaltic metering pumps, analytical process controllers and sample preparation systems. These products typically are used for scientific research and development in the pharmaceutical, medical, biotech and institutional laboratory markets. Trebor, with headquarters near Salt Lake City, is a leading designer and manufacturer of high purity fluid handling products, including air-operated diaphragm pumps and deionized water-heating systems. Trebor's products are incorporated into wet chemical processing and chemical delivery and blending systems. Ismatec and Trebor are being operated as part of the Pump Products group.

On June 4, 1999, IDEX acquired FAST S.p.A. at a cost of \$61.6 million with financing provided by borrowings under the Company's U.S. bank credit facilities and debt acquired. FAST, with headquarters near Milan, Italy is a leading European manufacturer of refinishing and color-formulation equipment for a number of applications, including paints, coatings, inks, colorants and dyes. FAST is being operated as part of IDEX's Dispensing Equipment Group.

All acquisitions were accounted for as purchases, and operating results include the acquisitions from the dates of purchase. Cost in excess of net assets acquired is amortized on a straight-line basis over a period not exceeding 40 years. The unaudited pro forma consolidated results of operations, including FAST, for the six months ended June 30, 1999, reflecting the allocation of the purchase price and related financing of the

IDEX CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- (CONTINUED)

transaction are as follows, assuming the acquisition had occurred at the beginning of the period (in thousands except per share amounts):

	1999

	(UNAUDITED)
Net sales.....	\$337,781
Net income.....	27,612
Basic EPS -- Net income.....	.94
Diluted EPS -- Net income.....	.92

3. EARNINGS PER COMMON SHARE

Earnings per common share (EPS) are computed by dividing net income by the weighted average number of shares of common stock (basic) plus common stock equivalents outstanding (diluted) during the year. Common stock equivalents consist of stock options and have been included in the calculation of weighted average shares outstanding using the treasury stock method. Basic weighted average shares reconciles to fully diluted weighted average shares as follows (in thousands):

	SECOND QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2000	1999	2000	1999
	-----	-----	-----	-----
	(UNAUDITED)		(UNAUDITED)	
Basic weighted average common shares				
outstanding.....	29,989	29,484	29,826	29,474
Dilutive effect of stock options.....	819	625	660	481
	-----	-----	-----	-----
Weighted average common shares				
outstanding assuming full dilution.....	30,808	30,109	30,486	29,955
	=====	=====	=====	=====

4. INVENTORIES

The components of inventories as of June 30, 2000, and December 31, 1999, were (in thousands):

	JUNE 30, 2000	DECEMBER 31, 1999
	-----	-----
	(UNAUDITED)	
Raw materials and supplies.....	\$ 33,166	\$ 28,930
Work in process.....	14,715	12,722
Finished goods.....	66,140	64,489
	-----	-----
Total.....	\$114,021	\$106,141
	=====	=====

Those inventories which were carried on a LIFO basis amounted to \$92,394 and \$86,587 at June 30, 2000, and December 31, 1999, respectively. The excess of current cost over LIFO inventory value and the impact of using the LIFO method on earnings are not material.

5. COMMON AND PREFERRED STOCK

The Company had five million shares of preferred stock authorized but unissued at June 30, 2000, and December 31, 1999.

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

HISTORICAL OVERVIEW AND OUTLOOK

IDEX sells a broad range of proprietary pump products, dispensing equipment and other engineered products to a diverse customer base in the United States and internationally. Accordingly, IDEX's businesses are affected by levels of industrial activity and economic conditions in the U.S. and in other countries where its products are sold and by the relationship of the U.S. dollar to other currencies. Among the factors that influence the demand for IDEX's products are interest rates, levels of capacity utilization and capital spending in certain industries, and overall industrial activity.

IDEX has a history of above-average operating margins. The Company's operating margins are impacted by, among other things, utilization of facilities as sales volumes change and inclusion of newly acquired businesses, which may have lower margins and whose margins are normally further reduced by purchase accounting adjustments.

IDEX sales, net income and earnings per share for the three months ended June 30, 2000 were the highest for any quarter in its history. New orders for the second quarter totaled \$180.9 million, a 12% improvement from the second quarter of last year and 6% lower than this year's first quarter. Order activity is strongest for IDEX in its first quarter, as OEM customers often will order their requirements for the new year during this period. As expected, the order backlog was reduced \$4 million during the second quarter. IDEX ended the quarter with a typical unfilled order backlog of about 1 1/3 months' sales. This customarily low level of backlog allows the Company to provide excellent customer service, but also means that changes in orders are felt quickly in operating results.

The following forward-looking statements are qualified by the cautionary statement under the Private Securities Litigation Reform Act set forth below. Management is very optimistic about the short and long term prospects of the Company. IDEX anticipates its excellent results to continue as the year progresses and expects to achieve record orders, sales and earning per share in 2000. Management believes that IDEX is well positioned and will benefit from its continued emphasis on profitable growth initiatives, margin improvements at recently acquired businesses, the use of the Company's strong cash flow to cut debt and interest expense, and its continued pursuit of an active and successful acquisition strategy.

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT

The preceding paragraph and the "Liquidity and Capital Resources" sections of this management's discussion and analysis of IDEX operations contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements relate to, among other things, capital expenditures, cost reduction, cash flow and operating improvements, and are indicated by words such as "anticipate," "estimate," "expects," "plans," "projects," "should," "will," "management believes," "the Company intends" and similar words or phrases. Such statements are subject to inherent uncertainties and risks which could cause actual results to vary materially from suggested results, including but not limited to the following: levels of industrial activity and economic conditions in the U.S. and other countries around the world, pricing pressures and other competitive factors, and levels of capital spending in certain industries, all of which could have a material impact on order rates and the Company's results, particularly in light of the low levels of order backlogs typically maintained by the Company; IDEX's ability to integrate and operate acquired businesses on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; interest rates; utilization of IDEX's capacity and the affect of capacity utilization on costs; labor market conditions and raw material costs; developments with respect to contingencies, such as environmental matters and litigation; and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

RESULTS OF OPERATIONS

For purposes of this discussion and analysis section, reference is made to the table on the following page and the Company's Statements of Consolidated Operations included in the Financial Statements section. IDEX consists of three reporting groups: Pump Products, Dispensing Equipment and Other Engineered Products.

PERFORMANCE IN THE SECOND QUARTER ENDED JUNE 30, 2000 COMPARED TO THE SAME PERIOD OF 1999

Sales, net income and earnings per share for the second quarter of 2000 were the highest for any quarter in the Company's history. Incoming orders, \$180.9 million, were 12% higher than in 1999, with base businesses and recent acquisitions (FAST-June 1999, Ismatec-April 2000 and Trebor-May 2000) contributing growth of 6% and 8%, respectively, while foreign currency translation had a 2% negative effect. Net sales for the three months ended June 30, 2000 were \$185.3 million, a 15% increase over the \$161.5 million for the comparable 1999 period. Acquisitions added 8% to second quarter sales and base business volume was up 9%, but foreign currency translation had a 2% negative effect. Net income was \$17.5 million, 24% higher than the \$14.1 million earned in the second quarter of 1999. Diluted earnings per share rose 10 cents to 57 cents, up 21% compared with the same period a year ago.

In the second quarter of 2000, the Pump Products Group contributed 55% of sales and 52% of operating income, the Dispensing Equipment Group accounted for 25% of sales and 30% of operating income, and the Engineered Products Group represented 20% of sales and 18% of operating income. International sales were 41% of total sales, up from 38% in the same quarter of 1999. In the second quarter of 2000, international sales grew by 25% while domestic sales increased by 9% compared with last year. Excluding the recent acquisitions and currency translation, international sales increased 10% reflecting increases in all international markets.

Pump Products Group sales of \$101.9 million for the three months ended June 30, 2000 increased by \$7.0 million, or 7%, from 1999 principally reflecting higher base business sales volume, up 6% from last year. The Ismatec and Trebor acquisitions added 2% to the second quarter sales while foreign currency had a 1% negative effect on the Group's sales comparison to 1999. In the second quarter of 2000, international sales grew by 16%, while domestic sales increased by 4%. As a result, sales to customers outside the U.S. increased to 33% of total group sales in 2000 from 31% in 1999 due to higher sales in all international markets.

Dispensing Equipment Group sales of \$47.2 million increased \$14.0 million, or 42%, in the second quarter of 2000 compared with last year's second quarter. The FAST acquisition added 32% to second quarter sales and base business volume was up 13%, but foreign currency translation had a 3% negative effect. In the second quarter of 2000, international sales grew by 68%, while domestic sales increased by 21%. The increase in international sales reflected the FAST acquisition and higher base business volume. Sales to customers outside the U.S. were 53% of total group sales in 2000, up from 45% in 1999 primarily reflecting the additional international sales from the FAST acquisition.

Other Engineered Products sales of \$37.0 million increased by \$2.8 million, or 8%, in the second quarter of 2000 compared with 1999. Overall base business increased by 12% and foreign currency translation had a negative effect of 4% on this Group's sales volume. In the second quarter of 2000, domestic sales increased by 14% and international sales increased by 2%. Sales to customers outside the U.S. were 47% of total group sales in 2000, down from 49% in 1999 principally reflecting a change in sales mix due to the stronger domestic sales increase in 2000.

Gross profit of \$72.9 million in the second quarter of 2000 increased by \$8.2 million, or 13%, from 1999 reflecting higher sales volume at all of IDEX's business groups. Gross profit as a percent of sales was 39.4% in 2000 and declined from 40.1% in 1999 principally reflecting recent acquisitions, where gross margins were lower than the base businesses partially offset by productivity improvements at the Company's base businesses. Selling, general and administrative expenses increased to \$38.3 million in 2000 from \$35.0 million in 1999, and as a percent of net sales, decreased to 20.7% from 21.7% in 1999. Goodwill amortization increased by 8% to \$2.9 million in 2000 from \$2.7 million in 1999 reflecting the recent acquisitions. As a percent of sales, goodwill amortization remained flat at about 2% for both years.

IDEX CORPORATION AND SUBSIDIARIES
COMPANY AND BUSINESS GROUP FINANCIAL INFORMATION
(IN THOUSANDS)

	SECOND QUARTER ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2000 (1)	1999	2000 (1)	1999
	(UNAUDITED)		(UNAUDITED)	
Pump Products Group				
Net sales(2).....	\$101,906	\$ 94,891	\$200,893	\$189,199
Operating income(3).....	18,942	17,430	38,265	34,683
Operating margin.....	18.6%	18.4%	19.0%	18.3%
Depreciation and amortization.....	\$ 5,047	\$ 4,901	\$ 10,022	\$ 9,810
Capital expenditures.....	1,867	2,336	3,833	4,199
Dispensing Equipment Group				
Net sales(2).....	\$ 47,172	\$ 33,143	\$ 87,092	\$ 59,402
Operating income(3).....	10,715	7,462	17,932	11,138
Operating margin.....	22.7%	22.5%	20.6%	18.8%
Depreciation and amortization.....	\$ 2,244	\$ 1,723	\$ 4,382	\$ 3,422
Capital expenditures.....	1,382	1,310	2,483	2,507
Other Engineered Products				
Group Net sales(2).....	\$ 36,978	\$ 34,207	\$ 75,381	\$ 70,776
Operating income(3).....	6,549	5,766	13,988	12,081
Operating margin.....	17.7%	16.9%	18.6%	17.1%
Depreciation and amortization.....	\$ 1,737	\$ 1,720	\$ 3,505	\$ 3,449
Capital expenditures.....	889	1,108	2,156	2,125
Company				
Net sales.....	\$185,258	\$161,484	\$361,920	\$317,972
Operating income.....	31,756	27,008	61,719	50,633
Operating margin.....	17.1%	16.7%	17.1%	15.9%
Depreciation and amortization(4).....	\$ 9,028	\$ 8,422	\$ 18,077	\$ 16,837
Capital expenditures.....	4,219	4,777	8,567	8,881

(1) Includes acquisition of Ismatec SA (April 17, 2000) and Trebor International, Inc. (May 31, 2000) in the Pump Products Group; and FAST S.p.A. (June 4, 1999) in the Dispensing Equipment Group from the dates of acquisition.

(2) Group net sales include intersegment sales.

(3) Group operating income excludes net unallocated corporate operating expenses.

(4) Excludes amortization of debt issuance expenses.

