PENNS WOODS BANCORP INC
Form 10-Q
August 07, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

for the Quarterly Period Ended June 30, 2007.

o Transition report pursuant to Section 13 or 15 (d) of the Exchange Act for the

Transition Period from to .

No. 0-17077

(Commission File Number)

PENNS WOODS BANCORP, INC.

(Exact name of Registrant as specified in its charter)

PENNSYLVANIA (State or other jurisdiction of incorporation or organization)	**23-2226454** (I.R.S. Employer Identification No.)
300 Market Street, Williamsport, Pennsylvania (Address of principal executive offices)	**17701-0967** (Zip Code)

(570) 322-1111

Registrant s telephone number, including area code

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 registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES x NO o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o Accelerated filer x Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES o NO x

On August 1, 2007 there were 3,881,782 shares of the Registrant s common stock outstanding.

PENNS WOODS BANCORP, INC.

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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

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PENNS WOODS BANCORP, INC.

CONSOLIDATED BALANCE SHEET

(UNAUDITED)

(In Thousands, Except Share Data)	**June 30, 2007**	**December 31, 2006**
ASSETS		
Noninterest-bearing balances	$ 11,315	$ 15,348
Interest-bearing deposits in other financial institutions	16	25
Total cash and cash equivalents	11,331	15,373
Investment securities, available for sale, at fair value	181,308	185,200
Investment securities held to maturity (fair value of $277 and $286)	275	283
Loans held for sale	5,345	3,716
Loans	356,175	360,384
Less: Allowance for loan losses	4,162	4,185
Loans, net	352,013	356,199
Premises and equipment, net	6,964	6,737
Accrued interest receivable	3,015	2,939
Bank-owned life insurance	12,149	11,346
Investment in limited partnerships	4,666	4,950
Goodwill	3,032	3,032
Other assets	6,474	2,510
TOTAL ASSETS	$ 586,572	$ 592,285
LIABILITIES		
Interest-bearing deposits	$ 335,903	$ 322,031
Noninterest-bearing deposits	70,000	73,160
Total deposits	405,903	395,191
Short-term borrowings	28,359	34,697
Long-term borrowings, Federal Home Loan Bank (FHLB)	76,378	82,878
Accrued interest payable	1,647	1,532
Other liabilities	4,565	3,393
TOTAL LIABILITIES	516,852	517,691
SHAREHOLDERS EQUITY		
Common stock, par value $8.33, 10,000,000 shares authorized; 4,005,342 and 4,003,514 shares issued	33,378	33,362
Additional paid-in capital	17,852	17,810
Retained earnings	26,974	25,783
Accumulated other comprehensive income (loss):		
Net unrealized (loss) gain on available for sale securities	(3,455)	2,139
Defined benefit plan	(579)	(579)
Less: Treasury stock at cost, 117,802 and 102,772 shares	(4,450)	(3,921)
TOTAL SHAREHOLDERS EQUITY	69,720	74,594
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	$ 586,572	$ 592,285

See accompanying notes to the unaudited consolidated financial statements.

PENNS WOODS BANCORP, INC.

CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

The annual cash incentive is designed to align our executive officers with our shareholder interests by having a significant port of the incentive based on record earnings per share achievement. For Fiscal 2007, 95% of the CEO cash incentive and 50% of t other executive officer cash incentive is based on achievement of record earnings per share. The Committee approves the range the payouts above the attainment of record earnings per share and these are reviewed annually by the Committee. For Fiscal 20 the financial performance measures and the percentage of the incentive based on these measures were as follows:

Performance Measure	**CEO**	**Corporate Executives**	**Business Unit Executives**
Earnings per Share	95%	50%	50%
Net Sales		15%	10%
Return on Investment		15%	15%
Net Operating Profit		15%	20%
Diversity in Management	5%	5%	5%

Annual cash incentive awards for executive officers with corporate responsibility are based on overall Company financial resul and annual cash incentive awards for executive officers with business unit responsibility are based on business unit results as w as overall Company results.

The net sales performance measure is based on attaining a record amount of net sales. The range of payments above the attainn of record net sales is established and approved by the Committee. The return on investment performance measure target is established as a worldwide corporate return on investment target of 15%. As established by the Committee, some business unit have a higher return on investment target. The net operating profit target measure is based on our annual planned net operating profit as established and approved by the Board of Directors. The diversity in management performance measure target is base pre-established percentage increase in the diversity of our management workforce (1.5 to 2.5% based on the executive s curre workforce).

The overall annual cash incentive payment for Fiscal 2007 for each of our Named Executive Officers is set forth in the table below:

Named Executive Officer	**Target Payment as a % of Base Salary**	**Target Award (Dollar Value)**	**Actual Award (Dollar Value)**	**Actual Award as a % of Base Salary**
William Cook	80%	$ 560,000	$ 1,021,300	145.9%
Thomas VerHage	60%	$ 192,000	$ 327,348	102.3%
Lowell Schwab	60%	$ 196,800	$ 301,014	91.8%
Geert Henk Touw	50%	$ 133,500	$ 214,821	80.5%
Charles McMurray	60% *	$ 148,500	$ 238,845	88.5%

*In September 2006, Mr. McMurray was promoted to Senior Vice President. The Committee approved increasing his annual target award from 40% of base salary to 60% of base salary effective November 1, 2006. His annual award was prorated with 25% of his award ($43,426) based on the 40% target and 75% of his award ($195,419) based on the 60% target.

An adjustment relating to a one time accounting event in Japan was approved for one Named Executive Officer, Mr. Touw, tha increased his cash incentive payment by $3,161. The adjustment added the $687,804

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difference between the actual gain recorded in the financial statements for the conversion in Fiscal 2007 of our defined benefit pension plan in Japan to a defined contribution plan and the estimated gain that was included in our Fiscal 2007 plan. Because these accounting uncertainties, it was determined prior to the beginning of Fiscal 2007 that we would adjust the calculation for Mr. Touw s business unit results to reflect the difference between the actual gain recorded in the financial statements and the g estimated in our plan. This adjustment was to be applied whether the difference was a favorable or unfavorable difference from plan. The Committee approved this adjustment.

Executive officers may choose to defer up to 100% of their annual cash incentive into the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan.

Executive officers may elect to receive a stock option grant in lieu of the cash bonus. If the executive makes this election, he/sh will receive a stock option grant equal to four times the annual cash incentive award divided by the stock price as of the date of grant. The exercise price of the option is the stock price on the date of the grant. For Fiscal 2007, no executive officers selected this option.

Long Term Compensation Plan

The Long Term Compensation Plan measures performance over a three-year period. The award is paid out at the end of th three-year period based on the attainment of pre-established performance goals. A new three-year performance cycle is establis each year.

The purpose of our Long Term Compensation Plan is to provide a long-term incentive for our executive officers which will rev them for the Company s achievement of predetermined levels of long-term performance. The award is paid out in Company st and is consistent with the key objectives of our executive compensation program by:

- Aligning our executive officers with the long-term interests of our shareholders by providing compensation in the form of Company stock
- Emphasizing our pay for performance philosophy
- Focusing leadership attention on delivering both business unit and overall company performance

The Committee approves each incentive cycle award, including the performance objectives, the award matrix and payout target (the number of performance units) for each executive officer. The target number of performance units is based on a percentage (ranging from 40% to 80% depending on the executive officer s position) of base salary divided by the twelve month weighted average stock price as of the end of the fiscal year in which the annual grant is made. The percentage varies by the executive officer s position as follows:

80% for the CEO

50% or 60% for the CFO and Senior Vice Presidents

40% for Vice Presidents

The plan performance objectives are based on two metrics; compounded growth in net sales and after-tax return on investment. These targets are set by the Committee prior to the beginning of the three-year cycle. Awards for corporate executive officers a based on overall company growth in net sales and return on investment and awards for executive officers with business unit responsibility are based 50% on business unit results and 50% on overall Company results.

The potential payouts under the plan range from 0% to 275% of the target shares based on the predetermined levels of achievement over the three-year period of net sales growth and return on investment. In addition, to continue to align our execu officers with our shareholders, if the annual earnings per share increase in the three-year period is at least 5% each year, then th payout is increased by 25%.

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For the performance cycle that ended July 31, 2007, the target shares and the actual share payout for the Named Executive Offi were:

Named Executive Officer	Target Shares	Actual Share Payout
William Cook	14,300	25,329
Thomas VerHage	5,400	28,694
Lowell Schwab	6,200	10,749
Geert Henk Touw	3,600	6,019
Charles McMurray	2,900	5,137

To compensate an officer new to the plan, the first award is increased by 200% because no payment is made for the first two ye of the incentive cycle. This award payout was Mr. VerHage s first award; his actual share payout prior to the increase for the f award was 9,565 shares.

