

As filed with the Securities and Exchange Commission on July 27, 2001

Registration No. 333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SUN HYDRAULICS CORPORATION
(Exact Name of Issuer as Specified in its Charter)

FLORIDA	59-2754337
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1500 WEST UNIVERSITY PARKWAY
SARASOTA, FL 34243
(Address of principal executive offices)

SUN HYDRAULICS CORPORATION
2001 EMPLOYEE STOCK PURCHASE PLAN
(Full Title of Plan)

ALLEN J. CARLSON
PRESIDENT AND CEO
SUN HYDRAULICS CORPORATION
1500 WEST UNIVERSITY PARKWAY
SARASOTA, FL 34243
(941) 362-1200
(Name, Address and Telephone Number of Agent for Service)

Copy to:

GREGORY C. YADLEY, ESQUIRE
SHUMAKER, LOOP & KENDRICK, LLP
101 EAST KENNEDY BLVD., SUITE 2800
TAMPA, FL 33602
(813) 229-7600

CALCULATION OF REGISTRATION FEE

<TABLE>

$\langle S \rangle$ $\langle C \rangle$ $\langle C \rangle$ $\langle C \rangle$ $\langle C \rangle$

TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED (1)	PROPOSED MAXIMUM OFFERING PRICE PER SHARE (2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE (2)	AMOUNT REGISTRATION FEE
Shares of Common Stock, par value \$.001 per share	325,000 shares	\$ 8.10	\$2,632,500	\$658.13

(1) A maximum of 325,000 shares may be issued under the 2001 Employee Stock Purchase Plan. Such shares may be in whole or in part, as the Board of Directors of the Registrant shall determine, from authorized but unissued shares of Common Stock or issued shares of Common Stock which shall have been reacquired by the Registrant.

(2) Estimated solely for the purpose of calculating the registration fee. Pursuant to Rule 457(h), the fee is calculated on the basis of the average of the high and low prices for the Registrant's Common Stock reported in The Nasdaq

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents filed by the Registrant (Exchange Act File No. 0-21835) with the Securities and Exchange Commission are incorporated herein by reference and made a part hereof:

- (a) The Registrant's most recent annual report on Form 10-K, or, if the financial statements therein are more current, the Registrant's most recent prospectus, other than the prospectus of which this document is a part, filed pursuant to rule 424(b) of the Commission under the Securities Act of 1933.
- (b) All other reports filed by the Registrant pursuant to sections 13(a) or 15(d) of the Securities Exchange Act of 1934 since the end of the fiscal year covered by the annual report or the prospectus referred to in (a) above.
- (c) The description of the Registrant's Common Stock which is contained in the Registrant's registration statement filed under Section 12 of the Securities Exchange Act of 1934, including any amendment or reports filed for the purpose of updating such description.

All documents subsequently filed by the Registrant with the Commission pursuant to Sections 13(a), 13(c), 14, and 15(d) of the Exchange Act after the date of this Registration Statement, but prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered by this Registration Statement have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference into this Registration Statement. Each document incorporated by reference into this Registration Statement shall be deemed to be a part of this Registration Statement from the date of the filing of such document with the Commission until the information contained therein is superseded or updated by any subsequently filed document which is incorporated by reference into this Registration Statement or by any document which constitutes part of the prospectus relating to the Sun Hydraulics Corporation 2001 Employee Stock Purchase Plan (the "Plan") which is used to satisfy the requirements of Section 10(a) of the Securities Act of 1933 and Rule 428 promulgated thereunder.

ITEM 4. DESCRIPTION OF SECURITIES

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL

Not applicable.

II-1

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

As authorized by the Florida Business Corporation Law ("FBCL"), the registrant's Articles of Incorporation ("the Articles") limits the liability of Directors of the registrant for monetary damages. The effect of this provision in the Articles is to eliminate the rights of the registrant and its shareholders (through shareholders' derivative suits on behalf of the registrant) to recover monetary damages against a Director for breach of the fiduciary duty of care as a Director (including breaches resulting from negligent behavior) except in certain limited situations. This provision does not limit or eliminate the rights of the registrant or any stockholder to seek non-monetary relief such as an injunction or rescission in the event of a breach of a Director's duty of care. These provisions will not alter the liability of Directors under federal securities laws.