Operating income increased by \$4.8 million, or 18%, to \$31.8 million in 2000 from \$27.0 million in 1999. Operating income as a percent of sales increased to 17.1% in 2000 from 16.7% in 1999. The increase in operating income and margin growth reflected improvements at all three business groups and resulted from higher sales volumes, expense controls and productivity improvements. In the Pump Products Group, operating income of \$18.9 million and operating margin of 18.6% in 2000 compared to the \$17.4 million and 18.4% recorded in 1999. Operating income of \$10.7 million and operating margin of 22.7% in the Dispensing Equipment Group increased from the \$7.5 million and 22.5% recorded in 1999. Operating income in the Other Engineered Products Group of \$6.5 million and operating margin of 17.7% in 2000 increased from \$5.8 million and 16.9% achieved in 1999.

Interest expense decreased to \$4.1 million in the second quarter of 2000 from \$4.3 million in 1999. The decrease in interest was due to debt reductions from operating cash flow, partially offset by additional debt required for the acquisition of the FAST, Ismatec and Trebor businesses.

The provision for income taxes increased to \$10.5 million in 2000 from \$8.7 million in 1999 reflecting higher income. The effective tax rate decreased to 37.5% in 2000 from 38.0% in 1999.

Net income of \$17.5 million in 2000 was 24% higher than income of \$14.1 million in 1999. Diluted earnings per share amounted to 57 cents in 2000, an increase of 10 cents per share, or 21%, from the 47 cents achieved in 1999.

PERFORMANCE IN THE SIX MONTHS ENDED JUNE 30, 2000 COMPARED TO THE SAME PERIOD OF 1999

Orders, sales, net income and earnings per share for the first six months of 2000 were the highest for any comparable period in the Company's history. Incoming orders, \$374.1 million, were 14% higher than in 1999, with base businesses and recent acquisitions contributing growth of 10% and 6%, respectively, while foreign currency had a 2% negative effect. In the first half of 2000, sales of \$361.9 million also rose 14% from the comparable 1999 period. Similar to the order pattern, base business sales increased 10%, acquisitions added 6% but foreign currency translation had a 2% negative effect. Net income was \$33.3 million, 28% higher than the \$26.0 million earned in last year's first six months. Diluted earnings per share rose 22 cents to \$1.09, up 25% over the same period a year ago.

In the first half of 2000, the Pump Products Group contributed 55% of sales and 54% of operating income, the Dispensing Equipment Group accounted for 24% of sales and 26% of operating income, and the Engineered Products Group represented 21% of sales and 20% of operating income. International sales were 40% of total sales, up from 37% in the same period last year. International sales grew by 22% for the first six months of 2000, while domestic sales increased by 9%. Excluding the recent acquisitions and foreign currency, international sales increased 12% reflecting higher sales volume in all international markets.

Pump Products Group sales of \$200.9 million increased by \$11.7 million, or 6%, for the six months ended June 30, 2000 compared with 1999 principally reflecting 6% higher base sales volume. The Ismatec and Trebor acquisitions added 1% to the first half sales while foreign currency had a 1% negative effect on the Group's sales comparison to 1999. In the first half of 2000, international sales grew by 12%, while domestic sales increased by 4%. As a result, sales to customers outside the U.S. increased to 32% of total group sales in 2000 from 30% in 1999 due to higher sales in all international markets.

Dispensing Equipment Group sales of \$87.1 million increased \$27.7 million, or 47%, in the first six months of 2000 compared with the comparable period of last year. The FAST acquisition added 29% to the first six months sales and base business volume was up 22%, but foreign currency translation had a 4% negative effect. In the first half of 2000, international sales grew by 79%, while domestic sales increased by 22%. The increase in international sales reflected the FAST acquisition and higher base business volume. Sales to customers outside the U.S. were 52% of total group sales in 2000, up from 43% in 1999 chiefly resulting from the additional international sales from the FAST acquisition.

Other Engineered Products sales of \$75.4 million increased by \$4.6 million, or 7%, in the first half of 2000 compared with 1999. Overall base business increased by 10% and foreign currency translation had a negative effect of 3% on this Group's sales volume. In the six months ended June 30, 2000, domestic sales increased by

14% and international sales were 1% lower. Sales to customers outside the U.S. were 47% of total group sales in 2000, down from 51% in 1999 principally reflecting a change in sales mix due to the stronger domestic sales increase in 2000.

Gross profit of \$143.5 million in the first six months of 2000 increased by \$17.4 million, or 14%, from 1999 reflecting higher sales volume at all of IDEX's business groups. Gross profit as a percent of sales was 39.6% in 2000 and was the same as 1999. Selling, general and administrative expenses increased to \$75.9 million in 2000 from \$70.0 million in 1999, and as a percent of net sales, decreased to 21.0% from 22.0% in 1999. Goodwill amortization increased by 7% to \$5.8 million in 2000 from \$5.4 million in 1999 reflecting the recent acquisitions. As a percent of sales, goodwill amortization remained flat at about 2% for both years.

Operating income increased by \$11.1 million, or 22%, to \$61.7 million in 2000 from \$50.6 million in 1999. Operating income as a percent of sales increased to 17.1% in 2000 from 15.9% in 1999. The increase in operating income and margin growth reflected improvements at all three business groups and resulted from higher sales volumes, expense controls and productivity improvements. In the Pump Products Group, operating income of \$38.3 million and operating margin of 19.0% in 2000 compared to the \$34.7 million and 18.3% recorded in 1999. Operating income of \$17.9 million and operating margin of 20.6% in the Dispensing Equipment Group increased from the \$11.1 million and 18.8% recorded in 1999. Operating income in the Other Engineered Products Group of \$14.0 million and operating margin of 18.6% in 2000 increased from \$12.1 million and 17.1% achieved in 1999.

Interest expense decreased to \$8.2 million in the first six months of 2000 from \$8.9 million in 1999. The decrease in interest was due to debt reductions from operating cash flow, partially offset by additional debt required for the acquisition of the FAST, Ismatec and Trebor businesses.

The provision for income taxes increased to \$20.0 million in 2000 from \$16.0 million in 1999 reflecting higher income. The effective tax rate decreased to 37.5% in 2000 from 38.0% in 1999.

Net income of \$33.3 million in 2000 was 28% higher than income of \$26.0 million in 1999. Diluted earnings per share amounted to \$1.09 in 2000, an increase of 22 cents per share, or 25%, from the 87 cents achieved in 1999.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2000, IDEX's working capital was \$142.0 million and its current ratio was 2.4 to 1. The Company's cash flow from continuing operations decreased by \$0.4 million to \$36.4 million in 2000. The decrease principally reflected higher working capital requirements due to higher sales volume partially offset by higher income.

Cash flow provided from operations was more than adequate to fund capital expenditures of \$8.6 million and \$8.9 million in 2000 and 1999, respectively. Capital expenditures were generally for machinery and equipment which improved productivity, although a portion was for repair and replacement of equipment and facilities. Management believes that IDEX has ample capacity in its plant and equipment to meet expected needs for future growth in the intermediate term.

The Company acquired Ismatec SA on April 17, 2000 and Trebor International, Inc. on May 31, 2000 at a total cost of approximately \$34 million. The acquisitions were accounted for using the purchase method and were financed under the Company's U.S. bank credit facilities. Interest is payable at rates ranging from 3.7% to 6.9%.

At June 30, 2000, the maximum amount available under the U.S. Bank Credit Facility was \$235 million, of which \$105.2 million was borrowed including \$92.2 million in western european currencies. The western european currency borrowings provide an economic hedge against the Company's net investment in its Dutch, Italian and Swiss operations. Any amount outstanding at July 1, 2001, becomes due at that date. Interest is payable quarterly on the outstanding balance at the agent bank's reference rate or at LIBOR plus an applicable margin. At June 30, 2000, the applicable margin was 25 basis points. In addition, the Company pays an annual fee of 15 basis points on the total facility.

The Company also has a \$15 million demand line of credit available for short-term borrowing requirements at the bank's reference rate or at an optional rate based on the bank's cost of funds. At June 30, 2000, the Company had \$4 million borrowed under this short-term line of credit.

At June 30, 2000, the maximum amount available under the Company's German Credit Agreement was 52.5 million marks (\$25.6 million), of which 16.5 million marks (\$8.1 million) was being used, which provides an economic hedge against the net investment in the Company's German operation. The availability under this agreement declines to 37 million marks at November 1, 2000. Any amount outstanding at November 1, 2001, becomes due at that date. Interest is payable quarterly on the outstanding balance at LIBOR plus an applicable margin. At June 30, 2000, the applicable margin was 62.5 basis points.

On October 20, 1998, IDEX's Board of Directors authorized the repurchase of up to 1.5 million shares of common stock either at market prices or on a negotiated basis as market conditions warrant. Any such purchases would be funded with borrowings under the Company's existing lines of credit. At June 30, 2000 IDEX has purchased a total of 6,500 shares under the program at a cost of approximately \$144,000 including 2,000 shares at a cost of approximately \$46,000 during the first six months of 2000.

IDEX believes it will generate sufficient cash flow from operations in 2000 to meet its operating requirements, interest and scheduled amortization payments under the U.S. Bank Credit Facility, the demand line of credit and the German Credit Agreement, interest and principal payments on the Senior Notes, any share repurchases, approximately \$20 million of planned capital expenditures, and approximately \$17 million of annual dividend payments to holders of common stock. From commencement of operations in January 1988 until June 30, 2000, IDEX has borrowed \$674 million under its various credit agreements to complete 16 acquisitions. During this same period IDEX generated, principally from operations, cash flow of \$564 million to reduce its indebtedness. In the event that suitable businesses are available for acquisition by IDEX upon terms acceptable to the Board of Directors, IDEX may obtain all or a portion of the financing for the acquisitions through the incurrence of additional long-term indebtedness.

YEAR 2000

IDEX initiated a year 2000 compliance program in late 1996 to ensure that its information systems and other date-sensitive equipment continue an uninterrupted transition into the year 2000. All of the Company's essential processes, systems, and business functions were compliant with the year 2000 requirements by the end of 1999. IDEX did not experience any year 2000 consequences affecting its financial position, liquidity, or results of operations.

The costs of IDEX's year 2000 transition program were funded with cash flows from operations. Some of these costs related solely to the modification of existing systems, while others were for new systems, which also improved business functionality. In total, these costs were not substantially different from the normal, recurring costs incurred for system development and implementation, in part due to the reallocation of internal resources to implement the new business systems. Expenditures related to this multi year program were approximately \$6 million.

EURO PREPARATIONS

During 1998, 1999 and 2000, the Company upgraded its business systems to accommodate the euro currency. The cost of this upgrade was immaterial to the Company's financial results. Although difficult to predict, any competitive implications and any impact on existing financial instruments resulting from the euro implementation are also expected to be immaterial to the Company's results of operations, financial position or liquidity.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The Company is subject to market risk associated with changes in interest rates and foreign currency exchange rates. Interest rate exposure is limited to the \$279.4 million of long-term debt of the Company outstanding at June 30, 2000. Approximately 20% of the debt is priced at interest rates that float with the market. A 50 basis point movement in the interest rate on the floating rate debt would result in an approximate \$285,000 annualized increase or decrease in interest expense and cash flows. The remaining debt is either fixed rate debt or debt that has been essentially fixed through the use of interest rate swaps. The Company will from time to time enter into interest rate swaps on its debt when it believes there is a clear financial advantage for doing so. A formalized treasury risk management policy adopted by the Board of Directors exists that describes the procedures and controls over derivative financial and commodity instruments, including interest rate swaps. Under the policy, the Company does not use derivative financial or commodity instruments for trading purposes, and the use of such instruments is subject to strict approval levels by senior officers. Typically, the use of such derivative instruments is limited to interest rate swaps on the Company's outstanding long-term debt. The Company's exposure related to such derivative instruments is, in the aggregate, not material to the Company's financial position, results of operations and cash flows.

The Company's foreign currency exchange rate risk is limited principally to the euro, British pound sterling, German mark, Dutch guilder, Italian lira, Swiss franc and other western european currencies. The Company manages its foreign exchange risk principally through the invoicing of its customers in the same currency as the source of the products.