The award payout was adjusted to remove the impact of two accounting events which occurred after the performance objective and targets were established by the Committee for this three year incentive period (Fiscal 2005 through Fiscal 2007). The awar payout was adjusted to remove the $2.8 million pre-tax effect of stock option expensing under SFAS 123(R) for Fiscal 2006 an $3.4 million pre-tax effect of such expensing for Fiscal 2007. The award payout was also adjusted to remove the $4.0 million ta change related to the repatriation of foreign earnings under the American Jobs Creation Act for Fiscal 2005 and the $3.6 millio tax change related to a similar repatriation for Fiscal 2006. The Committee approved these adjustments which are consistent wi the Long Term Compensation Plan policy.

An executive officer may elect to defer the Long Term Compensation Plan payout into the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan.

Stock Options

The Committee makes annual stock option awards to our executive officers. These awards are principally used to:

Align our executives interests with our shareholders

Attract and retain key executive talent

Stock options have a ten-year term and the annual stock option grants for executive officers are immediately vested as of the da of the grant. The option price is the closing price on the date of the grant. The number of options granted annually is equal to a multiple of the officer s base salary divided by the 12 month weighted average stock price. The multiplier is based on level as follows:

Three times base salary for the CEO

Two times base salary for Senior Vice Presidents

One times base salary for Vice Presidents

Stock option grants are made under the 2001 Master Stock Incentive Plan and all options are non-qualified stock options.

Stock options that are granted to an executive officer within the first five years of being named an officer have a reload provisio This provision provides a new option grant to be established upon exercise of the original grant. Reload stock options are automatically granted under the terms of the original stock option agreement to which they relate and no further action of the Committee is required. The reload stock option is granted for the number of shares tendered as payment for the exercise price a tax withholding obligation. The option price of the reload option is equal to the market price of the stock on the date of exercise and will expire on the same date as the original option which was exercised. The new option does not have a reload provision.

Prior to the year that the option is granted, an executive officer may elect to defer the gain on a stock option upon exercise into Donaldson Company, Inc. Deferred Stock Option Gain Plan.

Restricted Stock

Restricted stock awards are granted to executive officers only in special circumstances. The Committee may grant a restricted stock award as part of hiring a new executive officer or as a retention vehicle for an

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executive officer. Restricted stock grants generally have a five year cliff vesting schedule. No restricted stock awards were gran during Fiscal 2007 to our Named Executive Officers. However, some restricted stock grants made in previous years remain outstanding and are reflected in the Summary Compensation Table and the Outstanding Equity Awards at Fiscal Year-End Tab At the time the grant is awarded, an executive officer may elect to defer the restricted stock into the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan.

Stock Ownership

The Committee believes that linking a significant portion of the executive s personal holdings to the Company s success reflected in the stock price, provides officers a stake similar to that of our shareholders. Therefore, executive officers are expect to acquire and hold a significant amount of Donaldson stock. The Committee has established stock ownership requirements (ba on all shares of Company stock owned by an executive officer, including unvested restricted stock) for our executive officers a follows:

Ten times base salary for our CEO

Seven times base salary for Senior Vice Presidents

Five times base salary for Vice Presidents

In addition, officers must retain 25% of the net shares they receive through our plans from the Company in excess of their initia ownership target. New officers are expected to meet their ownership requirement within five years of being named an executiv officer. All our executive officers who have been in officer roles at Donaldson for five years have met their ownership requirements.

BENEFITS

Retirement Plans and Deferred Compensation Plans

Our executive officers are eligible to participate in the following retirement and deferred compensation plans:

- Salaried Employees Pension Plan
- Excess Pension Plan
- Employee Stock Ownership and Retirement Savings Plan
- Deferred Compensation and 401(k) Excess Plan
- Supplemental Executive Retirement Plan
- Deferred Stock Option Gain Plan
- ESOP Restoration Plan

These plans enhance the benefits provided to our executive officers and help us attract and retain top leadership talent.

The ***Salaried Employees Pension Plan*** is a defined benefit pension plan which provides retirement benefits to eligible U.S. employees through a cash balance benefit. It is designed to meet the requirements of a qualified plan under ERISA and the Inte Revenue Code. Participants in this plan accumulate benefits in a hypothetical account through company credits and interest cre For more details on this plan, refer to the discussion with the Pension Benefits Table.

The ***Excess Pension Plan*** mirrors the Salaried Employees Pension Plan. This plan is a non-qualified, unfunded plan that prov retirement benefits that cannot be paid under the Salaried Employees Pension Plan because of the IRS limits on benefits and compensation for qualified plans.

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The ***Employee Stock Ownership and Retirement Savings Plan*** (401(k) Plan) is a defined contribution plan designed to meet th requirements of a qualified plan under ERISA and the Internal Revenue Code and provided to encourage our employees to sav retirement. Most of our U.S. employees, including our executive officers, are eligible to participate in this plan. The primary pl features are:

- Participants can contribute up to 25% of their total cash compensation
- Contributions are made on a pre-tax basis
- The Company matches 100% of the first 3% of compensation that a participant contributes plus 50% of the next 2% of compensation that a participant contributes

An annual discretionary contribution may be made based on Company performance

All Company contributions are made in Donaldson stock and can be immediately moved into other funds by our participants

All contributions vest immediately

The ***Deferred Compensation and 401(k) Excess Plan*** is a non-qualified defined contribution and a non-qualified deferred compensation plan that is funded through a non-qualified rabbi trust. The features of the 401(k) excess portion of this plan are t same as the 401(k) Plan and participants receive the same Company match as described above under the 401(k) Plan. This port of the plan provides benefits that would have been provided under the 401(k) Plan except for the IRS limits placed on contributions to qualified 401(k) plans. Employees who reach that annual compensation limit for qualified plans are generally eligible to participate in this plan. That limit is $225,000 for 2007.

This plan also allows our executive officers to defer the following compensation:

Up to 75% of their base salary

Up to 100% of their annual cash incentive

Restricted stock grant

Up to 100% of Long Term Compensation Plan awards

Any deferred cash (base salary and annual cash incentive) will receive a matching company contribution as described under the 401(k) Plan above.

The ***Supplemental Executive Retirement Plan (SERP)*** is a non-qualified, unfunded retirement plan for our executive officers. SERP assures the participants a lump sum retirement benefit from all Company funded retirement programs (including any retirement benefits from a previous employer) equal to 30% of the participant s average compensation (average of the three hi consecutive years) multiplied by the participant s years of service (maximum of 20 years). To determine if any portion of this benefit would be payable under the SERP, all Company provided retirement benefits from the Salaried Employees Pension Pl the Excess Pension Plan, the Employee Stock Ownership and Retirement Savings Plan and the Deferred Compensation and 401 Excess Plan, plus any retirement benefits that are provided from a previous employer will offset the formula described above. date, no retired participant has received a benefit under the SERP. Normal retirement benefits are payable under the SERP at a 62 with ten years of service. A reduced early retirement benefit is payable at age 55 with fifteen years of service. Based on hir terms, Mr. VerHage, our CFO, is eligible for the SERP benefit after five years of service. The amount of his benefit is determi according to the plan (a reduced benefit will be payable if he retires prior to age 62 after five years of service).

The ***Deferred Stock Option Gain Plan*** allows our executive officers to make an irrevocable election prior to the year a stock option grant is awarded to defer any gain on that stock option when it is exercised.

The ***ESOP Restoration Plan*** is a non-qualified supplemental deferred compensation plan which was established by the Compa on August 1, 1990 and is funded through a non-qualified rabbi trust. This plan provided benefits that were not payable unde Company s Employee Stock Ownership Plan due to IRS limits on compensation. The Employee Stock Ownership Plan activel from August 1987 through July

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1997. The only new contributions made to this plan are for any quarterly dividend equivalents. These quarterly dividend equivalents are based on dividends paid on the Company s Common Stock.

For more details on these plans, refer to the discussion with the Pension Table and the Non-Qualified Deferred Compensation Table.

Health and Welfare Benefits

As part of supporting our practice of providing competitive compensation and benefits to all our employees, the Company provides a number of health and welfare benefit plans for our employees and their families. We provide the following benefits most of our salaried U.S. employees, including all of our executive officers, on the same terms and conditions of all such employees:

- Medical
- Dental
- Vision
- Short term and long term disability
- Life insurance
- Flexible spending accounts
- Vacation and holidays

Where applicable, these plans are qualified plans under ERISA and the Internal Revenue Code.

Perquisites

The Company provides our executive officers with perquisites that the Committee has approved as consistent with our overall compensation program and which assists us in attracting and retaining highly talented executives. The perquisites curre offered to all executive officers are:

- Annual reimbursement for financial planning, legal, or tax services up to the following amounts:
  - $8,000 for our CEO
  - $6,000 for our Senior Vice Presidents
  - $5,000 for our Vice Presidents
- A leased car with a fair market value of up to $38,760. The company pays all vehicle operation expenses
- An annual executive physical (having an approximate value of $5,000)
- A social country club membership for our CEO with a value of $1,952 for Fiscal 2007

Change in Control Agreements

The Company has entered into a Change in Control Agreement (CIC Agreement) with each of our executive officers. than the CIC Agreements, we do not have any employment contracts with our Named Executive Officers. The Committee beli that our CIC Agreements assist us in retaining our executive leadership. The CIC Agreements are also designed to enable our executive officers to maintain objectivity in the event of a change in control situation, which the Committee believes will prote the interests of our shareholders. The Committee reviews these CIC Agreements periodically to verify that they are competitive the market. The Committee s review of these agreements will be done with the assistance of an executive compensation consu in the fall of 2007. The Company also expects to make changes to these agreements due to tax law changes.