The Articles provides that the registrant shall indemnify its Directors, officers, employees and agents to the maximum extent and under all

circumstances permitted by the FBCL. The registrant believes that these provisions will assist the registrant in attracting and retaining qualified individuals to serve as Directors and officers.

In addition, the registrant has entered into Indemnity Agreements with its Directors and executive officers providing for indemnification to the fullest extent permitted by law. The Indemnity Agreements also establish the presumption that the Director or executive officer has met the applicable standard of conduct required for indemnification. The agreements provide for litigation expenses to be advanced to a Director or executive officer at his or her request provided that he or she undertakes to repay the amount advanced if it is ultimately determined that he or she is not entitled to indemnification for such expenses. The Indemnity Agreements' indemnification provisions applicable to a derivative suit provide for indemnification for amounts paid in settlement and partial indemnification in the event that a Director or executive officer is not entitled to full indemnification.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED

Not applicable.

ITEM 8. EXHIBITS

EXHIBIT INDEX

<TABLE>

<CAPTION>

Exhibit No.	Description
<S>	<C>
4	Sun Hydraulics Corporation 2001 Employee Stock Purchase Plan.
5	Opinion of Shumaker, Loop & Kendrick, LLP as to the legality of the securities being registered.
23.1	Consent of Shumaker, Loop & Kendrick, LLP (included in their opinion filed as Exhibit 5).
23.2	Consent of PricewaterhouseCoopers LLP, independent certified public accountants

</TABLE>

II-2

ITEM 9. UNDERTAKINGS

1. The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933 (the "Securities Act");

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (1)(a)(i) and (1)(a)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") that are incorporated by reference in the registration statement.

(b) That, for purposes of determining any liability under

the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) To remove from registration by means of post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

2. The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities

II-3

offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. The undersigned registrant hereby undertakes to deliver or cause to be delivered with the prospectus, to each person to whom the prospectus is sent or given, the latest annual report to security holders that is incorporated by reference in the prospectus and furnished pursuant to and meeting the requirements of Rule 14a-3 or Rule 14c-3 under the Exchange Act; and, where interim financial information required to be presented by Article 3 of Regulation S-X is not set forth in the prospectus, to deliver, or cause to be delivered to each person to whom the prospectus is sent or given, the latest quarterly report that is specifically incorporated by reference in the prospectus to provide such interim financial information.

4. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding,) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

II-4

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Sarasota, State of Florida, on this 26th day of July, 2001.

SUN HYDRAULICS CORPORATION

By: /s/ Allen J. Carlson

Allen J. Carlson,
President and CEO

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Allen J. Carlson his true and lawful attorney-in-fact and agent, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated on this 26th day of July, 2001.

<TABLE>
<CAPTION>

SIGNATURE	TITLE
<S>	<C>
/s/ Clyde G. Nixon	

Clyde G. Nixon	Chairman of the Board of Directors
/s/ Allen J. Carlson	

Allen J. Carlson	President, Chief Executive Officer and Director

</TABLE>

II-5

<S>	<C>
/s/ Richard J. Dobbyn	Chief Financial Officer (Principal Financial and Accounting Officer)

Richard J. Dobbyn	
/s/ John S. Kahler	

John S. Kahler	Director
/s/ Christine L. Koski	

Christine L. Koski	Director
/s/ Robert E. Koski	

Robert E. Koski	Director
/s/ Ferdinand E. Megerlin	

Ferdinand E. Megerlin	Director
/s/ Taco van Tijn	

Taco van Tijn	Director
/s/ David N. Wormley	

David N. Wormley	Director

</TABLE>

II-6

EXHIBIT INDEX

The following exhibits are filed herewith as part of this Registration Statement:

<TABLE>

<CAPTION>

Exhibit No.	Description
-----	-----
<S>	<C>
4	Sun Hydraulics Corporation 2001 Employee Stock Purchase Plan.
5	Opinion of Shumaker, Loop & Kendrick, LLP as to the legality of the securities being registered.
23.1	Consent of Shumaker, Loop & Kendrick, LLP (included in their opinion filed as Exhibit 5).
23.2	Consent of PricewaterhouseCoopers LLP, independent certified public accountants.