PART II. OTHER INFORMATION

- ITEM 1. LEGAL PROCEEDINGS. None.
- ITEM 2. CHANGES IN SECURITIES. Not Applicable.
- ITEM 3. DEFAULTS UPON SENIOR SECURITIES. None.
- ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS. The Company held its Annual Shareholders' Meeting on Wednesday, April 19, 2000. At the Annual Meeting, shareholders elected three directors to serve three-year terms on the Board of Directors of IDEX Corporation. The following persons received a majority of votes cast for Class II directors:

DIRECTOR	FOR	WITHHELD
William H. Luers.....	27,266,426	159,562
George R. Roberts.....	24,648,235	2,777,753
Michael T. Tokarz.....	27,280,158	145,830

In addition to the Class II directors named above, the following IDEX directors' terms also continued after the April 19, 2000 Annual Shareholders' Meeting:

Frank J. Hansen (retired as of April 30, 2000);
 Paul E. Raether;
 Neil A. Springer;
 Richard E. Heath; and
 Henry R. Kravis

Secondly, shareholders voted on an amendment, restatement and continuation of the IDEX Amended and Restated Option Plan for Outside Directors. The proposal received a majority of votes cast, specifically as follows:

Affirmative Votes.....	25,513,476
Negative Votes.....	1,895,971
Abstentions.....	16,541
Broker Nonvotes.....	0

Additionally, shareholders voted on a proposal to appoint Deloitte & Touche LLP as auditors of IDEX Corporation. The proposal received a majority of the votes cast as follows:

Affirmative Votes.....	27,368,948
Negative Votes.....	46,369
Abstentions.....	10,671
Broker Nonvotes.....	0

- ITEM 5. OTHER INFORMATION. None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits:

The exhibits listed in the accompanying "Exhibit Index" are filed as part of this report.

(b) Reports on Form 8-K:

- (1) In a report on form 8-K dated April 3, 2000 and filed with the Securities Commission on April 3, 2000, the Company reported that Donald N. Boyce, the Company's Chairman of the Board of Directors, retired on March 31, 2000. Mr. Boyce's decision to retire was consistent with his plan to remain on the Board of Directors for one year following his retirement on March 31, 1999, as chief executive officer. Mr. Boyce, 61, has been with the company since its founding in 1988. He served as chairman, president and chief executive officer through 1997, and as chairman and chief executive officer through March 31, 1999.
- (2) In a report on form 8-K dated April 17, 2000 and filed with the Securities Commission on April 17, 2000, the Company reported Dennis K. Williams, 54, as the Company's Chairman of the Board, President and Chief Executive Officer effective May 1, 2000. With his appointment, Mr. Williams succeeded Donald N. Boyce, who retired as Chairman on March 31, and Frank J. Hansen who retired as President and Chief Executive Officer and as Director as of April 30, 2000.

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 in the capacity and on the date indicated.

IDEX CORPORATION

/s/ WAYNE P. SAYATOVIC

WAYNE P. SAYATOVIC
Senior Vice President -- Finance
and Chief Financial Officer
(Duly Authorized and Principal
Financial Officer)

August 10, 2000

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
3.1	Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.) (incorporated by reference to Exhibit No. 3.1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on April 21, 1988)
3.1(a)	Amendment to Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.), (incorporated by reference to Exhibit No. 3.1(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1996, Commission File No. 1-10235)
3.2	Amended and Restated By-Laws of IDEX Corporation (incorporated by reference to Exhibit No. 3.2 to Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on July 17, 1989)
3.2(a)	Amended and Restated Article III, Section 13 of the Amended and Restated By-Laws of IDEX Corporation (incorporated by reference to Exhibit No. 3.2(a) to Post-Effective Amendment No. 3 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on February 12, 1990)
4.1	Restated Certificate of Incorporation and By-Laws of IDEX Corporation (filed as Exhibits No. 3.1 through 3.2(a))
4.2	Indenture, dated as of February 23, 1998, between IDEX Corporation, and Norwest Bank Minnesota, National Association, as Trustee, relating to the 6 7/8% Senior Notes of IDEX Corporation due February 15, 2008 (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.3	Specimen Senior Note of IDEX Corporation (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.4	Specimen Certificate of Common Stock of IDEX Corporation (incorporated by reference to Exhibit No. 4.3 to the Registration Statement on Form S-2 of IDEX, et al., Registration No. 33-42208, as filed on September 16, 1991)
4.5	Third Amended and Restated Credit Agreement dated as of July 17, 1996, among IDEX Corporation, Bank of America NT&SA, as Agent, and other financial institutions named therein (the "Banks") (incorporated by reference to Exhibit No. 4.5 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1996, Commission File No. 1-10235)
4.5(a)	First Amendment to the Third Amended and Restated Credit Agreement dated as of April 11, 1997 (incorporated by reference to Exhibit No. 4.5(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(b)	Second Amendment to the Third Amended and Restated Credit Agreement dated as of January 20, 1998 (incorporated by reference to Exhibit No. 4.5(b) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(c)	Third Amendment to the Third Amended and Restated Credit Agreement dated as of February 9, 1998 (incorporated by reference to Exhibit No. 4.5(c) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(d)	Fourth Amendment to the Third Amended and Restated Credit Agreement dated as of April 3, 1998 (incorporated by reference to Exhibit No. 4.5(d) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(e)	Fifth Amendment to the Third Amended and Restated Credit Agreement dated as of June 8, 1999 (incorporated by reference to Exhibit No. 4.5(e) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1999, Commission File No. 1-10235)
10.1*	IDEX Corporation Amended and Restated Stock Option Plan for Outside Directors

EXHIBIT NUMBER -----	DESCRIPTION -----
10.2	Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated March 31, 2000
10.3	First Amendment to the Letter Agreement between IDEX Corporation and Wayne P. Sayatovic, dated March 15, 2000
10.4	First Amendment to the Letter Agreement between IDEX Corporation and James R. Fluharty, dated March 15, 2000
10.5	First Amendment to the Letter Agreement between IDEX Corporation and Rodney L. Usher, dated March 15, 2000
10.6*	Employment Agreement between IDEX Corporation and Dennis K. Williams dated April 14, 2000
10.7*	Letter Agreement between IDEX Corporation and Wayne P. Sayatovic, dated April 24, 2000
10.8*	Letter Agreement between IDEX Corporation and James R. Fluharty, dated April 24, 2000
10.9*	Letter Agreement between IDEX Corporation and David T. Windmuller, dated April 24, 2000
10.10*	Letter Agreement between IDEX Corporation and Rodney L. Usher, dated April 24, 2000
27*	Financial Data Schedule

* Filed herewith

INDEX CORPORATION
AMENDED AND RESTATED
STOCK OPTION PLAN
FOR OUTSIDE DIRECTORS

IDEX Corporation, a corporation organized under the laws of the State of Delaware (the "Company"), adopted the IDEX Corporation Stock Option Plan For Outside Directors (the "Plan") effective April 24, 1990. The original purposes of the Plan were as follows:

(1) To further the growth, development and financial success of the Company and its subsidiaries by providing additional incentives to Outside Directors (as defined below), by assisting them to become owners of capital stock of the Company and thus to benefit directly from its growth, development and financial success.

(2) To enable the Company to obtain and retain the services of the type of Outside Directors considered essential to the long-range success of the Company by providing and offering them an opportunity to become owners of capital stock of the Company under options.

Under the original terms of the Plan, no options could be granted more than ten years after its adoption by the Board (as defined below). As a significant number of shares were still available for grant of options under the Plan upon the original expiration date of the Plan, it is in the best interest of the Company to continue the Plan and the grant of options to Outside Directors thereunder. Therefore, the following constitutes an amendment, restatement, continuation and extension of the Plan beyond its original term, effective upon approval of this IDEX Corporation Amended and Restated Stock Option Plan for Outside Directors by the stockholders of the Company, as provided in Section 7.3 hereof.

ARTICLE I

DEFINITIONS

Whenever the following terms are used in the Plan, they shall have the meanings specified below.

Board - the Board of Directors of the Company.

Change in Control Event - a "Change of Control Event" shall mean the occurrence of (a) any transaction or series of transactions which within a 12-month period constitute a change of management or control where (i) at least 51 percent of the then outstanding shares of Common Stock are (for cash, property (including, without limitation, stock in any corporation), or indebtedness, or any combination thereof) redeemed by the Company or purchased by any person(s), firm(s) or entity(ies), or exchanged for shares in any other corporation whether or not affiliated with the Company, or any combination of such redemption, purchase or exchange, or (ii) at least 51 percent of the Company's assets are purchased by any person(s), firm(s) or entity(ies) whether or not affiliated with the Company for cash, property (including, without limitation, stock in any corporation) or indebtedness or any combination

thereof, or (iii) the Company is merged or consolidated with another corporation regardless of whether the Company is the survivor (except any such transaction solely for the purpose of changing the Company's domicile or which does not change the ultimate beneficial ownership of the equity interests in the Company), or (b) any substantial equivalent of any such redemption, purchase, exchange, change, transaction or series of transactions, acquisition, merger or consolidation constituting such a change of management or control. For purposes hereof, the term "control" shall have the meaning ascribed thereto under the Exchange Act and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Company. For purposes of clause (a)(ii) above or as appropriate for purposes of clause (b) above, the Company shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions.

Code - the Internal Revenue Code of 1986, as amended.

Committee - a committee consisting of each member of the Compensation Committee of the Board who is then a disinterested person within the meaning of Rule 16b-3.

Common Stock - the Company's Common Stock, par value \$.01 per share.

Company - IDEX Corporation and any corporation assuming, or issuing new stock options in substitution for, Options.

Director - a member of the Board.

Exchange Act - the Securities Exchange Act of 1934, as amended.

Fair Market Value - the "Fair Market Value" of a share of Common Stock as of a given date shall be: (i) if Common Stock is traded on an exchange then the closing price of a share of Common Stock as reported in the Wall Street Journal for the first trading date immediate prior to such date during which a sale occurred; or (ii) if Common Stock is not traded on an exchange but is quoted on NASDAQ or a successor or other quotation system, (x) the last sales price (if the Common Stock is then listed as a National Market Issue under the NASD National Market System) or (y) the mean between the closing representative bid and asked prices (in all other cases) for the Common Stock on the date immediately prior to such date on which sales prices or bid and asked prices, as applicable, are reported by NASDAQ or such successor quotation system; or (iii) if such Common Stock is not publicly traded on an exchange and not quoted on NASDAQ or a successor quotation system, the mean between the closing bid and asked prices for the Common Stock on the day previous to such date, as determined in good faith by the Committee; or (iv) if the Common Stock is not publicly traded, the fair market value established by the Committee acting in good faith.

Officer - the President, any Vice President, the Secretary or any Assistant Secretary of the Company.

Option - an option to purchase Common Stock granted under the Plan, which option shall not constitute an option that meets the requirements of Section 422 of the Code.

Optionee - an Outside Director to whom an Option is granted under the Plan.

Outside Director - a Director who is not then (i) a full-time employee (as defined in accordance with the regulations and revenue rulings then applicable under Section 3401(c) of the Code) of the Company or of any corporation that is then a Parent Corporation or a Subsidiary or (ii) a general partner, limited partner or full-time employee of either KKR Associates, L.P. or Kohlberg Kravis Roberts & Co., L.L.C.

Parent Corporation - any corporation that owns, directly or indirectly, more than 50% of the voting power of the shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of Directors.

Retirement - the Termination of Service on or after the date the Director attains age sixty (60).

Rule 16b-3 - that certain Rule 16b-3, as such rule is then in effect, that has been adopted by the Securities and Exchange Commission under the Exchange Act, or any replacement rule adopted thereunder.

Secretary - the Secretary of the Company.

Securities Act - the Securities Act of 1933, as amended.

Subsidiary - any corporation of which more than 50% of the total voting power of the shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors thereof is owned, directly or indirectly, by the Company.

Termination of Service - the effective time at which a person serving as a Director ceases to be a member of the Board for any reason.

ARTICLE II

SHARES SUBJECT TO PLAN

SECTION 2.1 - SHARES SUBJECT TO PLAN

The shares of stock subject to Options shall be shares of the Company's Common Stock. The aggregate number of such shares which may be issued upon exercise of Options shall not exceed 337,500(1).

SECTION 2.2 - UNEXERCISED OPTIONS

If any Option expires or is cancelled without having been fully exercised, the number of shares subject to such Option, but as to which such Option was not exercised prior to its expiration or cancellation, may again be optioned hereunder, subject to the limitations of Section 2.1.

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(1) Reflects 3 for 2 stock splits occurring on January 31, 1995 and January 31, 1997.