Upon a change in control, if the executive officer s employment with the Company is terminated:

- Within 24 months of the change in control without cause, Within 24 months of the change in control, or under certain circumstances a potential change in control, by the executive officer for good reason, or

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For any reason during the one month period commencing on the first anniversary of the change in control,

The CIC Agreements require the Company to pay or provide the following to the executive officer:

A lump sum equal to three times the sum of the executive officer s base salary plus the executive officer s target incentive from the annual plan then in effect

Thirty-six months of additional coverage under our medical, dental, vision, life, accident, and disability plans

A cash lump sum equal to:

° The value of the benefit under each pension plan assuming the benefit is fully vested and the executive had three additional years of benefit accrual;

less

° The value of the vested benefit accrued under the Salaried Employees Pension Plan, the Excess Pension Plan, and the Supplemental Executive Retirement Plan

A payment to reimburse the executive officer for any excise taxes on change in control payments that are considere excess parachute payments under Section 280G of the Internal Revenue Code plus income and employment taxes the tax gross up

Outplacement services, suitable to the executive s position, for up to three years

Under the Company s non-qualified deferred compensation plans and the excess plans described above, the payment to the executive officer of their vested benefit is accelerated to be payable in the form of a lump sum immediately following change i control followed by a qualifying termination.

Named Executive Officer Compensation

The performance evaluation and determination of the base salary, annual incentive and equity compensation for our CEO Mr. Cook, for 2007 was determined as described above in the Our Compensation Review Process section. Effective January 2007, Mr. Cook s base salary increased to $700,000; an increase of 12% over 2006. This brings Mr. Cook s base salary to slig over the 50^{th} percentile of the 2006 proxy data for our peer group and it was just below the median of the peer group. This char was based on Mr. Cook s performance and was consistent with the median of the benchmark data.

Mr. Cook earned an annual cash incentive for Fiscal 2007 of $1,021,300, which will be paid in October, 2007. This amount wa calculated as described above under the Annual Cash Incentive. Mr. Cook s annual cash incentive was based on an increase in Earnings per Share from $1.55 for Fiscal 2006 to $1.83 for Fiscal 2007; which is an 18% increase in Earnings per Share. This equated to a payout of 178.13% of the Target award. The diversity in management goal paid out at 4.25% of the target. Mr. Co total payout was 182.38% of the target award.

Mr. Cook received a Long Term Compensation Plan award of 25,329 shares. This award was determined as described above u Long Term Compensation Plan and was earned at 141.7% of the target plus the 25% increase for earnings per share growth. Th award was earned based on a compound net sales growth for the three year period of 10.8% and an average return on investme over the three year period of 16.6%.

Mr. Cook received an annual stock option grant on December 5, 2006 of 54,500 shares. This option grant is 100% vested and h ten-year term. The option price was $35.10, which was the closing stock price on the grant date of December 5, 2006. The amo of the option grant was determined as described above in the Stock Options section.

The performance evaluation and determination of the other Named Executive Officer s base salary, annual incentives and equi compensation was determined as described above in Our Compensation Review Process section. Each of the other Named Executive Officers is paid the same components of compensation as the CEO and they are determined as described in the Compensation Discussion and Analysis.

Tax Considerations

The Committee monitors any changes in regulations when reviewing the various elements of our executive compensation program. Section 162(m) of the Internal Revenue Code provides that compensation

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in excess of $1 million paid for any year to a corporation s chief executive officer and the three other highest paid executive officers (other than the chief financial officer) at the end of such year, will not be deductible for federal income tax purposes un the compensation qualifies as performance-based compensation and is paid or granted pursuant to a shareholder approved plan. The 1991 Master Stock Compensation Plan, now expired, and the 2001 Master Stock Incentive Plan were approved by stockholders in 1991 and 2001 respectively and limit the number of shares under a stock option or the Long Term Compensatio Plan that can be granted in any one year to any one individual to further the policy of preserving the tax deduction for compensation paid to executives. At our November 2005 Annual Meeting, our shareholders approved the Qualified Performance-Based Compensation Plan. Our Officer Annual Cash Incentive and our Long Term Compensation Plan were adop by the Committee as sub-plans of the Qualified Plan, subject to all the terms and limits of the Qualified Plan.

The awards provided by the Plans are intended to qualify as qualified performance-based compensation under Section 162(m) o the Internal Revenue Code. The Committee reviewed the potential consequences for the Company of Section 162(m) and belie that this provision did not affect the deductibility of compensation paid to our executive officers in Fiscal 2007.

Summary

The executive compensation program provides incentives to attain strong financial performance and to ensure alignment w shareholder interests. The Committee believes that our executive compensation program, with the strong emphasis on stock ownership and pay for performance, motivates our executive officers to produce strong returns for our shareholders and continu to create shareholder value.

SUMMARY COMPENSATION TABLE

The following table provides summary information concerning compensation paid or accrued by the Company to or on behalf o our Chief Executive Officer, our Chief Financial Officer, and each of our three other most highly compensated executive office who served in such capacities as of the end of the fiscal year (collectively, the Named Executive Officers) for services rende during the 2007 fiscal year.

Name and Principal	Year	Salary ($) (1)	Bonus ($)	Stock Awards	Option Awards	Non-equity Incentive	Change in Pension	All Other Compensation	Total (

Position			(2)	($) (3)	($) (4)	Plan Compensation ($) (6)	Value and Non-qualified Deferred Compensation Earnings (10)	(12)	
William Cook, Chairman, President and Chief Executive Officer	2007	695,193	0	893,507	554,948	1,021,300	1,408,670	98,935	4,672,5
Thomas VerHage, Vice President and Chief Financial Officer	2007	323,848	0	614,072	89,436(5)	327,348(7)	127,530(11)	54,076	1,536,3
Lowell Schwab, Senior Vice President, Engine	2007	336,597	0	344,241	182,449	301,014	237,329	43,478	1,445,1
Geert Henk Touw, Senior Vice President, Asia Pacific	2007	294,212	0	217,810	147,932	214,821(8)	130,219	33,455	1,038,4
Charles McMurray, Senior Vice President, Industrial	2007	273,079	0	194,400	94,930	238,845(9)	103,005	1,112	905,3

(1) Named Executive Officers are eligible to defer a portion of their base salary into the Deferred Compensation and 401(k) Excess Plan. Mr. VerHage deferred $193,155 of his base salary into the Plan, Mr. Schwab deferred $20,196 of his base salary into the Plan and Mr. McMurray deferred $16,616 of his base salary into the Plan. Participants can choose differen investment alternatives. Mr. VerHage, Mr. Schwab and Mr. McMurray chose to allocate their deferral to be credited with fixed rate of return equal to the ten-year Treasury Bond rate plus 2%.

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(2) The Company did not provide a bonus during the year to any of our Named Executive Officers that was not performance-based.

(3) This column reflects the compensation cost recognized by the Company for financial reporting purposes for the fiscal ye of restricted stock grants and awards under our Long Term Compensation Plan made under the Company s 2001 Master Stock Incentive Plan. These amounts were calculated in accordance with SFAS 123(R) on the same basis as used for financial reporting purposes for the fiscal year. These stock awards are valued based on the grant date market value.

We did not make any new restricted stock grants during the previous fiscal year to our Named Executive Officers. Mr. VerHage currently has an unvested restricted stock grant of 18,000 shares which vests on March 9, 2009. Divide are paid on restricted stock and are reflected in the All Other Compensation Column. The value included in this colu of Mr. VerHage s grant is $101,538. Mr. McMurray had a restricted stock grant of 4,000 shares that vested on Marc 2007. The value included in this column for Mr. McMurray s grant is $23,166.

This column also reflects the compensation cost for financial reporting purposes under SFAS 123(R) of the three Lon Term Compensation Plan incentive cycles that were active during fiscal year 2007: Cycle XVII, which runs from August 1, 2004 July 31, 2007: Cycle XVIII, which runs from August 1, 2005 July 31, 2008; and Cycle XIX, whi runs from August 1, 2006 July 31, 2009.

(4) This column represents the compensation costs for financial reporting purposes under SFAS 123(R) of stock option awa granted during the fiscal year under the Company s 2001 Master Stock Incentive Plan. These amounts were calculated i accordance with SFAS 123(R) on the same basis as used for financial reporting purposes for the fiscal year. Refer to Footnote H to the Consolidated Financial Statements in our Annual Report on Form 10-K for fiscal 2007 for our policy a assumptions made in the valuation of share-based payments. The fiscal 2007 stock option grants for our Named Executiv Officers were made on December 5, 2006, the date they were approved by the Committee. The grant price for those opti was the closing market price of the stock on that date. This column also reflects compensation costs of any stock option grants for our Named Executive Officers that are not yet fully vested (for grants made with three year vesting). The valu this column for Mr. Cook includes $17,463 which relates to a reload option which was granted on September 12, 2006.