</TABLE>

EXHIBIT 4

SUN HYDRAULICS CORPORATION EMPLOYEE STOCK PURCHASE PLAN (AS AMENDED THROUGH JUNE 18, 2001)

1. PURPOSES

The Sun Hydraulics Corporation Employee Stock Purchase Plan (the "Plan") is intended to provide employees of Sun Hydraulics Corporation, a Florida corporation (the "Company") and its Subsidiaries with an opportunity to acquire shares of the Company's Common Stock at an advantageous price, with savings accumulated through payroll deductions. It is the intention of the Company that the Plan be an "employee stock purchase plan" under Section 423 of the Code. The provisions of the Plan shall, accordingly, be construed in a manner consistent with the requirements of that section of the Code.

2. DEFINITIONS

- A. "Agent" means the firm appointed by the Company's Board of Directors to carry out the functions assigned to the Agent.
- B. "Board of Directors" means the Company's Board of Directors.
- C. "Closing Market Price" means the last sale price of the Common Stock as reported on the Nasdaq National Market (or any other exchange or quotation system, if applicable) on the date specified; or if no sales occurred on such day, at the last sale price reported for the Common Stock; but if there should be any material alteration in the present system of reporting sales prices of such Common Stock, or if such Common Stock should no longer be listed on the Nasdaq National Market (or other exchange or quotation system), or if the last sale price reported shall be on a date more than 30 days from the date in question, the market value of the Common Stock as of a particular date shall be determined in such a method as shall be specified by the Plan's Agent.
- D. "Code" means the Internal Revenue Code of 1986, as amended.
- E. "Common Stock" means the Company's common stock, par value \$.001 per share, as traded on the Nasdaq National Market.
- F. "Compensation" means cash compensation before any payroll deductions for taxes or any other purpose, paid by the Company or a Subsidiary to a Participant in respect of the service of such Participant to the Company or a Subsidiary during an Offering Period. This amount shall be deemed to include any amount that the Participant has elected to defer for federal income tax purposes under any 401(k) savings plan, cafeteria plan or deferred compensation plan maintained by the Company or a Subsidiary. Compensation shall not include any amount paid to the Participant that
 - (i) is paid during the relevant Offering Period under any employee pension benefit plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")); (ii) is calculated as an excess, incentive compensation or bonus amount; and (iii) except as otherwise provided in the preceding sentence, is not included in the income of the Participant for federal income tax purposes.
- G. "Enrollment Date" means August 1, 2001, and the first day of any calendar quarter thereafter.
- H. "Offering Date" means August 1, 2001, and the first day of any calendar quarter thereafter.
- I. "Offering Period" means the period from August 1, 2001 through

September 30, 2001, and thereafter, the three-month period commencing on any Offering Date after the first Offering Date and ending on the Purchase Date.

- J. "Option" means the right of a Participant to acquire Common Stock pursuant to Plan provisions.
- K. "Participant" means an eligible employee who has authorized payroll deductions for the purchase of Common Stock under the Plan and has an account maintained by the Agent, containing shares of Common Stock and/or Proceeds.
- L. "Proceeds" means the total amount of cash accumulated for the benefit of a Participant during a single Offering Period, comprised of the aggregate of the payroll deductions taken from the Participant's Compensation during such Offering Period together with earnings thereon and dividends paid on shares of Common Stock beneficially owned by the Participant.
- M. "Purchase Date" means the last Trading Day of each Offering Period.
- N. "Subsidiary" means a corporation that is a subsidiary of the Company within the meaning thereof as stated in Code Section 424(f). Each Subsidiary shall participate in the Plan unless designated by the Board of Directors not to participate.
- O. "Trading Day" means any day that the principal stock exchange or other national market upon which the Common Stock is traded is open for business.

Wherever appropriate in this Plan the singular shall include the plural; the masculine, the feminine; and vice versa.

3. ELIGIBILITY

All employees of the Company who have been employed for at least six (6) months as of the Enrollment Date shall be eligible to participate in the Plan, provided that no employee shall be eligible if such employee:

2

- A. owns immediately after any Option is granted, stock possessing five percent (5%) or more of the total combined voting power or value of all classes of Company stock, applying the rules of Code Section 424(d) in determining stock ownership, or
- B. is an employee whose customary employment is twenty hours or less per week, or whose customary employment is for not more than five months in any calendar year.

In addition, all employees of each Subsidiary shall be eligible to participate in the Plan to the extent they satisfy the requirements set forth in the preceding paragraph.