SECTION 2.3 - CHANGES IN COMPANY'S SHARES

In the event that the outstanding shares of Common Stock are hereafter changed into or exchanged for a different number or kind of shares or other securities of the Company or of another corporation by reason of reorganization, merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, appropriate adjustments shall be made by the Committee in the number and kind of shares for the purchase of which Options may be granted, including adjustments of the limitation in Section 2.1 on the maximum number and kind of shares which may be issued upon exercise of Options. In the event of an adjustment contemplated by this Section 2.3 in any outstanding Options, the Committee shall make an appropriate and equitable adjustment to the end that after such event the Optionee's proportionate interest shall be maintained as before the occurrence of such event. Such adjustment in any outstanding Options shall be made without change in the total price applicable to the option or the unexercised portion of any Option (except for any change in the aggregate price resulting from rounding off or share quantities or prices) and with any necessary corresponding adjustment in the Option price per share. In the event of a "spin-off" or other substantial distribution of assets of the Company which has a material diminutive effect upon Fair Market Value, the Committee may in its discretion make an appropriate and equitable adjustment to the Option exercise price to reflect such diminution. Any such adjustment made by the Committee shall be final and binding upon all Optionees, the Company and all other interested persons.

ARTICLE III

GRANTING OF OPTIONS

SECTION 3.1 - ELIGIBILITY

Any person who (a) is an Outside Director on January 1, 2000 or (b) thereafter becomes an Outside Director shall be granted Options under Section 3.2.

SECTION 3.2 - GRANTING OF OPTIONS

(a) Subject to Section 2.1, Options shall be granted as follows:

(i) Each person who first becomes an Outside Director between January 1, 2000 and April 18, 2000 shall receive, on the date that this Plan is approved by the Company's stockholders in accordance with Section 7.3, an Option to purchase 6,750 shares of Common Stock;

(ii) Each person who first becomes an Outside Director on or after April 19, 2000 shall receive, as of the date on which such person first becomes an Outside Director, an Option to purchase 6,750 shares of Common Stock; provided, however, that each person who, immediately prior to becoming an

Outside Director, was either (i) a full-time employee of the Company or any of its subsidiaries or (ii) a partner or full-time employee of either Kohlberg Kravis Roberts & Co., L.L.C. or KKR Associates, L.P., shall not receive such an option; and

(iii) On the date of the first regularly scheduled meeting of the Board held in January of each year, commencing with the meeting held in January 2001, any person who is an Outside Director on such date shall receive an Option to purchase 4,500 shares of Common Stock.

(b) The Committee shall instruct the Secretary or other authorized Officer to execute and deliver a stock option agreement (described in Section 4.1) to each person who becomes entitled to an Option under Section 3.2(a).

ARTICLE IV

TERMS OF OPTIONS

SECTION 4.1 - OPTION AGREEMENT

Each Option shall be evidenced by a written stock option agreement, which shall be executed by the Optionee and an authorized Officer and which shall contain such terms and conditions as the Committee shall determine, consistent with the Plan.

SECTION 4.2 - OPTION PRICE

The price of the shares subject to each Option shall be the Fair Market Value of such shares on the date such Option is granted.

SECTION 4.3 - COMMENCEMENT OF EXERCISABILITY

(a) Subject to the provisions of Sections 4.3(b) and 4.3(c), each Option shall become fully vested and exercisable upon the first to occur of the following events:

- (i) the second anniversary of the date of such Option grant;
- (ii) the Optionee's becoming disabled (within the meaning of Section 22(e)(3) of the Code);
- (iii) the Optionee's Termination of Service because of his death or his Retirement; or
- (iv) the occurrence of a Change in Control Event.

(b) Notwithstanding the provisions of Section 4.3(a), no Option shall be exercisable in a manner that would disqualify the Plan from satisfying the requirements of Rule 16b-3, and, to the extent necessary, no Option shall be exercisable for at least 6

months (or such other period as may be specified in such Rule) after the date such Option is granted.

(c) Except in the event of the subsequent determination of disability, at the time of Termination of Service under subsection 4.3(a)(ii), no portion of an Option that is unexercisable on the date of the Optionee's Termination of Service shall thereafter become exercisable.

SECTION 4.4 - EXPIRATION OF OPTIONS

No Option may be exercised to any extent by anyone after the first to occur of the following events:

(a) the expiration of ten years from the date the Option was granted;

(b) the expiration of one year from the date of the Optionee's Termination of Service for any reason other than Retirement; provided, however, that Section 4.4(d) shall apply if the Optionee dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the expiration of such one-year period;

(c) the expiration of three years from the date of the Optionee's Termination of Service by reason of Retirement.

(d) if the Optionee dies or becomes disabled prior to the first anniversary of the Optionee's Termination of Service, the expiration of 1 year from the earlier of (i) the date of the Optionee's death, or (ii) the date on which the Optionee becomes disabled (within the meaning of Section 22(e)(3) of the Code).

SECTION 4.5 - RIGHTS TO CONTINUED SERVICE

Nothing in the Plan or in any Stock Option Agreement hereunder shall confer upon any Optionee any right to continue as a Director.

ARTICLE V

EXERCISE OF OPTIONS

SECTION 5.1 - PERSONS ELIGIBLE TO EXERCISE

(a) Subject to Section 5.1(b) and (c), during the lifetime of the Optionee, only he may exercise an Option (or any portion thereof) granted to him. After the death of the Optionee, any exercisable portion of an Option may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Stock Option Agreement, be exercised by his personal representative or by any person empowered to do so under the deceased Optionee's will or under the then applicable laws of descent and distribution.

(b) Should the Optionee be determined under applicable law to have become a disabled person or the equivalent thereof, the Option may, prior to the time when the Option becomes unexercisable under the Plan or the applicable Stock Option Agreement, be exercised by the Optionee's guardian or by any other person empowered to do so under applicable laws of guardianship. For purposes of this Section 5.1(b), "disabled person" shall mean a person who (i) because of mental deterioration or physical incapacity is not fully able to manage his person or estate or (ii) is mentally ill and who because of his mental illness is not fully able to manage his person or estate.

(c) Notwithstanding the foregoing provisions of this Section 5.1, the Committee, in its sole discretion, may permit the Optionee with prior written notice to the Committee to transfer by gift, without the receipt of any consideration, to a member of the Optionee's immediate family, as defined in Rule 16a-1 under the Exchange Act, or to a trust for the exclusive benefit of, or any other entity owned solely by, such members, provided that an Option that has been so transferred shall continue to be subject to all of the terms and conditions of the Option Agreement as applicable to the Optionee, and the transferee shall execute any and all such documents requested by the Committee in connection with the transfer, including without limitation to evidence the transfer and to satisfy any requirements for an exemption for the transfer under applicable federal and state securities laws.

SECTION 5.2 - PARTIAL EXERCISE

At any time and from time to time before any exercisable Option or exercisable portion thereof becomes unexercisable under the Plan or the applicable Stock Option Agreement, such Option or portion thereof may be exercised in whole or in part; provided, however, that the Company shall not be required to issue fractional shares and no Option may be exercised for less than 1,000 shares of Common Stock unless such exercise is the full exercise of the exercisable portion of such Option.

SECTION 5.3 - MANNER OF EXERCISE

An exercisable Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary or his office of all of the following prior to the time when such Option or such portion becomes unexercisable under the Plan or the applicable Stock Option Agreement:

(a) Notice in writing signed by the Optionee or other person then entitled to exercise such Option or portion thereof, stating that such Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) (i) Full payment (in cash or by check) for the shares with respect to which such Option or portion thereof is thereby exercised;

(ii) With the consent of the Committee, shares of Common Stock which have been owned by the Optionee for more than six months on the date of

delivery and duly endorsed for transfer to the Company with a Fair Market Value on the date of delivery equal to the aggregate Option price of the shares with respect to which such Option or portion thereof is thereby exercised;

(iii) To the extent permitted by law (including the then interpretations of Rule 16b-3), a "cashless exercise procedure" satisfactory to the Committee which permits the Optionee to deliver an exercise notice to a broker-dealer, who then sells Option shares, and delivers the proceeds of the sale, less commission, to the Company which delivers such proceeds, less the exercise price and withholding taxes to the Optionee; or

(iv) Any combination of the consideration provided in the foregoing subsections (i), (ii) or (iii);

(c) Such representations and documents as the Committee, in its absolute discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act and any other federal or state securities laws or regulations. The Committee may, in its absolute discretion, also take whatever additional actions it deems appropriate to effect such compliance, including without limitation placing legends on share certificates and issuing stop-transfer orders to transfer agents and registrars; and

(d) In the event that the Option or portion thereof shall be exercised pursuant to Section 5.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option or portion thereof.

SECTION 5.4 - CONDITIONS TO ISSUANCE OF STOCK CERTIFICATES

The shares of Common Stock issuable and deliverable upon the exercise of an Option or any portion thereof may be either previously authorized but unissued shares or issued shares which have been reacquired by the Company. The Company shall not be required to issue or deliver any certificate or certificates for shares of stock purchased upon the exercise of any Option or portion thereof prior to fulfillment of all of the following conditions:

(a) The listing of such shares on all stock exchanges on which such class of stock is then listed; and

(b) The completion of any registration or other qualification of such shares, and the obtaining of any other approval or clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable; and

(c) The payment to the Company of all amounts which it is required to withhold under federal, state or local law in connection with the exercise of the Option.

SECTION 5.5 - RIGHTS AS STOCKHOLDERS

The holders of Options shall not be, nor have any of the rights or privileges of, stockholders of the Company in respect of any shares purchasable upon the exercise of an Option or any portion thereof unless and until certificates representing such shares have been issued by the Company to such holders.

ARTICLE VI

ADMINISTRATION

It shall be the duty of the Committee to conduct the general administration of the Plan in accordance with its provisions. The Committee shall have the power to interpret the Plan and the Options, to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith, and to interpret, amend or revoke any such rules. No member of the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any Option.

ARTICLE VII

OTHER PROVISIONS

SECTION 7.1 - OPTIONS NOT TRANSFERABLE

No Option or interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Optionee or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means, whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that nothing in this Section 7.1 shall prevent transfers by will, by the applicable laws of descent and distribution, or as provided in Section 5.1(c).

SECTION 7.2 - AMENDMENT, SUSPENSION OR TERMINATION OF THE PLAN; MODIFICATION OF OPTIONS

(a) The Plan may be amended or otherwise modified, suspended or terminated at any time and from time to time by the Board; provided, however, the provisions of Sections 3.1 (Eligibility), 3.2 (Granting of Options) and 4.2 (Option Price) shall not be modified more than once every six months, other than to comport with the changes in the Internal Revenue Code, the Employee Retirement Income Security Act or the rules thereunder; provided, further that without approval of the Company's stockholders given within 12 months after the action by the Board, the Board may not, except as provided in Section 2.3, increase any limit imposed in Section 2.1 on the Options, modify the eligibility requirements of Section 3.1, increase the number of Options granted or accelerate the timing of those grants under Section 3.2, reduce the minimum Option price requirements of Section 4.2 or extend the limit imposed in this Section 7.2 on the

period during which Options may be granted and such action by the Board shall become effective only after stockholder approval is obtained; and provided, further, that no amendment or modification may be made if such amendment or modification would disqualify the Plan from satisfying the requirements of the Securities Act or the Exchange Act or any regulation or rule promulgated by the Securities and Exchange Commission thereunder. None of the amendment, suspension or termination of the Plan shall, without the consent of the holder of the Option, alter or impair any rights or obligations under any Option theretofore granted. No Option may be granted during any period of suspension of the Plan, and in no event may any Option be granted under the Plan after April 19, 2009.

(b) An Option shall be subject in all events to the condition that, if at any time the Board shall determine, in its discretion, that the listing, registration or qualification of any of the Company's securities upon any securities exchange or under any law, regulation or other requirement of any governmental authority is necessary or desirable, or that any consent or approval from any governmental authority is necessary or desirable, then the Board may modify the terms of any Option granted under the Plan, without the consent of the Optionee, in any manner which the Board deems necessary or desirable in order to improve the Company's ability to obtain such listing, registration, qualification, consent or approval.

SECTION 7.3 - APPROVAL OF PLAN BY STOCKHOLDERS

The amendment, restatement and continuation of the Plan will be submitted for the approval of the Company's stockholders and shall be effective only upon attainment of such approval.

SECTION 7.4 - EFFECT OF PLAN UPON OTHER OPTION AND COMPENSATION PLANS

This Plan shall not affect any other compensation or incentive plans in effect for the Company, any Parent Corporation or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company, any Parent Corporation or any Subsidiary (a) to establish any other forms of incentives or compensation for employees or (b) to grant or assume options otherwise than under the Plan in connection with any proper corporate purpose, including without limitation the grant or assumption of options in connection with the acquisition by purchase, merger, consolidation or otherwise, of the business, stock or assets of any corporation, firm or association.