(5) This represents the compensation costs for financial reporting purposes under SFAS123(R) of Mr. VerHage s Fiscal 20 option grant of 9,000 shares granted on December 5, 2006 and of his March 9, 2004 new hire grant of 25,000 shares whi became fully vested on March 9, 2007.

(6) This is the amount earned under our Annual Cash Incentive Plan as described in the Compensation Discussion and Anal for the fiscal year. This amount is expected to be paid by October 15, 2007.

(7) Mr. VerHage elected to defer his entire annual cash incentive of $327,348 to the Deferred Compensation and 401(k) Exc Plan.

(8) The Committee approved the adjustment of this award due to a one time accounting event in Japan which increased Mr. Touw s incentive award by $3,161. See the Compensation Discussion and Analysis under Annual Cash Incentive f further details.

(9) Mr. McMurray was promoted to Senior Vice President in September 2006 and effective November 2006, the Committee approved increasing his target percentage from 40% of base salary to 60% of base salary. His award for Fiscal 2007 was prorated with 25% based on the 40% target and 75% based on the 60% target. Mr. McMurray elected to defer 10%, $23,885, of his annual cash incentive to the Deferred Compensation and 401(k) Excess Plan.

(10) This includes the annual change in the value of our Named Executive Officer s pension benefits for the following plans

Salaried Employees Pension Plan

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Excess Pension Plan

Supplemental Executive Retirement Plan

This column also includes the amounts for the dollar value of the interest accrued that is above the market interest rates determined under SEC rules for compensation deferred under the Deferred Compensation and 401(k) Excess Plan. The interest rate for the deferred compensation plan is set by the Committee at the ten-year Treasury Bond rate plus 2%.

The amounts in Change in Pension Value and Non-Qualified Deferred Compensation Earnings column are as follows:

Name	Change in Pension Value	Above Market Interest	Total
William Cook	$ 1,387,252	$ 21,418	$ 1,408,670
Thomas VerHage	$ 113,717	$ 13,813	$ 127,530
Lowell Schwab	$ 237,095	$ 234	$ 237,329
Geert Henk Touw	$ 130,219	$ 0	$ 130,219
Charles McMurray	$ 102,950	$ 55	$ 103,005

(11) Includes the value of the SERP benefit for Mr. VerHage of $54,733. This amount reflects the Company s hiring terms w Mr. VerHage to be eligible for the SERP benefit with five years of service.

(12) Amounts in this column include:

Company match and discretionary contribution to the Retirement Savings and Employee Stock Ownership P and the Deferred Compensation and 401(k) Excess Plan in the following amounts:

Name	Company Match and Discretionary Contribution
William Cook	$ 80,608
Thomas VerHage	$ 26,268
Lowell Schwab	$ 24,628
Geert Henk Touw	$ 21,477
Charles McMurray	$ 16,908

Perquisites for financial planning services, automobile, executive physicals, and a social country club membership for Mr. Cook

Dividends on Restricted Stock Grants for Mr. VerHage and Mr. McMurray

The imputed income on the Company-provided basic life insurance in excess of $50,000

Expatriate adjustments for tax equalization repayments for Mr. McMurray and Mr. Touw of ($30,116) and ($8,979) respectively.

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GRANTS OF PLAN-BASED AWARDS TABLE

This table provides information regarding each grant of an award made to our Named Executive Officers during Fiscal 2007. T
includes the following payments made under:

Annual Cash Incentive Plan which were earned during Fiscal 2007

Long Term Compensation Plan incentive cycle which began August 1, 2006

Stock Options granted during Fiscal 2007

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards [2]			Estimated Future Payouts Under Equity Incentive Plan Awards [3]					
Name and Plan	Equity Award Grant Date [1]	Threshold	Target	Maximum	Threshold	Target	Maximum	All Other Options Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards ($/Sh) [7]	Grant Date Fair Value of Stock and Option Awards [7]
William Cook										
Annual Cash Incentive		$ 0	$ 560,000	$ 1,120,000						
Long Term Compensation Plan	7/28/2006				3,900	15,600	42,900			
Stock Options	9/12/2006							11,813(8)	$ 37.65(8)	$ 17,46
	12/5/2006							54,500(5)	$ 35.10(6)	$ 537,48
Thomas VerHage										
Annual Cash Incentive		$ 0	$ 192,000	$ 384,000						
Long Term Compensation Plan	7/28/2006				1,400	5,600	15,400			
Stock Options	12/5/2006							9,000(5)	$ 35.10(6)	$ 55,12
Lowell Schwab										
Annual Cash Incentive		$ 0	$ 196,800	$ 393,600						
Long Term Compensation Plan	7/28/2006				1,500	6,000	16,500			
Stock Options	12/5/2006							18,500(5)	$ 35.10(6)	$ 182,44
Geert Henk Touw										
Annual Cash Incentive		$ 0	$ 133,500	$ 267,000						
Long Term Compensation Plan	7/28/2006				333(4)	1,333(4)	3,666(4)			
Stock Options	12/5/2006							15,000(5)	$ 35.10(6)	$ 147,93
Charles										

Name and Plan McMurray	Equity Award Grant Date (1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (2)			Estimated Future Payouts Under Equity Incentive Plan Awards (3)			All Other Options Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards
Annual Cash		$ 0	$ 148,500	$ 297,000						
Incentive	7/28/2006				750	3,000	8,250			
Long Term Compensation Plan										
Stock Options	12/5/2006							15,500 (5)	$ 33.10 (6)	$ 94,93 (7)

(1) The Grant date for the Long Term Compensation Plan is the date the award was approved by the Committee. These amounts are reflected in the Estimated Future Payouts Under Equity Incentive Plan Awards columns. The Incentive Cyc runs from August 1, 2006 through July 31, 2009.

(2) The Threshold, Target and Maximum represent the range of payments under the Annual Cash Incentive Plan described i the Compensation Discussion and Analysis. The actual payment under this Annual Cash Incentive Plan is reflected in th Summary Compensation Table in the Non-Equity Incentive Plan Compensation column.

(3) The Threshold, Target and Maximum represent the range of payments under the Long Term Compensation Plan describe in the Compensation Discussion and Analysis. The amounts in these columns reflect shares of stock. The actual award payout under the Long Term Compensation Plan will be increased by 25% if the Earnings per Share goal of 5% per year achieved.

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(4) Since Mr. Touw retired on August 3, 2007, his payout under the Long Term Compensation Plan will be prorated to refle the period of this incentive cycle that Mr. Touw was actively employed. These amounts reflect 1/3 of the original award shares to reflect his active employment during one year of the three years of the incentive cycle.

(5) Annual Stock Options granted to our Named Executive Officers on December 5, 2006 as described in the Compensation Discussion and Analysis. These grants were approved by the Committee on the grant date. All options are granted with a exercise price equal to the closing price of the Company s common stock on the date of the grant and are immediately v on the date of grant.

(6) The option price is the closing stock price on the date the Committee approved the stock option grant, December 5, 2006

(7) This represents the SFAS 123(R) Fair Market Value of these awards which were determined using the Black-Scholes op pricing model as detailed in Footnote H to the Consolidate Financial Statements in our Annual Report on Form 10-K for Fiscal 2007.

(8) This is a reload option award, as described in the Compensation Discussion and Analysis under Stock Options, which wa granted on September 12, 2006 with a grant price of $37.65, the closing stock price on the date of the grant and was immediately vested. The reload option was approved by the Committee as part of the initial grant on December 5, 1996.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE

	Option Awards					Stock Awards	
Name	**Number of Securities Underlying Unexercised Options Exercisable**	**Option Exercise Price**	**Option Expiration Date**	**Number of Shares of Stock or Units Held That Have Not Vested**	**Market Value of Shares of Stock or Units That Have Not Vested (2)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested**	**Equity Incentive Plan Award Market Valu of Unearne Shares, Unit or Other Rights Tha Have Not Vested (2)**
William Cook	52,000	$ 11.3438	12/19/2007	0	$ 0	18,500(3)	$ 674,8
	52,000	$ 10.0000	12/3/2008	0	$ 0	19,500(4)	$ 711,3
	43,000	$ 11.5000	12/6/2009	0	$ 0		
	43,000	$ 12.9063	12/12/2010	0	$ 0		
	8,206	$ 15.0550	8/6/2011	0	$ 0		
	43,000	$ 18.1900	12/3/2011	0	$ 0		
	43,000	$ 17.7800	12/5/2012	0	$ 0		
	38,000	$ 30.3800	12/5/2013	0	$ 0		
	75,000	$ 25.7500	5/19/2014	0	$ 0		
	53,500	$ 30.6900	12/7/2014	0	$ 0		
	53,000	$ 32.8000	12/16/2015	0	$ 0		
	54,500	$ 35.1000	12/5/2016	0	$ 0		
Thomas VerHage	25,000	$ 28.2050	3/9/2014	18,000(1)	$ 656,640	7,250(3)	$ 264,4
	9,000	$ 30.6900	12/7/2014	0	$ 0	7,000(4)	$ 255,3
	9,000	$ 32.8000	12/16/2015	0	$ 0		
	9,000	$ 35.1000	12/5/2016	0	$ 0		
Lowell Schwab	30,692	$ 28.3500	12/3/2008	0	$ 0	7,750(3)	$ 282,7
	29,456	$ 27.8250	12/12/2010	0	$ 0	7,500(4)	$ 273,6
	31,699	$ 32.5000	12/3/2011	0	$ 0		
	31,404	$ 32.5000	12/5/2012	0	$ 0		
	36,000	$ 30.3800	12/5/2013	0	$ 0		
	20,500	$ 30.6900	12/7/2014	0	$ 0		
	20,000	$ 32.8000	12/16/2015	0	$ 0		
	18,500	$ 35.1000	12/5/2016	0	$ 0		
Geert Henk Touw	15,000	$ 30.3800	12/5/2013	0	$ 0	3,500(5)	$ 127,6
	18,000	$ 30.6900	12/7/2014	0	$ 0	1,666(6)	$ 60,7
	16,000	$ 32.8000	12/16/2015	0	$ 0		
	15,000	$ 35.1000	12/5/2016	0	$ 0		
Charles McMurray	5,000	$ 11.3438	12/19/2007	0	$ 0	3,875(3)	$ 141,3
	7,000	$ 10.0000	12/3/2008	0	$ 0	3,750(4)	$ 136,8
	6,000	$ 11.5000	12/6/2009	0	$ 0		