4. EMPLOYEE PARTICIPATION AND PAYROLL DEDUCTIONS

- A. An eligible employee shall become a Participant in the Plan by completing and filing with the Company at least 20 days prior to the Enrollment Date an authorization for a payroll deduction on the form provided by the Company, together with instructions to use the deductions to purchase shares of Common Stock under the Plan. The Participant shall choose a deduction in a whole percentage from 1% to 15%. As of each pay day during each Offering Period, the Company will deduct the specified amount from the Compensation payable to each Participant. The Company will hold each Participant's Proceeds in non-interest bearing accounts until each Participant's proceeds are used to purchase shares. The Agent will perform the record keeping function under the Plan, assuring that the Agent, from the information provided to it by the Company,

will account for each Participant's deductions and maintain each Participant's account. A Participant may not make any separate cash payment into such account.

- B. On each Offering Date, each Participant shall be granted the right to purchase on the next Purchase Date such number of shares of Common Stock as may be purchased by the Participant's Proceeds accumulated during the preceding Offering Period. No Participant, however, may be granted the right to purchase shares of Common Stock under all Section 423 plans of the Company where the accrual is at a rate that exceeds \$25,000 of the Common Stock's fair market value, determined at the time the option is granted, for any one calendar year in which an option is outstanding for any part of the year.
- C. A Participant may not increase or reduce the amount of Participant's payroll deductions until the next Enrollment Date, except Participant may reduce the amount of Participant's payroll deductions to 0% as described in Section 7. A Participant shall be deemed to have elected to purchase all shares able to be purchased with the Proceeds on the applicable Purchase Date.

5. OPTION PRICE

The price to Participants for each share to be purchased on a Purchase Date shall be the lesser of:

3

- A. eighty-five percent (85%) of the Closing Market Price on the Offering Date, or
- B. eighty-five percent (85%) of the Closing Market Price on the Purchase Date.

6. METHOD OF PURCHASE

- A. On each Purchase Date the Agent shall cause all Participants' Proceeds, together with applicable Company contributions during the preceding Offering Period, if any, to be applied to the purchase of Common Stock from the Company.
- B. As of the Purchase Date, the account of each Participant shall be credited with a number of shares of Common Stock that were able to be purchased with that Participant's Proceeds.

7. WITHDRAWALS

Prior to any Purchase Date, a Participant may give written notice to the Company or its agent of an intent to reduce the amount of payroll deductions to 0% and to withdraw the entire cash balance and earnings accumulated during the Offering Period preceding the said Purchase Date. The written notice shall effectuate a withdrawal only if the Agent has not purchased shares for the account of the notifying Participant. Such withdrawal will terminate the Participant's right to exercise any Options for that Offering Period. A Participant who withdraws shall not participate again in the Plan unless and until a new Enrollment Form is filed at least 20 days prior to the next Enrollment Date.

8. TERMINATION OF EMPLOYMENT

As soon as administratively practicable after the termination of a Participant's employment with the Company for any reason other than death, the Participant's Proceeds accumulated during the Offering Period in which his employment terminated will be refunded, and any shares of Common Stock held by the Agent will be distributed in kind. As an alternative to the latter, the terminated Participant may request that the Agent, at the Participant's expense, sell the Common Stock in the account and forward the net proceeds to the Participant.

9. RIGHTS AS A SHAREHOLDER; DIVIDENDS; HOLDING AND ISSUANCE OF SHARES

- A. A Participant shall have no rights as a shareholder with respect to any shares of Common Stock offered hereunder until completion of payment therefor. Shares purchased pursuant to the Plan initially will be registered in the name of the Agent as custodian for the account of the Participant entitled thereto. In regard to shares paid for and in a Participant's account, the Participant shall have all rights accruing to an owner of record of such shares, including voting rights and the right to receive dividends.