SECTION 7.5 - NO OBLIGATION TO REGISTER

The Company shall not be deemed, by reason of the granting of any Option, to have any obligation to register the shares of Common Stock subject to such Option under the Securities Act or to maintain in effect any registration of such shares which may be made at any time under the Securities Act.

SECTION 7.6 - CONFORMANCE TO SECURITIES ACT AND EXCHANGE ACT

The Plan is intended to conform to the provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder. Notwithstanding anything herein to the contrary, the Plan shall be administered, and Options shall be granted and may be exercised, only in such a manner as to conform to the provisions of the Securities Act and Exchange Act and any and all such regulations.

* * * *

I hereby certify that the foregoing Amended and Restated Stock Option Plan for Outside Directors was duly adopted by the Board of Directors of IDEX Corporation on January 25, 2000 and approved by the stockholders of the IDEX Corporation on April 19, 2000

Executed on this 19th day of April, 2000.

/s/ Frank J. Notaro
Secretary

Corporate Seal

EMPLOYMENT AGREEMENT

THIS AGREEMENT, dated as of April 14, 2000, is between IDEX CORPORATION, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 (the "Corporation"), and DENNIS K. WILLIAMS, an individual residing at 10 Triton Way, Mashpee, MA 02649 (the "Executive").

RECITALS:

A. The Executive will be employed as the Chairman of the Board, President and Chief Executive Officer of the Corporation.

B. The Corporation and the Executive desire to set forth the terms upon which the Executive will be employed by the Corporation.

NOW, THEREFORE, in consideration of the promises and of the covenants contained in this Agreement, the Corporation and the Executive agree as follows:

1. DEFINITIONS. The following definitions apply for purposes of this Agreement.

(a) "Board of Directors" or "Board" means the Board of Directors of the Corporation.

(b) "Cause" means a finding by the Board of Directors that any of the following conditions exist:

(i) The Executive's willful and continued failure substantially to perform his material duties under this Agreement (other than as a result of his Disability) if such failure is not substantially cured within 15 days after written notice is provided to the Executive.

(ii) The Executive's willful breach in a substantive and material manner of his fiduciary duty or duty of loyalty to the Corporation which is injurious to the financial condition in more than a de minimus manner or the business reputation of the Corporation.

(iii) The Executive's indictment for a felony offense under the laws of the United States or any state thereof (other than for a violation of motor or vehicular laws).

(iv) A material breach by the Executive of any restrictive covenant contained in Sections 13 and 14 of this Agreement.

For purposes of this definition, no act or failure to act will be deemed "willful" unless effected by the Executive not in good faith and without a reasonable belief that his action or failure to act was in or not opposed to the Corporation's best interests.

(c) A "Change in Control " means the occurrence of (i) any transaction or series of transactions which within a 12-month period constitute a change of management or control where (A) at least 51 percent of the then outstanding shares of common stock of the Corporation are (for cash, property (including, without limitation, stock in any corporation), or indebtedness, or any combination thereof) redeemed by the Corporation or purchased by any person(s), firm(s) or entity(ies), or exchanged for shares in any other corporation whether or not affiliated with the Corporation, or any combination of such redemption, purchase or exchange, or (B) at least 51 percent of the Corporation's assets are purchased by any person(s), firm(s) or entity(ies) whether or not affiliated with the Corporation for cash, property (including, without limitation, stock in any corporation) or indebtedness or any combination thereof, or (C) the Corporation is merged or consolidated with another corporation regardless of whether the Corporation is the survivor (except any such transaction solely for the purpose of changing the Corporation's domicile or which does not change the ultimate beneficial ownership of the equity interests in the Corporation), or (ii) any substantial equivalent of any such redemption, purchase, exchange, change, transaction or series of transactions, acquisition, merger or consolidation constituting such a change of management or control. For purposes hereof, the term "control" shall have the meaning ascribed thereto under the Securities Exchange Act of 1934, as amended and the regulations thereunder, and the term "management" shall mean the chief executive officer of the Corporation. For purposes of clause (i)(B) above or as appropriate for purposes of clause (ii) above, the Corporation shall be deemed to include on a consolidated basis all subsidiaries and other affiliated corporations or other entities with the same effect as if they were divisions.

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Corporation" means IDEX Corporation.

(f) "Disability" means a disability that has existed for a period of six (6) consecutive months and because of which the Executive is physically or mentally unable to substantially perform his regular duties as Chairman of the Board, President or Chief Executive Officer of the Corporation, as the case may be.

(g) "Effective Date" means April 14, 2000, the date on which this Agreement is executed.

(h) "Employment Date" means May 1, 2000.

(i) "Good Reason" means:

(i) There has been a material diminution in the Executive's responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority which is not restored within 15 days after written notice is provided to the Corporation.

(ii) Removal from, or failure to re-elect, the Executive to the position of Chairman of the Board, President or Chief Executive Officer.

(iii) A requirement, in the Executive's reasonable judgment, that the services required to be performed by the Executive would necessitate the Executive moving his residence from the Chicago, Illinois area.

(iv) A material breach by the Corporation of any of the material terms of this Agreement if such breach is not substantially cured within 15 days after written notice is provided to the Corporation.

2. EMPLOYMENT; DUTIES. Subject to the terms and conditions set forth in this Agreement, the Corporation hereby agrees to employ the Executive, and the Executive hereby accepts employment, and, as of the Employment Date, will assume the roles as Chairman of the Board, President and Chief Executive Officer of the Corporation, in full charge of the operation of its business and affairs, subject to the provisions of the by-laws of the Corporation in respect of the duties and responsibilities assigned from time to time by the Board of Directors to the Chairman of the Board, President and Chief Executive Officer, and subject also at all times to the control of the Board of Directors. Subject to the yearly election by the Board of Directors in the exercise of its judgment, it is contemplated that the Executive will continue to be elected to the positions of Chairman of the Board, President and Chief Executive Officer. The Executive will perform those duties and discharge those responsibilities as are commensurate with his position, and as the Board of Directors may from time to time reasonably direct, commensurate with his position. The Executive agrees to perform his duties and discharge his responsibilities in a faithful manner and to the best of his ability and to use all reasonable efforts to promote the interests of the Corporation. The Executive may not accept other gainful employment except with the prior consent of the Board of Directors. With the prior consent of the Board of Directors, the Executive may become a director, trustee or other fiduciary of other corporations, trusts or entities. Notwithstanding the foregoing, the Executive may manage his passive investments and be involved in charitable, civic and religious interests so long as they do not materially interfere with the performance of the Executive's duties hereunder.

3. COMPENSATION.

(a) During the term of the Executive's employment under this Agreement, the Executive will receive a base salary at the rate of \$650,000 per year, payable in equal monthly installments. On an annual basis, the Board of Directors will, in good faith, review the base salary of the Executive to consider appropriate increases (but not decreases) in the base salary. If the Executive dies during the period of time of his service under this Agreement, service for any part of the month of his death will be considered service for the entire month.

(b) During the term of the Executive's employment under this Agreement, the Executive will be entitled to receive an annual cash bonus from the Corporation calculated pursuant to the Corporation's Management Incentive Compensation Program (the "MICP") in effect from time to time. The Target Incentive Amount for the Executive, as defined in the MICP, will be 120% of his base salary for fiscal periods of the Corporation subsequent to December 31, 2000. The maximum bonus to be awarded under the MICP will not exceed 200% of his base salary. The Board of Directors, in its discretion, may award bonuses to the Executive in addition to those provided for above, as it may from time to time determine. Notwithstanding the foregoing, for the fiscal period ending December 31, 2000 the Executive will receive an annual cash bonus from the Corporation, which will be paid in January 2001, of an amount not less than 80% and not more than 120% of his base salary for that period as determined in the discretion of the Board. It is recognized and agreed to by the Executive that for fiscal periods commencing after December 31, 2000 the MICP will need to be modified and receive shareholder approval to preserve the deductibility of bonus payments under Section 162(m) of the Code. The Executive will have substantial input in the modification of the MICP which will be considered by the Board.

(c) On or before the Effective Date, the IDEX Corporation Compensation Committee will meet and award the Executive 350,000 options on the Corporation's common stock. The price of the options will be the closing share price of the Corporation's common stock, as reported by the New York Stock Exchange, as of the immediately previous business day. A copy of the Option Agreement pursuant to which the options will be awarded to the Executive is attached hereto as Exhibit A. It is acknowledged that the Corporation's failure to award the options to the Executive shall constitute a material breach of this Agreement. The Executive will be annually considered for additional awards of options which, if awarded, will be granted on terms no less favorably than the Option Agreement attached hereto as Exhibit A.

(d) Simultaneously with the execution of this Agreement, the Corporation and the Executive shall enter into a Restricted Stock Award in the form attached hereto as Exhibit B.

(e) The Corporation will reimburse the Executive for all reasonable moving expenses incurred by the Executive in relocating to the Chicago, Illinois area. For purposes of clarification, "reasonable moving expenses incurred" will include lease or rental expenses on the Executive's current residence in Italy, temporary housing expenses in the Chicago, Illinois area, travel expenses of the Executive and his wife to or from the Chicago, Illinois area and payment of

an amount equal to one month base salary for incidental expenses. If any such reimbursements are not excludible from the income of the Executive because a corresponding deduction would not be allowable under Section 217 of the Code, then the Corporation will make an additional payment to the Executive in an amount such that after payment by the Executive of all taxes imposed on the additional payment and the amount of the reimbursement includable in income, the Executive retains an amount equal to the amount of the reimbursement includable in income.

(f) The Corporation will deduct or withhold from all salary and bonus payments, and from all other payments made to the Executive pursuant to this Agreement, all amounts that may be required to be deducted or withheld under any applicable Social Security contribution, income tax withholding or other similar law now in effect or that may become effective during the term of this Agreement.

4. OTHER BENEFITS AND TERMS. During the term of the Executive's employment under this Agreement, the Executive will be entitled to the following other benefits and terms:

(a) The Executive will be entitled to participate in the Corporation's ChoiceComp health and medical benefit plans, any pension, profit sharing and retirement plans, and any insurance policies or programs from time to time generally offered to all or substantially all executive employees who are employed by the Corporation. These plans, policies and programs are subject to change at the sole discretion of the Corporation. Notwithstanding the foregoing, life insurance benefits will be provided at an amount not less than one times base salary. Notwithstanding anything to the contrary, for purposes of determining the Executive's benefits under the IDEX Corporation Supplemental Executive Retirement Plan, the Executive's "compensation" shall include income recognized by him with respect to the Restricted Stock Award under Section 3(d) of this Agreement.

(b) The Executive will be entitled to any other fringe benefit from time to time generally offered to all or substantially all senior executive employees who are employed by the Corporation.

(c) The Corporation will provide the Executive with the use of an automobile or an auto use allowance that is commensurate with his position.

(d) The Corporation will pay on behalf of or reimburse the Executive for personal legal and financial advice an amount not to exceed \$15,000 in any calendar year.

(e) Except as specifically provided in Sections 9(a)(i), 9(c)(i), 9(d)(i), 9(e) and 9(f)(i), or as required by law, the Executive acknowledges that he, his spouse and dependents will not receive health and medical benefits following any termination of his employment.

5. VACATIONS. The Executive will be entitled to five weeks of paid vacation each year. Unused vacation in any year may not be carried over to subsequent years.

6. REIMBURSEMENT FOR EXPENSES. The Corporation will reimburse the Executive for expenses which the Executive may from time to time reasonably incur on behalf of the Corporation in the performance of his responsibilities and duties including, but not limited to, professional dues and attendance at professional conferences.

7. PERIOD OF EMPLOYMENT. Subject to the provisions of this Section, the period of employment of the Executive under this Agreement will begin on the Employment Date and continue until April 30, 2005. Upon the expiration of the initial period, the period of employment will be automatically extended for 12 consecutive month periods thereafter, unless either party provides 120 days prior written notice to the other party that it does not wish to extend the Executive's employment period beyond its then present term.

Notwithstanding the foregoing:

(a) The Executive's employment will automatically terminate upon the death or Disability of the Executive. The foregoing is subject to the duty of the Corporation to provide reasonable accommodation under the Americans with Disabilities Act.

(b) The Corporation may, at its sole option, terminate the Executive's employment at any time and for any reason by delivering written notice to the Executive.

(c) The Executive, at his sole option, may terminate his employment for Good Reason by providing written notice to the Corporation at least 30 days prior to the effective date of the termination of employment specified in the notice.