	Option Awards				Stock Awards	
6,000	$ 12.9063	12/12/2010	0	$	0	
7,000	$ 18.1900	12/3/2011	0	$	0	
6,000	$ 17.7800	12/5/2012	0	$	0	
13,000	$ 30.3800	12/5/2013	0	$	0	
7,000	$ 30.6900	12/7/2014	0	$	0	
7,000	$ 32.8000	12/16/2015	0	$	0	
15,500	$ 35.1000	12/5/2016	0	$	0	

(1) Mr. VerHage s restricted stock grant of 18,000 shares vests on March 9, 2009.

(2) The market value is calculated using the closing stock price on the NYSE at the end of Fiscal 2007.

(3) This is the Target payout for the Long Term Compensation Plan for the three year incentive period ending July 31, 2008 The target amount has been increased by 25% to reflect the assumed achievement of 5% annual earnings per share increa for each of the three years during the period.

(4) This is the Target payout for the Long Term Compensation Plan for the three year incentive period ending July 31, 2009 The target amount has been increased by 25% to reflect the assumed achievement of 5% annual earnings per share increa for each of the three years during the period.

(5) Since Mr. Touw retired on August 3, 2007, his payment from the Long Term Compensation Plan for the three year incentive period ending July 31, 2008 will be 66.7% of the original award to reflect his active employment for two years the three year incentive period. This is reflected in the amount shown in this column.

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(6) Since Mr. Touw retired on August 3, 2007, his payment from the Long Term Compensation Plan for the three year incentive period ending July 31, 2009 will be 33.3% of the original award to reflect his active employment for one year o the three year incentive period. This is reflected in the amount shown in this column.

OPTION EXERCISES AND STOCK VESTED TABLE

	Option awards		Stock awards [4]	
Name	**Number of Shares Acquired on Exercise**	**Value Realized on Exercise**	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting**
William Cook	52,000(1)	$ 1,535,300	25,329	$ 1,048,62
Thomas VerHage	0	$ 0	28,694(2)	$ 1,187,9
Lowell Schwab	32,864	$ 583,665	10,749(2)	$ 445,0
Geert Henk Touw	0	$ 0	6,019	$ 249,1
Charles McMurray			5,137(2)	$ 212,6
	0	$ 0	4,000(3)	$ 141,5

(1) Mr. Cook elected to defer 100% of the shares acquired on exercise to the Deferred Stock Option Gain Plan. 40,187 share were deferred into this non-qualified deferred compensation plan.

(2) Mr. VerHage, Mr. Schwab and Mr. McMurray elected to defer 100% of their shares to the Deferred Compensation and 401(k) Excess Plan as described under the Retirement Plans and Deferred Compensation Plans in the Compensation Discussion and Analysis.

(3) The restrictions on Mr. McMurray s March 19, 2004 restricted stock grant were lifted on March 19, 2007. He received 2 shares net of taxes withheld.

(4) The Committee approved the adjustment of this Long Term Compensation Plan Award to remove the impact of two accounting events which occurred after the performance objectives and targets were established by the Committee for th three year incentive period (Fiscal 2005 through Fiscal 2007). See the Compensation Disclosure and Analysis for more details.

Pension Benefits

The Company provides pension benefits to our executive officers through the following plans:

Salaried Employees Pension Plan

Excess Pension Plan

Supplemental Executive Retirement Plan

Salaried Employees Pension Plan

The Salaried Employees Pension Plan is a defined benefit plan that provides retirement benefits to our eligible employe through a cash balance benefit. Participants accumulate a benefit in a hypothetical account from interest credits and company contribution credits. The company contribution credits vary with service, age and compensation. A participant s benefit is 100 vested after five years of service. At retirement or termination, a participant who has a vested benefit can receive the benefit in form of a lump sum or an actuarially equivalent annuity.

An employee s account earns interest each year based on the average yield on one-year Treasury Constant Maturities during th month of June prior to the Plan Year plus 1%. This is the Interest Crediting Rate. The minimum annual interest crediting rate is 4.83%.

The company contribution credit consists of a basic company credit and an excess company credit. The basic company credit is equal to the basic company credit percentage (see table below) multiplied by a participant s compensation during the plan year excess company credit is equal to the excess company credit percentage (see table below) multiplied by a participant s compensation during the plan year which exceeds the social security taxable wage base. The compensation used in the calculat is total cash compensation paid during the plan year which is August 1 July 31.

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Company contribution credits are credited to the account balance at the end of each plan year. The basic and excess company contribution credit percentages are based on a participant s age plus years of service at the end of the plan year. As of July 31, 2007, the sum of age plus years of service for the Named Executive Officers was Mr. Cook, 80; Mr. VerHage, 57; Mr. Schwab 85; Mr. McMurray, 80; and Mr. Touw, 82.

The following are the company credit percentages:

Age plus Years of Service	**Company Credit Percentages**	
	Basic	**Excess**
Less than 40	3.0%	3.0%
40 49	4.0%	4.0%
50 59	5.0%	5.0%
60 69	6.5%	5.0%
70 or more	8.5%	5.0%

A special career credit is credited to a participant s account balance at the end of the year for those participants who had attaine age 40 and had at least 5 years of service on August 1, 1997. The special career credit is equal to 3% of compensation and cont through July 31, 2007, or if earlier through the plan year in which the participant attains 35 years of service. Mr. Cook, Mr. Schwab, Mr. McMurray and Mr. Touw were eligible for the special career credits.

Excess Pension Plan

The Excess Pension Plan mirrors the Salaried Employee s Pension Plan. This plan is an unfunded, non-qualified plan tha primarily provides retirement benefits that cannot be paid under the Salaried Employees Pension Plan due to the Internal Reve Code limitations on qualified plans for compensation and benefits. Vested benefits are paid out of this plan on or after terminat or retirement in annual installments of up to twenty years or a lump sum according to elections made by the participant in accordance with applicable IRS regulations.

Supplemental Executive Retirement Plan (SERP)

The SERP is designed to guarantee our executive officers a minimum lump sum retirement benefit from all Company fun retirement programs (including any retirement benefits from a previous employer) equal to 30% of the participant s average compensation (average of the three highest consecutive years) multiplied by years of service (maximum of 20 years). To deterr if any portion of this benefit would be payable under the SERP, all Company provided retirement benefits from the Salaried Employees Pension Plan, the Excess Pension Plan, the Employee Stock Ownership and Retirement Savings Plan and the Defe Compensation and 401(k) Excess Plan, plus any retirement benefits that are provided from a previous employer will offset the formula described above.

This benefit is payable at age 62 with ten years of service. Compensation in this plan is defined as base salary earned during the plan year plus the annual cash incentive earned during the plan year. A reduced benefit is available at age 55 with fifteen years service. The benefit is reduced by 2% for each year the benefit precedes age 62. Mr. VerHage, per his hiring terms, is eligible a benefit under the SERP after five years of service.