4

- B. The Agent shall receive the dividends payable on the shares in its custody and shall credit to the Proceeds account of each Participant as beneficial owner of a certain number of shares the amount of dividends attributable thereto. In the event that the Participant has not authorized payroll deductions during the Offering Period in which the Agent receives the Participant's dividends, unless requested otherwise by the Participant on notice from the Agent, the Agent shall re-establish a Proceeds account to contain these dividends and earnings thereon. In the event that the Participant's shares have been distributed when dividends are received, the Agent shall return said dividends to the Common Stock's transfer agent for reissuance to the distributee of the shares.
- C. Until such time as the Plan has been approved by the Company's shareholders, the stock certificates representing all of the shares purchased on behalf of Participants under this Plan shall be retained by the Agent, and Participants may not withdraw or sell such shares.
- D. After the Plan has been approved by the Company's shareholders, the stock certificate or certificates representing the shares purchased on behalf of a Participant on each Purchase Date shall be retained by the Agent until such time as the Participant may request the Agent in writing to distribute such shares to the Participant. The Company and the Agent may establish such rules and procedures as they, in their discretion, determine to be necessary or desirable with respect to distributions of shares purchased under this Plan, including any rules imposing limits on such distributions or restricting the timing or frequency of such distributions they may determine to be suitable.

10. NONTRANSFERABILITY

Neither payroll deductions credited to the account of a Participant nor any Options to purchase shares of common Stock under the Plan may be assigned, transferred, or alienated, and Options must be exercised only by the Participant during his lifetime.

11. BENEFICIARY DESIGNATION AND RIGHTS

A Participant may file with the Company's Chief Financial Officer, or such delegate appointed by the Chief Financial Officer, a written designation of beneficiary, or a revision thereof. In the absence of such designation, or if the named beneficiary predeceased the Participant, the Participant's estate shall be deemed to be the beneficiary. In the event of the Participant's death, the Agent shall apply the Proceeds to the purchase of shares on the next Purchase Date, and deliver all the Common Stock held for the deceased Participant to the beneficiary, together with any remaining Proceeds, subject to the Agent's receipt of Participant's death certificate and satisfactory evidence of the beneficiary's identity and acceptance of the Common Stock and Proceeds. The beneficiary shall have no rights under the Plan during the Participant's lifetime.

12. SHARES AUTHORIZED; CHANGE IN CORPORATE STRUCTURE AND CAPITALIZATION

- A. Subject to adjustment upon changes in the capitalization of the Company, the maximum number of shares of Common Stock which shall be made available for purchase under the Plan is 325,000 shares. The shares of Common Stock purchased under the Plan may, at the election of the Company, be authorized but unissued shares of the Company's Common Stock, authorized but unissued treasury shares held by the Company, or shares of Common Stock purchased on the open market by the Agent.
- B. In the event of any change in the number of outstanding shares of Common Stock by reason of a recapitalization, merger, consolidation, reorganization, separation, liquidation, stock split, stock dividend, combination of shares, or any other change in the corporate structure or shares of stock of the Company, the Board of Directors will make an appropriate adjustment, in accordance with applicable provisions of the Code and law, in the number and kind of shares which may be offered under the Plan, both in the aggregate and as to each Participant, the number of shares then subject to offerings theretofore made, and the price of shares offered under the Plan.
- C. If the Company shall not be the surviving corporation in any merger or consolidation, or survives only as a subsidiary of another entity, or if the Company is to be dissolved or liquidated, and unless a surviving corporation assumes or substitutes new options within the meaning of Section 424(a) of the Code, for all Options then outstanding under the Plan,
 - i. the Purchase Date for all Options then outstanding shall be accelerated to a date fixed by the Board of Directors prior to the effective date of such merger or consolidation or such dissolution or liquidation and shall be deemed to be exercised, and
 - ii. upon such effective date any unexercised Options shall expire.

13. SECURITIES LAWS

The Plan is intended to comply with Rule 16b-3 of the Securities Act of 1934, and shall be interpreted therewith. The Company shall not be obligated to issue any Common Stock pursuant to the Plan at any time when the shares have not been registered under the Securities Act of 1933, as amended, and such other state and federal laws, rules or regulations as the Company or the Board of Directors deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration requirements of such laws, rules or regulations available for the issuance and sale of such shares. Further, all Common Stock acquired pursuant to the Plan shall be subject to, and may be sold only in a manner consistent with the Company's Policy on Confidentiality-Insider Trading and other policies concerning compliance with securities laws and insider trading, as the same may be amended from time to time.

14. ADMINISTRATION

- A. The Plan shall be administered by the Board of Directors. Notwithstanding the preceding sentence, the Board of Directors may delegate its authority to a Compensation Committee of at least two members of the Board of Directors. The members of the Compensation Committee shall serve at the pleasure of the Board of Directors. The interpretation and construction of any provision of the Plan, and the adoption of rules for administering the Plan, shall be made by the Board of Directors (or, in its place, the Compensation Committee).