(d) The Executive, at his sole option, may terminate his employment absent Good Reason by providing written notice to the Corporation at least 90 days prior to the effective date of the termination of employment specified in the notice.

Any notice of termination of employment given by a party must specify the particular termination provision of this Agreement relied upon by the party and must set forth in reasonable detail the facts and circumstances that provide a basis for the termination.

8. INDEMNIFICATION. The Corporation will enter into an indemnity agreement with the Executive substantially in the form contained in Exhibit C of this Agreement.

9. BENEFITS UPON TERMINATION. The Corporation will provide the following benefits upon the termination of the Executive's employment with the Corporation.

(a) Upon Termination By The Corporation Other Than For Cause Or By The Executive With Good Reason. Upon the Executive's termination of his employment for Good Reason or the Corporation's termination of the Executive's employment other than for Cause, the Corporation will provide the following:

(i) Salary And Fringe Benefits. The Executive will receive his full salary and fringe benefits through the effective date of termination together with any unpaid bonus for a prior period. The Executive will also receive (i) his full salary, (ii) medical, health and life insurance, and (iii) other miscellaneous fringe benefits (including, but not limited to, the personal accident plan at the level in effect on the date of termination, and the use of the Corporation provided automobile or auto use allowance) ((ii) and (iii) are hereinafter referred to as "Fringe Benefits") as in effect on the date of either the Corporation's or the Executive's receipt of a notice of termination from the other party for a period of 24 months beginning with the month next following the month during which his employment terminates. If the Executive dies during the 24 month period, the balance of the salary payments will be paid as provided in Section 15 and any dependent health or medical Fringe Benefits will be provided for the balance of the 24 month period.

(ii) Bonus. The Executive will receive a bonus payment equal to the sum of (A) 240% of his base salary in effect in the year of the termination of his employment, plus (B) an amount determined by multiplying 120% of his base salary by a fraction the numerator of which is the number of full and partial calendar months in the calendar year that precedes the date of the termination of his employment and the denominator of which is 12.

(iii) Accrued Vacation. The Executive will receive payment for accrued but unused vacation, which payment will be equitably prorated based on the period of active employment for that portion of the fiscal year in which the Executive's termination of employment becomes effective. Payment for accrued but unused vacation will be payable in one lump sum on the effective date of the termination of employment.

(b) Upon Termination By The Executive Absent Good Reason Or By The Corporation For Cause. Upon the Executive's termination of employment absent Good Reason or by the Corporation for Cause, the Corporation will provide the following:

(i) Salary And Fringe Benefits. The Executive will receive his full salary and Fringe Benefits through the effective date of termination together with any unpaid bonus for a prior period.

(ii) Accrued Vacation. The Executive will receive payment for accrued but unused vacation, which payment will be equitably prorated based on the period of active employment for that portion of the fiscal year in which the Executive's termination of employment becomes effective. Payment for accrued but unused vacation will be payable in one lump sum on the effective date of the termination of employment.

(c) Upon Termination For Disability. Upon termination of the Executive's employment because of Disability, the Corporation will provide the following:

(i) Salary And Fringe Benefits. The Executive will receive his full salary and Fringe Benefits through the effective date of termination together with any unpaid bonus for a prior period. The Executive will also receive his full salary and Fringe Benefits, as in effect on the date immediately before the Disability, for a period of 18 months commencing with the month following the month during which his Disability commences. If the Executive dies during the 18 month period, the balance of the salary payments will be paid as provided in Section 15 and any dependent health or medical Fringe Benefits will be provided for the balance of the 18 month period.

(ii) Bonus. The Executive will receive a bonus payment equal to the sum of (A) 180% of his base salary in effect in the year of the termination of his employment, plus (B) an amount determined by multiplying 120% of his base salary by a fraction the numerator of which is the number of full and partial calendar months in the calendar year that precedes the date of the termination of his employment and the denominator of which is 12.

(iii) Accrued Vacation. The Executive will receive payment for accrued but unused vacation, which payment will be equitably prorated based on the period of active employment for that portion of the fiscal year in which the Executive's Disability commences. Payment for accrued but unused vacation will be payable in one lump sum on the date the Disability commences (or as soon thereafter as practicable).

(d) Upon Termination For Death. Upon termination of the Executive's employment because of his death, the Corporation will provide the following:

(i) Salary And Fringe Benefits. The (i) Executive's full salary and Fringe Benefits through the effective date of termination, (ii) any unpaid bonus for a prior period and (iii) his full salary, on the date immediately before his death, for a period of 18 months beginning with the month next following the month during which he died will be paid as provided in Section 15. Any dependent health or medical Fringe Benefits will be provided for the 18-month period following the month in which he died.

(ii) Bonus. The Executive's successor as provided in Section 15 will receive a bonus payment equal to the sum of (A) 180% of his base salary in effect in the year of the termination of his employment, plus (B) an amount determined by multiplying 120% of his base salary by a fraction the numerator of which is the

number of full and partial calendar months in the calendar year that precedes the date of the termination of his employment and the denominator of which is 12.

(iii) Accrued Vacation. The Executive's successor as provided in Section 15 will receive payment for accrued but unused vacation, which payment will be equitably prorated based on the period of active employment for that portion of the fiscal year in which the Executive died. Payment for accrued but unused vacation will be payable in one lump sum on the date of the Executive's death (or as soon thereafter as practicable).

(e) Upon Termination Following A Change In Control. Upon the Executive's termination of employment by the Corporation without Cause or the Employee's termination with Good Reason which, in either case, occurs in contemplation of or within the 24 month period following a Change in Control, the Corporation will provide the Executive compensation and benefits under the agreement attached hereto as Exhibit D, the terms of which, if in conflict with this Agreement will be controlling.

(f) Upon Expiration Of Term. Upon the expiration of the term of this Agreement pursuant to the first paragraph of Section 7, the Corporation will provide the following:

(i) Salary And Fringe Benefits. The Executive will receive his full salary and fringe benefits through the effective date of termination together with any unpaid bonus for a prior period. The Executive will also receive (i) his full salary, (ii) medical, health and life insurance, and (iii) other miscellaneous fringe benefits (including, but not limited to, the personal accident plan at the level in effect on the date of termination, and the use of the Corporation provided automobile or auto use allowance) ((ii) and (iii) are hereinafter referred to as "Fringe Benefits") as in effect on the date of either the Corporation's or the Executive's receipt of a notice of termination from the other party for a period of 12 months beginning with the month next following the month during which his employment terminates. If the Executive dies during the 12 month period, the balance of the salary payments will be paid as provided in Section 15 and any dependent health or medical Fringe Benefits will be provided for the balance of the 12 month period.

(ii) Bonus. The Executive will receive a bonus payment equal to (A) 120% of his base salary in effect in the year of the termination of the Executive's employment, plus (B) an amount determined by multiplying 120% of his base salary by a fraction the numerator of which is the number of full and partial calendar months in the calendar year that precedes the date of the termination of his employment and the denominator of which is 12.

(iii) Accrued Vacation. The Executive will receive payment for accrued but unused vacation, which payment will be equitably prorated based on the period of active employment for that portion of the fiscal year in which the Executive's termination of employment becomes effective. Payment for accrued but unused vacation will be payable in one lump sum on the effective date of the termination of employment.

(g) Reduction In Fringe Benefits. Medical and health Fringe Benefits under this Section will be reduced to the extent of any medical and health fringe benefits provided by and available to the Executive from any subsequent employer.

(h) Determination Of Disability. Any question as to the existence of a physical or mental condition which would give rise to the Disability of the Executive upon which the Executive and the Corporation cannot agree will be determined by a qualified independent physician selected by the Executive and reasonably acceptable to the Corporation (or, if the Executive is unable to make a selection, the selection of the physician will be made by any adult member of his immediate family). The physician's written determination to the Corporation and to the Executive will be final and conclusive for all purposes of this Agreement.

(i) Continuation Of Healthcare Coverage. For purposes of COBRA continuation healthcare coverage, the "qualifying event" will be deemed to have occurred at the end of the period during which health and medical benefits are provided under Sections 9(a)(i), 9(c)(i), 9(d)(i), 9(e) and 9(f)(i).

10. ADDITIONAL PAYMENTS. Notwithstanding anything in this Agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by the Corporation or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of the Executive, whether paid or payable pursuant to the terms of this Agreement, or pursuant to any other agreement or arrangement with the Corporation or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Code, or any successor provision, or any interest or penalties with respect to the excise tax (the excise tax, together with any interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment from the Corporation (a "Gross-Up Payment") in an amount that after payment by the Executive of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by the Corporation's independent accounting firm, engaged immediately prior to the event that triggered the payment, in consultation with the Corporation's outside legal counsel. For purposes of making the calculations required by this Section, the accounting firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, provided that the accounting firm's determinations must be made with substantial authority (within the

meaning of Section 6662 of the Code). The Gross-Up Payment will be paid on the Executive's last day of employment or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within 10 days after the precise calculation is obtained, either the Corporation will pay any additional amount to the Executive or the Executive will pay any excess amount to the Corporation, as the case may be. If subsequently the Internal Revenue Service (the "IRS") claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to the Executive within 30 days of the Executive providing substantiation of the claim made by the IRS. After payment to the Executive of the Gross-Up Payment, the Executive will provide to the Corporation any information reasonably requested by the Corporation relating to the Excise Tax, the Executive will take those actions as the Corporation reasonably requests to contest the Excise Tax, cooperate in good faith with the Corporation to effectively contest the Excise Tax and permit the Corporation to participate in any proceedings contesting the Excise Tax. The Corporation will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold the Executive harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, the Executive will refund to the Corporation the related amount of the Gross-Up Payment.

11. NON-EXCLUSIVITY OF RIGHTS. Except as otherwise specifically provided, nothing in this Agreement will prevent or limit the Executive's continued or future participation in any benefit, incentive, or other plan, practice, or program provided by the Corporation and for which the Executive may qualify. Any amount of vested benefit or any amount to which the Executive is otherwise entitled under any plan, practice, or program of the Corporation will be payable in accordance with the plan, practice, or program, except as specifically modified by this Agreement.

12. NO OBLIGATION TO SEEK OTHER EMPLOYMENT. The Executive will not be obligated to seek other employment or to take other action to mitigate any amount payable to him under this Agreement and, except as provided in Section 9(g), amounts owed to him hereunder shall not be reduced by amounts he may receive from another employer.

13. CONFIDENTIALITY. During the course of his employment, the Executive will have access to confidential information relating to the lines of business of the Corporation, its trade secrets, marketing techniques, technical and cost data, information concerning customers and suppliers, information relating to product lines, and other valuable and confidential information relating to the business operations of the Corporation not generally available to the public (the "Confidential Information"). The parties hereby acknowledge that any unauthorized disclosure or misuse of the Confidential Information could cause irreparable damage to the Corporation. The parties also agree that covenants by the Executive not to make unauthorized use or disclosures of the Confidential Information are essential to the growth and stability of the business of the Corporation. Accordingly, the Executive agrees to the confidentiality covenants set forth in this Section.

The Executive agrees that, except as required by his duties with the Corporation or as authorized by the Corporation in writing, he will not use or disclose to anyone at any time, regardless of whether before or after the Executive ceases to be employed by the Corporation, any of the Confidential Information obtained by him in the course of his employment with the Corporation. The Executive shall not be deemed to have violated this Section 13 by disclosure of Confidential Information that at the time of disclosure (a) is publicly available or becomes publicly available through no act or omission of the Executive, or (b) is disclosed as required by court order or as otherwise required by law, on the condition that notice of the requirement for such disclosure is given to the Corporation prior to making any disclosure.

The Executive agrees that since irreparable damage could result from his breach of the covenants in this Section, in addition to any and all other remedies available to the Corporation, the Corporation will have the remedies of a restraining order, injunction or other equitable relief to enforce the provisions thereof. The Executive consents to jurisdiction in Lake County, Illinois on the date of the commencement of any action for purposes of any claims under this Section. In addition, the Executive agrees that the issues in any action brought under this Section will be limited to claims under this Section, and all other claims or counterclaims under other provisions of this Agreement will be excluded.

In addition, the Executive will sign and be bound by the terms of the attached "Employee Inventions and Proprietary Information Agreement" attached hereto as Exhibit E. To the extent that the provisions of Exhibit E conflict with this Agreement, the terms of this Agreement will be controlling.