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PENSION BENEFITS TABLE

Name	**Plan Name**	**Number of Years of Credited**	**Present Value of Accumulated Benefit** [1]	**Payme Durin Last Fisca**

		Service		Year
William Cook	Salaried Employees Pension Plan	27	$ 457,454	$
	Excess Pension Plan	27	$ 875,909	$
	Supplemental Executive Retirement Plan (3)	27	$ 1,458,619	$
Thomas VerHage	Salaried Employees Pension Plan	3	$ 14,811	$
	Excess Pension Plan	3	$ 115,225	$
	Supplemental Executive Retirement Plan (2) (3)	3	$ 96,277	$
Lowell Schwab	Salaried Employees Pension Plan	27	$ 499,547	$
	Excess Pension Plan	27	$ 565,066	$
	Supplemental Executive Retirement Plan (3)	27	$ 480,640	$
Geert Henk Touw	Salaried Employees Pension Plan	21	$ 495,915	$
	Excess Pension Plan	21	$ 385,135	$
	Supplemental Executive Retirement Plan (3)	21	$ 0	$
Charles McMurray	Salaried Employees Pension Plan	27	$ 397,652	$
	Excess Pension Plan	27	$ 108,585	$
	Supplemental Executive Retirement Plan (3)	27	$ 0	$

(1) The present value of the accumulated benefit for the Salaried Employees Pension Plan and the Excess Pension Plan wa determined by projecting the August 1, 2007 cash balance amounts to age 65 using a 5.5% interest credit rate and discounting it using a 6% interest rate.

The present value of the Supplemental Executive Retirement Plan was determined by projecting the cash balance plans t age 62 using a 5.5% interest rate and projecting 401(k) plans to age 62 using a 9.75% interest rate. This amount was then discounted using a 6% interest rate.

No pre-retirement mortality or termination rates were used.

The actual accrued balances as of the end of Fiscal 2007 were as follows:

Name	Salaried Employees Pension Plan	Excess Pension Plan
William Cook	$ 482,066	$ 923,034
Thomas VerHage *	$ 15,558	$ 121,042
Lowell Schwab	$ 514,326	$ 581,784
Geert Henk Touw	$ 503,991	$ 391,408
Charles McMurray	$ 419,707	$ 114,607

* Mr. VerHage is not vested in his benefits under either plan. If he continues active employment, he will become 100% vested January 2009.

(2) Mr. VerHage is eligible for the Supplemental Executive Retirement Plan benefit after 5 years of service, per his hiring agreement.

(3) To be eligible for a benefit under the Supplemental Executive Retirement Plan, a participant must be at least age 55. As o the end of Fiscal 2007, only Mr. Schwab and Mr. Touw met that eligibility requirement for a benefit, if any, under this pl

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Non-Qualified Deferred Compensation

The Company allows executive officers to defer compensation through the following plans:

- Deferred Compensation and 401(k) Excess Plan
- Deferred Stock Option Gain Plan

Through the Deferred Compensation and 401(k) Excess Plan, the participants are eligible to defer the following:

- Up to 75% of base salary
- Up to 100% of Annual Cash Incentive
- Up to 100% of the Long Term Compensation Plan award
- Up to 100% of a restricted stock grant
- Up to 25% of compensation in excess of the qualified plan compensation limits ($225,000 for 2007)

Any deferred cash (base salary and annual cash incentive) will receive a matching company contribution as described under the 401(k) Plan in the Compensation Discussion & Analysis.

Participants have the following two investment alternatives for the deferrals of base salary and annual cash incentive:

- Allocate the account to be credited with a fixed rate of return equal to the ten-year Treasury Bond rate plus 2% (thi rate is approved annually by the Committee) or
- Allocate the account to one or more measurement funds. Several mutual fund investments are available.

Executive officers can elect to defer any gain on stock option exercises to the Deferred Stock Option Gain Plan. The deferral election must be made in the year prior to the year the stock option grant is awarded.

All stock deferrals (Long Term Compensation Plan awards, Restricted Stock Grants and Stock Option Gains) remain in stock a are paid out in stock. These deferrals earn any quarterly dividends that may be paid on Donaldson stock.

The Company also sponsors the ESOP Restoration Plan, which is a non-qualified supplemental deferred compensation plan tha was established on August 1, 1990 and is funded through a non-qualified rabbi trust. This plan provided benefits that were n payable under the Company s Employee Stock Ownership Plan due to IRS limits on compensation. The Employee Stock Ownership Plan was a leveraged ESOP and contributions were made to the plan from August 1987 through July 1997. Currentl the only new contributions made to the ESOP Restoration Plan are for any quarterly dividend equivalents. These quarterly dividend equivalents are based on dividends paid on the Company s Common Stock.

Payments are made under these plans in the form of a lump sum or annual installments of up to 20 years. The deferral elections and payment elections are made in accordance with the timing requirements of applicable IRS regulations.

NON-QUALIFIED DEFERRED COMPENSATION TABLE

Name	Executive Contributions in Last FY (1)	Registrant Contributions in Last FY (2)	Aggregate Earnings in Last FY	Aggregate Withdrawals/ Distributions	Aggregat Balance a Last FYE
William Cook	$ 2,548,760	$ 71,781	$ 235,074	$ 0	$ 8,573,7
Thomas VerHage	$ 476,901	$ 23,493	$ 90,189	$ 0	$ 1,469,7
Lowell Schwab	$ 582,478	$ 15,266	$ 39,515	$ 0	$ 1,183,2

Name	Executive Contributions in Last FY (1)	Registrant Contributions in Last FY (2)	Aggregate Earnings in Last FY	Aggregate Withdrawals/ Distributions	Aggregat Balance a Last FYE
Geert Henk Touw	$ 12,298	$ 12,298	$ 23,669	$ 0	$ 408,7
Charles McMurray	$ 36,123	$ 10,376	$ 8,628	$ 0	$ 155,5

(1) Includes amounts listed deferred into the non-qualified deferred compensation plans as follows:

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Deferred Salary of $193,155 for Mr. VerHage, $20,196 for Mr. Schwab and $16,616 for Mr. McMurray as reported in the Summary Compensation Table.

Deferred Annual Cash Incentive of $330,000 for Mr. Cook and $283,746 for Mr. VerHage as reported in the Summary Compensation Table.

Deferred Stock Option Gain of $1,466,019 for Mr. Cook.

Deferred Long Term Compensation Plan awards of $674,812 for Mr. Cook and $534,547 for Mr. Schwab.

401(k) Excess contributions of $77,929 for Mr. Cook, $27,735 for Mr. Schwab, $19,507 for Mr. McMurray a $12,298 for Mr. Touw as reported in All Other Compensation in the Summary Compensation Table.

(2) This reflects the company match for deferred salary, deferred bonus and 401(k) Excess contributions and the discretionar contributions on deferred salary and bonus and pay above IRS compensation limits.

(3) Includes balances for our Named Executive Officers from the non-qualified deferred compensation plans as follows:

Name	Deferred Compensation and 401(k) Excess Plan Balance at FYE	Deferred Stock Option Gain Plan Balance at FYE	ESOP Restoration Plan Balanc at FYE
William Cook	$ 6,647,157	$ 1,731,850	$ 194,7
Thomas VerHage	$ 1,469,701	$ 0	$
Lowell Schwab	$ 949,059	$ 0	$ 234,1
Geert Henk Touw	$ 202,230	$ 0	$ 206,5
Charles McMurray	$ 155,514	$ 0	$

Potential Payments upon Termination or Change in Control

The following discussion and tables reflect the amount of compensation that would be paid to the Named Executive Offic in the event of termination of employment of the executive under several different termination scenarios. Since Mr. Touw retire from Donaldson Company, Inc. on August 3, 2007, he was not included in these tables and discussion, with the exception of retirement.

Potential Payments upon Termination Absent a Change in Control

Retirement. Our executive officers are eligible for retirement at age 55 with five years of vesting service. As of the end Fiscal 2007, Mr. Schwab and Mr. Touw were eligible for retirement. As stated previously Mr. Touw retired on August 3, 2007.

Upon retirement, all outstanding non-vested stock options will continue to vest in accordance with the option schedule set forth the applicable option agreement. There were no non-vested stock options as of fiscal year end for Mr. Schwab or Mr. Touw. In addition, all outstanding stock options will continue to remain outstanding and become exercisable for the remainder of their respective ten year term (in accordance with the terms of the stock option plan document). Restricted stock grants that have not vested would be prorated at retirement. As of the end of Fiscal 2007, neither Mr. Schwab nor Mr. Touw had a restricted stock grant.

In the event of retirement during the fiscal year, the executive officer would receive a prorated annual cash incentive for the per of the year when actively employed. Mr. Touw will receive his full annual cash incentive (amount shown in the Summary Compensation Table) since he retired at fiscal year end. If Mr. Schwab had retired at fiscal year end, he would have received hi full annual cash incentive (as shown in the Summary Compensation Table).

For any Long Term Compensation Plan awards that are not vested (i.e., they are still within the three-year incentive cycle), a participant who retires receives a prorated payment at the end of the three-year incentive cycle based on the portion of the perio during which the participant was actively employed. Mr. Touw will receive 1/3 of the award for the cycle which ends July 31, 2009 and 2/3 of the award for the cycle which ends July 31, 2008 (see amounts listed in the Outstanding Equity Awards at Fisc Year End table). If

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Mr. Schwab had retired at fiscal year end, he would have received the same portions as Mr. Touw for the two outstanding long term compensation plan cycles.