Determinations made by the Board of Directors (or the Compensation Committee) with respect to any matter or provision contained in the Plan shall be final, conclusive and binding upon the Company and all Participants, their beneficiaries and legal representatives. Any rule adopted by the Board of Directors (or the Compensation Committee) shall remain in full force and effect unless and until amended or repealed by the Board of Directors (or the Compensation Committee).

- B. The Board of Directors (or the Compensation Committee) shall have the right to appoint the Agent and any other entity or person, including Company employees, and to delegate to them certain functions or services to be performed in connection with Plan administration, and to name successors.
- C. The Participant or beneficiary, as the case may be, shall bear all costs and expenses associated with requests for the issuance of stock certificates, the sale of Common Stock, and a Participant's withdrawal from the Plan.
- D. The Agent will mail to each Participant's home address a quarterly statement showing the number of shares of Common Stock held beneficially for the Participant, the amount and derivation of cash in the Participant's Proceeds account, and any purchases of shares in the Offering Period that closed during the calendar quarter reflected in the statement.
- E. If at any time the number of shares as to which Options have been granted shall exceed the number of shares authorized for purchase under the Plan on a certain Purchase Date, the number of shares which may be purchased by each Participant shall be reduced proportionately. Payroll deductions not able to be used shall remain in the Participant's Proceeds account.

15. AMENDMENT AND TERMINATION

The Board of Directors may at any time terminate or amend the Plan, provided that no amendment may be made without approval of the shareholders of the Company if such amendment would increase the number of shares which may be available under the Plan, except by operation of Section 12 of the Plan, or materially modify the requirements as to eligibility for participation in the Plan.

7

16. NONGUARANTEE OF EMPLOYMENT

Neither eligibility to participate in, actual participation in, nor any provision of the Plan shall be construed as giving any eligible employee or Participant any employment right with the Company or a Subsidiary.

17. AGENT FOR SERVICE OF PROCESS

Legal process may be served upon the Secretary of the Company or the Chief Financial Officer, Sun Hydraulics Corporation, 1500 West University Parkway, Sarasota, FL 34243.

8

EXHIBIT 5

SHUMAKER, LOOP & KENDRICK, LLP
ATTORNEYS AT LAW
101 EAST KENNEDY BLVD.
TAMPA, FL 33602
TELEPHONE (813) 229-7600
TELEFAX (813) 229-1660

July 24, 2001

Sun Hydraulics Corporation
1500 West University Parkway
Sarasota, Florida 34243-2290

Re: SECURITIES AND EXCHANGE COMMISSION REGISTRATION STATEMENT ON
FORM S-8 COVERING 325,000 SHARES OF COMMON STOCK, \$.001 PAR
VALUE

Gentlemen:

We are legal counsel to Sun Hydraulics Corporation, a Florida corporation (the "Company"), and have acted as such in the preparation and filing of its Registration Statement on Form S-8 with the Securities and Exchange Commission (the "SEC") pursuant to the requirements of the Securities Act of 1933, as amended, and the General Rules and Regulations of the SEC promulgated thereunder for the registration of 325,000 shares (the "Shares") of the common stock, par value \$.001 per share, of the Company. In connection with the following opinion, we have examined and have relied upon such documents, records, certificates, statements and instruments as we have deemed necessary and appropriate to render the opinion herein set forth.

Based upon the foregoing, it is our opinion that the Shares, when and if issued in the manner set forth in the Registration Statement, will be legally issued, fully paid and nonassessable.

The undersigned hereby consents to the filing of this opinion as Exhibit 5 to the Registration Statement.

Very truly yours,

SHUMAKER, LOOP & KENDRICK, LLP

/s/ Gregory C. Yadley

Gregory C. Yadley

EXHIBIT 23.2

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated March 2, 2001 relating to the financial statements which appear in the 2000 Annual Report to Shareholders of Sun Hydraulics Corporation, which is incorporated by reference in Sun Hydraulics Corporation's Annual Report on Form 10-K for the year ended December 31, 2000.

/s/ PricewaterhouseCoopers LLP

Tampa, Florida
July 26, 2001