14. NON-COMPETITION. In consideration of the compensation and other benefits to be paid to the Executive under and in connection with this Agreement, the Executive agrees that, beginning on the date of this Agreement and continuing until the Covenant Expiration Date (as defined in Subsection (b) below), he will not, directly or indirectly, for his own account or as agent, employee, officer, director, trustee, consultant, partner, stockholder or equity owner of any corporation or any other entity (except that he may passively own securities constituting less than 1% of any class of securities of a public company), or member of any firm or otherwise, (i) engage or attempt to engage, in the Restricted Territory (as defined in Subsection (d) below), in any business activity which is directly or indirectly competitive with the business conducted by the Corporation or any Affiliate at the Reference Date (as defined in Subsection (c) below), (ii) employ or solicit the employment of any person who is employed by the Corporation or any Affiliate at the Reference Date or at any time during the six-month period preceding the Reference Date, except that the Executive will be free to employ or solicit the employment of any such person whose employment with the Corporation or any Affiliate has terminated for any reason (without any interference from the Executive) and who has not been employed by the Corporation or any Affiliate for at least six (6) months, (iii) canvass or solicit business in competition with any business conducted by the Corporation or any Affiliate at the Reference Date from any person or entity who during the six-month period preceding the Reference Date was a customer of the Corporation or any Affiliate or from any person or entity which the Executive has reason to

believe might in the future become a customer of the Corporation or any Affiliate as a result of marketing efforts, contacts or other facts and circumstances of which the Executive is aware, (iv) willfully dissuade or discourage any person or entity from using, employing or conducting business with the Corporation or any Affiliate or (v) intentionally disrupt or interfere with, or seek to disrupt or interfere with, the business or contractual relationship between the Corporation or any Affiliate and any supplier who during the six-month period preceding the Reference Date shall have supplied components, materials or services to the Corporation or any Affiliate.

Notwithstanding the foregoing, the restrictions imposed by this Section shall not in any manner be construed to prohibit, directly or indirectly, the Executive from serving as an employee or consultant of the Corporation or any Affiliate.

For purposes of this Agreement, the following terms have the meanings given to them below:

(a) "Affiliate" means any joint venture, partnership or subsidiary now or hereafter directly or indirectly owned or controlled by the Corporation. For purposes of clarification, an entity shall not be deemed to be indirectly or directly owned or controlled by the Corporation solely by reason of the ownership or control of such entity by shareholders of the Corporation.

(b) "Covenant Expiration Date" means the date which is two (2) years after the Termination Date (as defined in this Section).

(c) "Reference Date" means (A) for purposes of applying the covenants set forth in this Section at any time prior to the Termination Date, the then current date, or (B) for purposes of applying the covenants set forth in this Section at any time on or after the Termination Date, the Termination Date.

(d) "Restricted Territory" means anywhere in the world where the Corporation or any Affiliate conducts or plans to conduct the business of the Corporation or any other business activity, as the case may be, at the Reference Date.

(e) "Termination Date" means the date of termination of the Executive's employment with the Corporation; provided however that the Executive's employment will not be deemed to have terminated so long as the Executive continues to be employed or engaged as an employee or consultant of the Corporation or any Affiliate, even if such employment or engagement continues after the expiration of the term of this Agreement, whether pursuant to this Agreement or otherwise.

15. SUCCESSORS. This Agreement is personal to the Executive and may not be assigned by the Executive other than by will or the laws of descent and distribution. This Agreement will inure to the benefit of and be enforceable by the Executive's legal representatives or successors in interest. Notwithstanding any other provision of this Agreement, the Executive

may designate a successor or successors in interest to receive any amounts due under this Agreement after the Executive's death. If he has not designated a successor in interest, payment of benefits under this Agreement will be made to his wife, if surviving, and if not surviving, to his estate. A designation of a successor in interest must be made in writing, signed by the Executive, and delivered to the Employer in accordance with Section 19. Except as otherwise provided in this Agreement, if the Executive has not designated a successor in interest, payment of benefits under this Agreement will be made to the Executive's estate. This Section will not supersede any designation of beneficiary or successor in interest made by the Executive or provided for under any other plan, practice, or program of the Employer. This Agreement will inure to the benefit of and be binding upon the Corporation and its successors and assigns. The Corporation will require any successor (whether direct or indirect, by acquisition of assets, merger, consolidation or otherwise) to all or substantially all of the operations or assets of the Corporation or any successor and without regard to the form of transaction used to acquire the operations or assets of the Corporation, to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform it if no succession had taken place. As used in this Agreement, "Corporation" means the Corporation and any successor to its operations or assets as set forth in this Section that is required by this clause to assume and agree to perform this Agreement or that otherwise assumes and agrees to perform this Agreement.

16. **BENEFIT CLAIMS.** In the event the Executive, or his beneficiaries, as the case may be, and the Corporation disagree as to their respective rights and obligations under this Agreement, and the Executive or his beneficiaries are successful in establishing, privately or otherwise, that his or their position is substantially correct, or that the Corporation's position is substantially wrong or unreasonable, or in the event that the disagreement is resolved by settlement, the Corporation will pay all costs and expenses, including counsel fees, which the Executive or his beneficiaries may incur in connection therewith directly to the provider of the services or as may otherwise be directed by the Executive or his beneficiaries. The Corporation will not delay or reduce the amount of any payment provided for hereunder or setoff or counterclaim against any such amount for any reason whatsoever; it is the intention of the Corporation and the Executive that the amounts payable to the Executive or his beneficiaries hereunder will continue to be paid in all events in the manner and at the times herein provided. All payments made by the Corporation hereunder will be final and the Corporation will not seek to recover all or any part of any portion of any payments hereunder for any reason.

17. **FAILURE, DELAY OR WAIVER.** No course of action or failure to act by the Corporation or the Executive will constitute a waiver by the party of any right or remedy under this Agreement, and no waiver by either party of any right or remedy under this Agreement will be effective unless made in writing.

18. **SEVERABILITY.** Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be enforceable under applicable law. However, if any provision of this Agreement is deemed unenforceable under applicable law by a court having jurisdiction, the provision will be unenforceable only to the extent necessary to make it enforceable without invalidating the remainder thereof or any of the remaining provisions of this Agreement.

19. NOTICE. All written communications to parties required hereunder must be in writing and (a) delivered in person, (b) mailed by registered or certified mail, return receipt requested, (such mailed notice to be effective four (4) days after the date it is mailed) or (c) sent by facsimile transmission, with confirmation sent by way of one of the above methods, to the party at the address given below for the party (or to any other address as the party designates in a writing complying with this Section, delivered to the other party):

If to the Corporation:

IDEX Corporation
Suite 400
630 Dundee Road
Northbrook, IL 60062
Attention: Vice President - General Counsel
Telephone: 847-498-7070
Telecopier: 847-498-9123

with a copy to:

Hodgson, Russ, Andrews, Woods & Goodyear, LLP
2000 One M&T Plaza
Buffalo, New York 14203
Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq.
Telephone: 716-856-4000
Telecopier: 716-849-0349

If to the Executive:

Dennis K. Williams
10 Triton Way
Mashpee, MA 02649
Telephone: 508-477-5216
Telecopier: 508-477-6045

with a copy to:

Kronish Lieb Weiner & Hellman, LLP
1114 Avenue of the Americas
New York, New York 10036-7798
Attention: Paul M. Ritter, Esq.
Telephone: 212-479-6000
Telecopier: 212-479-6275

20. MISCELLANEOUS. This Agreement (a) may not be amended, modified or terminated orally or by any course of conduct pursued by the Corporation or the Executive, but may be amended, modified or terminated only by a written agreement duly executed by the Corporation and the Executive, (b) is binding upon and inures to the benefit of the Corporation and the Executive and each of their respective heirs, representatives, successors and assignees, except that the Executive may not assign any of his rights or obligations pursuant to this Agreement, (c) except as provided in Sections 4 and 11 of this Agreement, constitutes the entire agreement between the Corporation and the Executive with respect to the subject matter of this Agreement, and supersedes all oral and written proposals, representations, understandings and agreements previously made or existing with respect to such subject matter, and (d) will be governed by, and interpreted and construed in accordance with, the laws of the State of Illinois, without regard to principles of conflicts of law.

21. TERMINATION OF THIS AGREEMENT. This Agreement will terminate when the Corporation has made the last payment provided for hereunder; provided, however, that the obligations set forth under Sections 8, 9, 10, 12, 13, 14 and 16 of this Agreement will survive any termination and will remain in full force and effect.

22. MULTIPLE COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any party may execute this Agreement by facsimile signature and the other party shall be entitled to rely on such facsimile signature as evidence that this Agreement has been duly executed by such party. Any party executing this Agreement by facsimile signature shall immediately forward to the other party an original page by overnight mail.

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

IDEX CORPORATION

By /s/ Frank J. Notaro

Frank J. Notaro
Vice President - General Counsel
and Secretary

EMPLOYEE

/s/ Dennis K. Williams

Dennis K. Williams

EXHIBIT A
Stock Option Award Agreement

EXHIBIT B
Restricted Stock Award

EXHIBIT C
Indemnity Agreement

EXHIBIT D

Policy on Change in Control

EXHIBIT E

Employee Inventions and Proprietary Information Agreement

April 24, 2000

PERSONAL AND CONFIDENTIAL

Mr. Wayne P. Sayatovic
91 West Mallard Lane
Lake Forest, Illinois 60045

Dear Wayne:

Re: Severance Agreement

This is to confirm that in the event of your Termination from Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Control, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereinafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to three times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereinafter defined, and (b) your full year's bonus under the MICP at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.
- 7) For a sixty (60) month period following the date of the Executive's termination of employment, the Corporation will continue any indemnification agreement with the Executive and will provide directors' and officers' liability insurance insuring the Executive.

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That coverage will have limits and scope of coverage not less than that in effect immediately prior to the change in control. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.

- 8) You shall be fully vested in your accrued benefit under any qualified or non-qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) Vesting and the ability to exercise stock options granted to you will be governed by the terms of the stock option plan under which the options were granted and the terms of the option agreement.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by the Corporation's independent accounting firm, engaged immediately prior to the event that triggered the payment, in consultation with the Corporation's outside legal counsel. For purposes of making the calculations required by this Section, the

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accounting firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, provided that the accounting firm's determinations must be made with substantial authority (within the meaning of Section 6662 of the Code). The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For purposes of this letter agreement, "Change of Control" shall have the same meaning as under the Amended and Restated IDEX Corporation Supplemental Executive Retirement Plan as in effect on the date of this letter.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereinafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934, (b) you

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retain the position as an officer of the reporting company but your primary responsibilities, duties, title, status, role or authority are with an entity within the business organization which is not the reporting company or (c) your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) IDEX moves your primary worksite to a location outside of the Northbrook, Illinois region which necessitates, in your reasonable judgment, your required relocation from your current residence which you choose not to accept; (4) a reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP Awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions or (5) if following a Change of Control where IDEX Corporation is no longer the ultimate parent corporation, the failure of the then ultimate parent corporation (a) to appoint you to a position with the then ultimate parent corporation having the same responsibilities, duties, title, reporting responsibilities within the business organization, status, role and authority as you now hold with IDEX, (b) to acknowledge and assume, in writing, this letter agreement at the time of the Change of Control, or (c) to acknowledge and assume, in writing, the indemnification agreement with you which is in effect at the time the Change of Control. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief, that one of the preceding events is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of the event, must be effective no earlier than, and be contingent on, the occurrence of the event) and the termination will be deemed a Termination of Service. If a Change of Control occurs and your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority are reduced or in any manner adversely affected prior to the date of the Change of Control (hereafter referred to as a "Modification"), and if you reasonably demonstrate that the modification was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then the level of your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority for purposes of this letter agreement shall be those in effect on the date immediately prior to the Modification. If your termination of employment occurs

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prior to a Change of Control and if you reasonably demonstrate that the termination was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then your termination will be deemed a Termination of Service. If one of the events which would be a Termination of Service occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "Restrictive Period"), then you may continue in employment until a reasonable period after the Restrictive Period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter Agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform the material duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Control or prior to any modification of your assigned duties made in connection with, or anticipation of, such Change of Control).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Control, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX, or any entity which has an obligation to you under this letter agreement, fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, by IDEX to you or directly to your attorney, as you may direct.

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To the extent that this letter agreement provides a larger or greater separate Severance Benefit than may be provided to you pursuant to any policy, program, contract or arrangement previously adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate Severance Benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate Severance Benefit to be provided.