Payments under our non-qualified deferred compensation plans and Excess Pension Plan would be paid according to the payme elections made by the Named Executive Officer. The amounts reflected in the Non-Qualified Deferred Compensation Table an Pension Benefits Table would have been payable according to the officer s payment elections in the event of a retirement at th of Fiscal 2007. The amounts in the Non-Qualified Deferred Compensation Table and the Pension Benefits Table (for the Exces plan) will be paid to Mr. Touw beginning six months after his retirement in five annual installments, per his election. If Mr. Schwab had retired at fiscal year end, a SERP benefit of $990,080 would have been payable to him in five annual installme beginning five years after his retirement (per his election).

Involuntary Termination. In the event of an involuntary termination not for cause, the Committee has the sole discretion to determine the amount, if any, of severance payments and benefits that will be offered to a Named Executive Officer. While we have no formal employment agreements with our executive officers and no formal severance policy, our general practice for U salaried employees is to pay severance equal to one week of base salary for each year of service, with a minimum of eight weel for directors and above. We generally pay for continued coverage for medical and dental for a period of three months. If the Committee were to follow our general practice, the following payments would be made to our Named Executive Officers if the had been involuntarily terminated at the end of Fiscal 2007:

Name	Severance	Benefit Continuation
William Cook	$ 363,462	$ 4,107
Thomas VerHage	$ 49,231	$ 3,741
Lowell Schwab	$ 170,308	$ 1,758

Name	Severance	Benefit Continuation
Charles McMurray	$ 140,192	$ 2,445

Upon involuntary termination, all outstanding non-vested stock options will stop vesting and the unvested portion will be forfei Outstanding vested stock options must be exercised within one month of such termination. Restricted stock grants that have no vested would be forfeited.

The annual incentive would not be paid if the executive officer was not employed on the last day of the fiscal year. If the involuntary termination occurred at fiscal year end for each of our Named Executive Officers, the amount listed in the Summar Compensation Table for the annual cash incentive would be payable to them. For any Long Term Compensation Plan awards t are not vested (i.e., they are still within the three-year incentive cycle), the participant will not receive any payment for those cycles.

Payments under our non-qualified deferred compensation plans and Excess Pension Plan would be paid according to the payme election made by the Named Executive Officer. The amounts reflected in the Non-Qualified Deferred Compensation Table and Pension Benefits Table would have been payable according to the officer s payment elections in the event of a termination at t end of Fiscal 2007. Under the SERP, a participant must be at least age 55 at termination of employment to be eligible to receiv benefit from the Plan. Had Mr. Schwab terminated at the end of the fiscal year, he would have received a SERP benefit of $990,080 which would have been payable in five annual installments beginning five years after his termination of employment (per his election). Since Mr. Cook, Mr. VerHage and Mr. McMurray were not age 55 at the end of Fiscal 2007, there would be SERP benefit payable to them if they had terminated at the end of the fiscal year.

Death. In the event of the death of an executive officer, all outstanding non-vested stock options would continue to vest in accordance with the schedule set forth in the applicable option agreement. As of the end of Fiscal 2007, there were no non-vest stock options for our Named Executive Officers. All outstanding vested stock options must be exercised by the officer s name beneficiary within 36 months of the officer s death.

Restricted stock grants that have not vested would be prorated at death, per the terms of the applicable restricted stock award agreement. As of the end of Fiscal 2007, Mr. VerHage is the only Named Executive Officer with a restricted stock award. Mr. VerHage s named beneficiary would have received 12,217 shares of his restricted stock grant had he died at fiscal year en

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In the event of death during the fiscal year, the executive officer s beneficiary would receive a prorated annual cash incentive f the period of the year when actively employed. If a death occurred at fiscal year end for each of our Named Executive Officers amount listed in the Summary Compensation Table for the annual cash incentive for each Named Executive Officer would be p to his beneficiary.

For any Long Term Compensation Plan awards that are not vested (i.e., they are still within the three-year incentive cycle), the participant s beneficiary would receive a prorated payment at the end of the three-year incentive cycle based on the portion of period during which the participant was actively employed. Had a death of our Named Executive Officers occurred at fiscal ye end, their beneficiary would have received 1/3 of the long term compensation cycle which ends on July 31, 2009 and 2/3 of the long term compensation cycle which ends on July 31, 2008 (see the Outstanding Equity Awards at Fiscal Year End Table).

Upon the death of a Named Executive Officer, payments under our non-qualified deferred compensation plans and excess pens plan would be accelerated. A lump sum payment would be paid to the officer s named beneficiary upon death. The amounts reflected in the Non-Qualified Deferred Compensation Table and Pension Benefits Table would have been payable to the name beneficiary as a lump sum in the event of the death of a Named Executive Officer at the end of Fiscal 2007.

Under the SERP, if a participant dies after 15 years of service and prior to age 62, their named beneficiary will receive a lump s benefit from the Plan. If the Named Executive Officers had died at the end of Fiscal 2007, their beneficiaries would have receiv the following lump sum from the plan:

Name	SERP Benefit
William Cook	$ 3,942,161
Thomas VerHage	$ 0
Lowell Schwab	$ 990,080
Charles McMurray	$ 661,017

Disability. In the event of the disability of an executive officer, all outstanding non-vested stock options continue to vest. As the end of Fiscal 2007, there were no non-vested stock options for our Named Executive Officers. All outstanding vested stock options would have to be exercised within 36 months of disability.

Restricted stock grants that have not vested would be prorated at disability, per the terms of the applicable restricted stock awar agreement. Mr. VerHage, the only Named Executive Officer with a restricted stock award, would have received 12,217 shares his restricted stock grant had he become disabled at fiscal year end.

Upon the occurrence of a disability, each executive officer who participates in our long-term disability program, will receive ar annual benefit equal to 60% of total cash compensation until the earlier of: (a) age 65; (b) recovery from the disability; or (c) de under our current insurance policies (the portion of compensation up to $200,000 is fully insured and payable by our insurance company and the portion of compensation in excess of $200,000 is self insured and payable by the company.) Had our Named Executive Officers become disabled at fiscal year end, they would have received annual disability benefits as follows:

	Annual Disability Benefit	
Name	Fully Insured Portion	Self Insured Portion
William Cook	$ 120,000	$ 880,962
Thomas VerHage	$ 120,000	$ 237,172
Lowell Schwab	$ 120,000	$ 269,069
Charles McMurray	$ 120,000	$ 140,116

In the event of the disability during the fiscal year, the executive officer would receive a prorated annual cash incentive for the period of the year when actively employed per the terms of the plan. If a disability had occurred at fiscal year end for each of o Named Executive Officers, the amount listed in the Summary Compensation Table for the annual cash incentive would be paid them.

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For any Long Term Compensation Plan awards that are not vested (i.e., they are still within the three-year incentive cycle), a disabled participant would receive a prorated payment at the end of the three-year incentive cycle based on the portion of the period during which the participant was actively employed. Had a disability of our Named Executive Officers occurred at fisca year end, they would have received 1/3 of the long term compensation cycle which ends on July 31, 2009 and 2/3 of the long te compensation cycle which ends on July 31, 2008 (see the Outstanding Equity Awards at Fiscal Year-End Table).

In the event of a qualifying disability, payments under our non-qualified deferred compensation plans and Excess Pension Plan would be accelerated. A lump sum payment would be paid at disability. The amounts reflected in the Non-Qualified Deferred Compensation Table and Pension Benefits Table would have been payable as a lump sum in the event of the disability of a Nar Executive Officer at the end of Fiscal 2007.

Under the SERP, if a participant becomes disabled after 15 years of service and prior to age 62, they will receive a lump sum benefit from the Plan. If the Named Executive Officers had become disabled at the end of Fiscal 2007, they would have receive the following lump sum from the plan:

Name	**SERP Benefit**
William Cook	$ 3,942,161
Thomas VerHage	$ 0
Lowell Schwab	$ 990,080
Charles McMurray	$ 661,017

Voluntary Termination and Termination for Cause. A Named Executive Officer is not entitled to receive any additional forms of severance payments or benefits upon his voluntary decision to terminate employment prior to being eligible for retirem or upon his termination by the Company for cause.

Payments under our non-qualified deferred compensation plans and Excess Pension Plan would be paid according to the payme election made by the Named Executive Officer. The amounts reflected in the Non-Qualified Deferred Compensation Table and Pension Benefits Table would have been payable according to the officer s payment elections in the event of a termination at t end of Fiscal 2007. Under the SERP, a participant must be at least age 55 at termination of employment to be eligible to receive benefit from the Plan. Had Mr. Schwab terminated at the end of the fiscal year, he would have received a SERP benefit of $990,080 payable in five annual installments beginning five years after his termination of employment. Since, Mr. Cook, Mr. VerHage and Mr. McMurray were not age 55 at the end of Fiscal 2007, there would be no SERP benefit payable to them if they had terminated at the end of the fiscal year.

Potential Payments and Benefits upon Termination Following or in Connection with a Change in Control

Upon the occurrence of a change in control , as generally defined below, whether or not there is a qualifying terminatio employment:

All outstanding unvested stock options will immediately vest and become exercisable. As of the end of Fiscal 2007 there were no outstanding unvested stock options for our Named Executive Officers.

All shares of restricted stock will immediately vest and become unrestricted. As of the end of Fiscal 2007, Mr. VerHage is the only Named Executive Officer with unvested restricted stock.

