

Amended and Restated on March 12, 2009

GRAHAM CORPORATION

CHARTER OF THE

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS**

Membership

Members of the Nominating and Corporate Governance Committee (the “Nominating and Corporate Governance Committee”) of the Board of Directors (the “Board”) of Graham Corporation (the “Company”) shall be appointed by the Board in accordance with the provisions of the Company’s By-laws. The Nominating and Corporate Governance Committee shall consist of at least three (3) and no more than five (5) directors, each of whom shall be “independent” in accordance with Rule 10A-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the NYSE Amex LLC Company Guide. Members of the Nominating and Corporate Governance Committee may only be removed in accordance with the Company’s By-laws.

Meetings, Structure and Procedures

The Nominating and Corporate Governance Committee shall meet at least two (2) times per year. One Nominating and Corporate Governance Committee member shall serve as the Committee Chair and the Board shall determine which member shall be the Chair. The Nominating and Corporate Governance Committee will meet at such times and places as determined by the Chair, or as may be requested by any two (2) Nominating and Corporate Governance Committee members, upon three (3) days notice to each member personally, by mail or by written telecommunication. In addition, the Nominating and Corporate Governance Committee shall meet at such other times as it deems necessary or desirable to fulfill its responsibilities.

The agenda of each Nominating and Corporate Governance Committee meeting will be prepared under the direction of the Chair and, whenever practicable, circulated to each Committee member prior to the meeting date. The Chair will preside, when present, at all Nominating and Corporate Governance Committee meetings.

A majority of the Nominating and Corporate Governance Committee shall constitute a quorum. Any action required or permitted to be taken at any Committee meeting may be taken without a meeting if all members of the Committee consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Nominating and Corporate Governance Committee. Members of the Nominating and Corporate Governance Committee may participate in a Committee meeting by conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting by these means shall constitute presence in person at the meeting.

Minutes shall be prepared for all meetings of the Nominating and Corporate Governance Committee to document the Committee's discharge of its responsibilities. The minutes shall be

circulated in draft form to all Nominating and Corporate Governance Committee members, and shall be approved as presented or as modified at a subsequent Committee meeting.

Purpose

The Nominating and Corporate Governance Committee shall select nominees for election to the Board, in accordance with the Company's By-Laws and this Charter. The Nominating and Corporate Governance Committee seeks to enhance the quality of nominees to the Board and is charged with identifying individuals qualified, consistent with criteria which may be established by the Board, to become directors and recommending that the Board nominate qualified persons for election as directors at the Company's next annual meeting of the Company's stockholders.

The Nominating and Corporate Governance Committee is also charged with the responsibility of shaping the corporate governance of the Company and performing such other tasks as are consistent with this Charter and the Company's By-laws.

Authority and Responsibilities

The Nominating and Corporate Governance Committee shall:

1. Identify candidates for election or appointment (to fill any vacancy that may from time to time exist) to the Board that meet criteria which may be established by the Board and who are otherwise qualified to become directors.
2. Interview each candidate for the Board and review his or her qualifications.
3. In accordance with the Company's By-laws, select director nominees identified by the Committee for election at the next annual meeting of the Company's stockholders. The Nominating and Corporate Governance Committee shall provide the following information regarding each director nominee to the Board: (i) his or her name, age, business address and residence address; (ii) his or her principal occupation or employment of the nominee; (iii) his or her written consent to serve as a director, if elected; and (iv) such other information regarding the nominee as is required to be included in a proxy statement filed pursuant to the proxy rules promulgated by the Securities and Exchange Commission. No Nominating and Corporate Governance Committee member shall participate in any deliberations and/or vote with respect to any recommendation on his or her own nomination for election to the Board.
4. In the event that a person nominated for election to the Board at an annual meeting of the Company's stockholders becomes unwilling or unable to stand for election prior to his or her election, the Nominating and Corporate Governance Committee may, in accordance with the Company's By-laws, designate a substitute nominee for the election to the Board at such annual meeting, provided that any such substitute nominee provides his or her written consent to serve as a director.
5. Issue, for inclusion in the Company's annual proxy statement, a policy statement describing the Nominating and Corporate Governance Committee's process for evaluating and identifying nominees, including any specific qualifications, qualities

or skills it may require of a nominee. The Nominating and Corporate Governance Committee shall review this statement annually and revise it as the Committee deems necessary or desirable.

6. Be responsible for ensuring compliance by the Company with the Company's By-laws regarding, among other things, director nominations by stockholders.
7. If requested by the Board, develop and recommend to the Board a set of corporate governance principles applicable to the Company and evaluate and review such corporate governance principles on a regular basis.
8. Oversee and lead the Board in its annual performance evaluation and review.
9. On a regular basis, review and make recommendations about changes to the charters of other Board Committees after consultation with the respective Committee chairs.
10. At least annually, review and assess the adequacy of this Charter and conduct a performance evaluation of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee shall recommend any proposed changes to the Board for approval.

General

The Nominating and Corporate Governance Committee is also charged with such other tasks and responsibilities as are consistent with the Company's By-laws, this Charter, the Exchange Act, the rules and regulations promulgated by the Securities and Exchange Commission and the NYSE Amex Company Guide.