This letter agreement shall apply to a Change of Control that occurs on or before the date on which IDEX provides written notice to you that the terms this letter agreement will terminate (the date so specified in the notice will not be less than two years following the date of such notice), or, if a Change of Control is pending as of such date, this letter agreement will also apply if that Change of Control does occur in a reasonable period thereafter. If a Change of Control has not occurred as of the date specified in the notice, or is pending as of the date so specified in the notice and is not subsequently consummated in a reasonable period thereafter, this letter agreement shall be null and void.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is

Mr. Wayne P. Sayatovic
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held invalid or unenforceable for any reason, all other provisions shall remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof shall be sent.

Very truly yours,

/s/ Frank J. Hansen

Frank J. Hansen

Agreed to and accepted by:

/s/ Wayne P. Sayatovic

Wayne P. Sayatovic

Date: April 28, 2000

April 24, 2000

PERSONAL AND CONFIDENTIAL

Mr. James R. Fluharty
308 Camelot Lane
Libertyville, Illinois 60048

Dear Jim:

Re: Severance Agreement

This is to confirm that in the event of your Termination from Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Control, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereinafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to three times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereinafter defined, and (b) your full year's bonus under the MICP at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.
- 7) For a sixty (60) month period following the date of the Executive's termination of employment, the Corporation will

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continue any indemnification agreement with the Executive and will provide directors' and officers' liability insurance insuring the Executive. That coverage will have limits and scope of coverage not less than that in effect immediately prior to the change in control. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.

- 8) You shall be fully vested in your accrued benefit under any qualified or non-qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) Vesting and the ability to exercise stock options granted to you will be governed by the terms of the stock option plan under which the options were granted and the terms of the option agreement.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up

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Payment will be calculated by the Corporation's independent accounting firm, engaged immediately prior to the event that triggered the payment, in consultation with the Corporation's outside legal counsel. For purposes of making the calculations required by this Section, the accounting firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, provided that the accounting firm's determinations must be made with substantial authority (within the meaning of Section 6662 of the Code). The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For purposes of this letter agreement, "Change of Control" shall have the same meaning as under the Amended and Restated IDEX Corporation Supplemental Executive Retirement Plan as in effect on the date of this letter.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereinafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting

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responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934 or (b) your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) a reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP Awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions or (4) if following a Change of Control where IDEX Corporation is no longer the ultimate parent corporation, the failure of the then ultimate parent corporation (a) to appoint you to a position with the then ultimate parent corporation having the same responsibilities, duties, title, reporting responsibilities within the business organization, status, role and authority as you now hold with IDEX, (b) to acknowledge and assume, in writing, this letter agreement at the time of the Change of Control, or (c) to acknowledge and assume, in writing, the indemnification agreement with you which is in effect at the time the Change of Control. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief, that one of the preceding events is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of the event, must be effective no earlier than, and be contingent on, the occurrence of the event) and the termination will be deemed a Termination of Service. If a Change of Control occurs and your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority are reduced or in any manner adversely affected prior to the date of the Change of Control (hereafter referred to as a "Modification"), and if you reasonably demonstrate that the modification was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then the level of your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority for purposes of this letter agreement shall

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be those in effect on the date immediately prior to the Modification. If your termination of employment occurs prior to a Change of Control and if you reasonably demonstrate that the termination was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then your termination will be deemed a Termination of Service. If one of the events which would be a Termination of Service occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "Restrictive Period"), then you may continue in employment until a reasonable period after the Restrictive Period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter Agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform the material duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Control or prior to any modification of your assigned duties made in connection with, or anticipation of, such Change of Control).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Control, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX, or any entity which has an obligation to you under this letter agreement, fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, by IDEX to you or directly to your attorney, as you may direct.

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To the extent that this letter agreement provides a larger or greater separate Severance Benefit than may be provided to you pursuant to any policy, program, contract or arrangement previously adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate Severance Benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate Severance Benefit to be provided.

This letter agreement shall apply to a Change of Control that occurs on or before the date on which IDEX provides written notice to you that the terms this letter agreement will terminate (the date so specified in the notice will not be less than two years following the date of such notice), or, if a Change of Control is pending as of such date, this letter agreement will also apply if that Change of Control does occur in a reasonable period thereafter. If a Change of Control has not occurred as of the date specified in the notice, or is pending as of the date so specified in the notice and is not subsequently consummated in a reasonable period thereafter, this letter agreement shall be null and void.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any

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provision of this letter agreement is held invalid or unenforceable for any reason, all other provisions shall remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof shall be sent.

Very truly yours,

/s/ Frank J. Hansen

Frank J. Hansen

Agreed to and accepted by:

/s/ James R. Fluharty

James R. Fluharty

Date: April 27, 2000

April 24, 2000

PERSONAL AND CONFIDENTIAL

Mr. David T. Windmuller
1615 Mulberry Drive
Libertyville, Illinois 60048

Dear Dave:

Re: Severance Agreement

This is to confirm that in the event of your Termination from Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Control, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereinafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to three times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereinafter defined, and (b) your full year's bonus under the MICP at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.
- 7) For a sixty (60) month period following the date of the Executive's termination of employment, the Corporation will continue any indemnification agreement with the Executive and will provide directors' and officers' liability insurance insuring the Executive.

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That coverage will have limits and scope of coverage not less than that in effect immediately prior to the change in control. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.

- 8) You shall be fully vested in your accrued benefit under any qualified or non-qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) Vesting and the ability to exercise stock options granted to you will be governed by the terms of the stock option plan under which the options were granted and the terms of the option agreement.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by the Corporation's independent accounting firm, engaged immediately prior to the event that triggered the payment, in consultation with the Corporation's outside legal counsel. For purposes of making the calculations required by this Section, the

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accounting firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, provided that the accounting firm's determinations must be made with substantial authority (within the meaning of Section 6662 of the Code). The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For purposes of this letter agreement, "Change of Control" shall have the same meaning as under the Amended and Restated IDEX Corporation Supplemental Executive Retirement Plan as in effect on the date of this letter.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereinafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934, (b) you

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retain the position as an officer of the reporting company but your primary responsibilities, duties, title, status, role or authority are with an entity within the business organization which is not the reporting company or (c) your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) IDEX moves your primary worksite to a location outside of the Northbrook, Illinois region which necessitates, in your reasonable judgment, your required relocation from your current residence which you choose not to accept; (4) a reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP Awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions or (5) if following a Change of Control where IDEX Corporation is no longer the ultimate parent corporation, the failure of the then ultimate parent corporation (a) to appoint you to a position with the then ultimate parent corporation having the same responsibilities, duties, title, reporting responsibilities within the business organization, status, role and authority as you now hold with IDEX, (b) to acknowledge and assume, in writing, this letter agreement at the time of the Change of Control, or (c) to acknowledge and assume, in writing, the indemnification agreement with you which is in effect at the time the Change of Control. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief, that one of the preceding events is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of the event, must be effective no earlier than, and be contingent on, the occurrence of the event) and the termination will be deemed a Termination of Service. If a Change of Control occurs and your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority are reduced or in any manner adversely affected prior to the date of the Change of Control (hereafter referred to as a "Modification"), and if you reasonably demonstrate that the modification was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then the level of your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority for purposes of this letter agreement shall be those in effect on the date immediately prior to the Modification. If your termination of employment occurs

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prior to a Change of Control and if you reasonably demonstrate that the termination was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then your termination will be deemed a Termination of Service. If one of the events which would be a Termination of Service occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "Restrictive Period"), then you may continue in employment until a reasonable period after the Restrictive Period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter Agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform the material duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Control or prior to any modification of your assigned duties made in connection with, or anticipation of, such Change of Control).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Control, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX, or any entity which has an obligation to you under this letter agreement, fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, by IDEX to you or directly to your attorney, as you may direct.

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To the extent that this letter agreement provides a larger or greater separate Severance Benefit than may be provided to you pursuant to any policy, program, contract or arrangement previously adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate Severance Benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate Severance Benefit to be provided.

This letter agreement shall apply to a Change of Control that occurs on or before the date on which IDEX provides written notice to you that the terms this letter agreement will terminate (the date so specified in the notice will not be less than two years following the date of such notice), or, if a Change of Control is pending as of such date, this letter agreement will also apply if that Change of Control does occur in a reasonable period thereafter. If a Change of Control has not occurred as of the date specified in the notice, or is pending as of the date so specified in the notice and is not subsequently consummated in a reasonable period thereafter, this letter agreement shall be null and void.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is

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held invalid or unenforceable for any reason, all other provisions shall remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof shall be sent.

Very truly yours,

/s/ Frank J. Hansen

Frank J. Hansen

Agreed to and accepted by:

/s/ David T. Windmuller

David T. Windmuller

Date: April 27, 2000

April 24, 2000

PERSONAL AND CONFIDENTIAL

Mr. Rodney L. Usher
2 Neuchatel Lane
Fairport, New York 14450

Dear Rod:

Re: Severance Agreement

This is to confirm that in the event of your Termination from Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Control, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereinafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to three times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereinafter defined, and (b) your full year's bonus under the MICP at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your Target Incentive Amount in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.
- 7) For a sixty (60) month period following the date of the Executive's termination of employment, the Corporation will continue any indemnification agreement with the Executive and will provide directors' and officers' liability insurance insuring the Executive.

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That coverage will have limits and scope of coverage not less than that in effect immediately prior to the change in control. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.

- 8) You shall be fully vested in your accrued benefit under any qualified or non-qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) Vesting and the ability to exercise stock options granted to you will be governed by the terms of the stock option plan under which the options were granted and the terms of the option agreement.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by the Corporation's independent accounting firm, engaged immediately prior to the event that triggered the payment, in consultation with the Corporation's outside legal counsel. For purposes of making the calculations required by this Section, the

accounting firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, provided that the accounting firm's determinations must be made with substantial authority (within the meaning of Section 6662 of the Code). The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For purposes of this letter agreement, "Change of Control" shall have the same meaning as under the Amended and Restated IDEX Corporation Supplemental Executive Retirement Plan as in effect on the date of this letter.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereinafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934 or (b)

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your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) a reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP Awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions or (4) if following a Change of Control where IDEX Corporation is no longer the ultimate parent corporation, the failure of the then ultimate parent corporation (a) to appoint you to a position with the then ultimate parent corporation having the same responsibilities, duties, title, reporting responsibilities within the business organization, status, role and authority as you now hold with IDEX, (b) to acknowledge and assume, in writing, this letter agreement at the time of the Change of Control, or (c) to acknowledge and assume, in writing, the indemnification agreement with you which is in effect at the time the Change of Control. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief, that one of the preceding events is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of the event, must be effective no earlier than, and be contingent on, the occurrence of the event) and the termination will be deemed a Termination of Service. If a Change of Control occurs and your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority are reduced or in any manner adversely affected prior to the date of the Change of Control (hereafter referred to as a "Modification"), and if you reasonably demonstrate that the modification was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then the level of your responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority for purposes of this letter agreement shall be those in effect on the date immediately prior to the Modification. If your termination of employment occurs prior to a Change of Control and if you reasonably demonstrate that the termination was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose, directly or indirectly, in connection with, or in anticipation of, a Change of Control, then your termination will be deemed a Termination of Service. If one of the events which would be a Termination of

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Service occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "Restrictive Period"), then you may continue in employment until a reasonable period after the Restrictive Period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter Agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform the material duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Control or prior to any modification of your assigned duties made in connection with, or anticipation of, such Change of Control).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Control, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX, or any entity which has an obligation to you under this letter agreement, fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, by IDEX to you or directly to your attorney, as you may direct.

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To the extent that this letter agreement provides a larger or greater separate Severance Benefit than may be provided to you pursuant to any policy, program, contract or arrangement previously adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate Severance Benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate Severance Benefit to be provided.

This letter agreement shall apply to a Change of Control that occurs on or before the date on which IDEX provides written notice to you that the terms this letter agreement will terminate (the date so specified in the notice will not be less than two years following the date of such notice), or, if a Change of Control is pending as of such date, this letter agreement will also apply if that Change of Control does occur in a reasonable period thereafter. If a Change of Control has not occurred as of the date specified in the notice, or is pending as of the date so specified in the notice and is not subsequently consummated in a reasonable period thereafter, this letter agreement shall be null and void.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is

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held invalid or unenforceable for any reason, all other provisions shall remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof shall be sent.

Very truly yours,

/s/ Frank J. Hansen

Frank J. Hansen

Agreed to and accepted by:

/s/ Rodney L. Usher

Rodney L. Usher

Date: April 30, 2000

6-MOS

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