Any long term compensation plan incentive cycles would immediately vest and be paid out in a lump sum equal to target incentive multiplied by the applicable earnings per share multiplier.

An amount equal to the excise taxes and income and employment taxes charged, if any, to the Named Executive Officer as a result of any change in control payments would be paid to the Named Executive Officer.

We have also entered into Change in Control Agreements (CIC Agreements) with each of the Named Executive Officers. Generally, a change in control includes the occurrence of any of the following events or circumstances:

(a) The acquisition of 25% or more of the combined voting power of the Company s outstanding shares, other than an acquisition from or by the Company or any Company-sponsored employee benefit plan

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(b) Consummation of a merger or other business consolidation of the Company other than a transaction where the Company s pre-transaction shareholders retain at least 60% ownership of the surviving entity

(c) A change in the Board of Directors composition in which the incumbent directors, meaning those directors who we not elected in a contested fashion, are no longer a majority of the Board. The CIC Agreements specify the circumstances under which a director is deemed to have been elected in a contested fashion

(d) Approval of a plan of liquidation or dissolution or a consummated agreement for the sale of all or substantially all the Company s assets to an entity, unless the Company s pre-transaction shareholders retain at least 60% ownersh the surviving entity

The CIC Agreements provide that upon a qualifying termination of employment in connection with a change in control (see the Compensation Discussion and Analysis under the Change in Control Agreements for more information on a qualifying termination), in addition to the accelerated vesting of stock options and restricted stock and the Long Term Compensation Plan described above, each executive officer will receive:

A lump sum severance payment, in cash, equal to three times the sum of the executive officer s base salary at termination and the then applicable target annual cash incentive

A lump sum of additional pension benefits equal to:

- The value of the benefit under each pension plan assuming the benefit is fully vested and the executive had three additional years of benefit accrual; less
- The value of the vested benefit accrued under the Salaried Employees Pension Plan, the Excess Pension Plan, a the Supplemental Executive Retirement Plan

36 months of continued health, life, disability, and accident benefits

Outplacement services suitable to the executive s position for a period of three years or until the first acceptance o employment offer if earlier than three years

An amount equal to the excise taxes and income and employment taxes charged, if any, to the Named Executive Officer as a result of any change in control payments

This table reflects the additional amounts per our CIC Agreements and the accelerated vesting of stock options, restricted stock and long term compensation awards that would be paid to our Named Executive Officers if a Change in Control had occurred a the officer had a qualifying termination of employment effective July 31, 2007:

	William Cook	Thomas VerHage	Lowell Schwab	Charles McMurray
Cash Severance	$ 3,780,000	$ 1,440,000	$ 1,528,800	$ 999,6
Equity				
Long Term Compensation Plan (1)	$ 684,082	$ 260,321	$ 278,483	$ 139,2
Restricted Stock (2)	$ 0	$ 655,020	$ 0	$
Stock Option	$ 0	$ 0	$ 0	$

	William Cook		Thomas VerHage		Lowell Schwab		Charles McMurray
Retirement Program Payments (3)	$	6,082,553	$	866,807	$	374,727	$ 1,492,2
Benefit Continuation (4)	$	39,131	$	35,927	$	18,467	$ 24,4
Outplacement (5)	$	75,000	$	75,000	$	75,000	$ 75,0
Excise Tax Gross Up	$	3,535,226	$	1,379,546	$	0	$ 891,6
Total	$	14,195,992	$	4,712,621	$	2,275,477	$ 3,622,2

(1) This amount represents the vesting of the two Long Term Compensation Plan cycles that are in process as of July 31, 20 This assumes payment at target with the 25% increase for Earnings per Share achievement.

(2) This amount represents the value of unvested Restricted Stock grant at the closing stock price at the end of the fiscal yea

(3) This amount represents the lump sum value of additional pension benefits equal to:

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The value of the benefit under each pension plan assuming the benefit is fully vested and the executive had th additional years of benefit accrual; less

The value of the vested benefit accrued under the Salaried Employees Pension Plan, the Excess Pension Pla and the Supplemental Executive Retirement Plan

(4) This amount represents the value of benefit continuation for three years based on our current premium levels.

(5) This amount is based on the assumption that the Named Executive Officer would utilize $25,000 per year in outplaceme services for the full three years.

With a Change in Control followed by a termination within 24 months, any payments under the non-qualified deferred compensation plans described in the Compensation Discussion & Analysis and the discussion with the Non-qualified Deferred Compensation Table would become immediately payable to the participant in the form of a lump sum.

With a Change in Control followed by a termination within 24 months, any payments under the Excess Pension Plan and SERF described in the Compensation Discussion & Analysis and the discussion with the Pension Table would also become immediat payable to the participant in the form of a lump sum. Under the Salaried Employees Pension Plan and the Excess Pension Plan upon a change in control any accrued benefits become immediately vested. As of the end of Fiscal 2007, all Named Executive Officers are 100% vested under these plans with the exception of Mr. VerHage. The value of Mr. VerHage s accrued benefit u these plans at the end of Fiscal 2007 is reflected in Retirement Program Benefits in the above table.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company s directors and executive officers to file initial rep of ownership and reports of changes in ownership with the SEC and the NYSE. To the Company s knowledge, based on a revi of copies of such forms and representations furnished to the Company during fiscal 2007, all Section 16(a) filing requirements applicable to the Company s directors and executive officers were satisfied except that:

We filed a Form 4 on behalf of Geert Henk Touw on October 27, 2006 to report a sale on October 17, 2006 of 16,0 shares by Mr. Touw s spouse and a separate sale on October 17, 2006 of 14,619 shares by Mr. Touw.

We filed a Form 4 on behalf of Charles McMurray on March 26, 2007 to report the disposition of 1,362 shares on March 19, 2007 pursuant to the vesting of a restricted stock grant and the payment of tax liability by withholding t shares.

By Order of the Board of Directors

Norman C. Linnell
Secretary

October 5, 2007

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Donaldson Company, Inc. Annual Meeting of Stockholders
Friday, November 16, 2007, at 1:00 p.m.
Held at the Corporate Offices
of Donaldson Company, Inc., Campus West (new location)
2001 West 94th Street, Suite 103
Minneapolis, Minnesota

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DONALDSON COMPANY, INC.

ANNUAL MEETING OF STOCKHOLDERS

November 16, 2007

1:00 p.m., Central Time

Donaldson Company, Inc., Inc. Campus West (new location)

2001 West 94th Street, Suite 103

Minneapolis, Minnesota

Your telephone or Internet vote authorizes the Named Proxies to vote your shares

in the same manner as if you marked, signed and returned your proxy card.

Donaldson Company, Inc.

Proxy

The undersigned appoints WILLIAM M. COOK, NORMAN C. LINNELL and AMY C. BECKER, and each of them, as Proxies, each with the power to appoint a substitute, to represent and vote, as designated on the reverse side, all shares of the undersigned at the 2007 Annual Meeting of Stockholders of Donaldson Company, Inc. at Donaldson Company, Inc. Campus West (new location), 2001 West 94th Street, Suite 103, Minneapolis, Minnesota, at 1:00 p.m., Central Time, on Friday, November 16, 2007, and at any adjournment thereof.

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the Meeting or any adjournment thereof.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED FOR EACH PROPOSAL. THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS, DONALDSON COMPANY, INC.

Address Changes/Comments: ____
____

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

(Continued, and to be signed and dated on other side)

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DONALDSON COMPANY, INC.

P.O. BOX 1299

MINNEAPOLIS, MN 55440-1299

PLEASE VOTE PROMPTLY

If you vote by Phone or Internet, please do not mail your Proxy Card

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. (Central time) on November 15, 2007. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE SHAREHOLDER COMMUNICATIONS

If you would like to reduce the costs incurred by Donaldson Company, Inc. in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access shareholder communications electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. (Central time) on November 15, 2007. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Donaldson Company, Inc., c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: DONCO1 KEEP THIS PORTION FOR YOUR RECORDS

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED. DETACH AND RETURN THIS PORTION ONLY

DONALDSON COMPANY, INC.

The Board of Directors recommends votes FOR:

Vote on Directors		For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark For All Except and write the name(s) of the nominee(s) on the line below.
1. Election of directors:	01 **William M. Cook**				
	02 **Michael J. Hoffman**				
	03 **Willard D. Oberton**				
	04 **John P. Wiehoff**	o	o	o	

Vote on Proposal	For	Against	Abstain
2. Ratify the appointment of PricewaterhouseCoopers LLP as Donaldson Company, Inc s independent registered accounting firm to audit the Company s financial statements for the fiscal year ending July 31, 2008.	o	o	o

PLEASE DATE AND SIGN BELOW exactly as name appears, indicating, if appropriate, official position or representative capacity. If stock is held in joint tenancy, each joint owner should sign.

For address changes and/or comments, please check this box and write them on the back where indicated. o

	Yes	No
Please indicate if you would like to keep your vote confidential under the current policy.	o	o
Please indicate if you plan to attend this meeting.	o	o

Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date