

# KAYDON CORPORATION

## CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

### **Organization**

There shall be a standing committee of the Board of Directors to be known as the Corporate Governance and Nominating Committee. The membership of this Committee shall be comprised of at least three (3) independent directors. For purposes of this Charter, an “independent director” is any Director who fulfills the NYSE requirements for an “independent director”.

The members of the Corporate Governance and Nominating Committee shall be designated annually by the Board of Directors. The Board may remove any member of the Committee at any time. The Board shall designate one of the Committee members as its Chairman; if the Chair is not present at any meeting, the Committee may designate a Chair. A majority of the Committee members shall constitute a quorum for the transaction of business. The action of a majority of those present at a meeting, at which a quorum is present, shall be the act of the Committee. The Committee shall hold meetings (in person or by telephone conference) as necessary and at such times and places as the Committee determines. The Committee is authorized to confer with the Corporation’s management and other employees, request such employees to attend its meetings (or portions thereof) and to provide information to the extent it deems necessary or appropriate to fulfill its duties. The Committee shall be authorized to delegate its duties and responsibilities to any subcommittee comprised entirely of independent directors.

### **Purpose, Duties and Responsibilities**

The Corporate Governance and Nominating Committee (i) assists the Board of Directors in identifying, screening, and recommending qualified candidates to serve as directors of the Company, (ii) is responsible for oversight of the Board of Directors independence, operations, effectiveness and (iii) promotes excellence in governance.

### **Specifically, the Committee will:**

1. Make recommendations to the Board concerning selection criteria to be followed by the Committee in seeking nominees for election to the Board and identify qualified candidates to fill Board positions consistent with criteria approved by the Board.
2. Recommend to the Board of Directors nominees to fill new positions or vacancies as they occur among the Directors and prior to each annual meeting of shareholders, the candidates for election or reelection as Directors by the shareholders at the annual meeting.
3. Consider candidates submitted by Directors, officers, employees, shareholders, and others.

4. Be available to the Chairman of the Board and other Directors for consultation concerning candidates for election or reelection as Directors.
5. Undertake studies and make recommendations to the Board concerning the structure, composition and functioning of the Board and all Board committees.
6. Develop and recommend to the Board of Directors such corporate and Board governance guidelines as may be deemed necessary by the Committee to ensure that Kaydon effectively protects and enhances shareholder value.
7. Recommend ways in which the Board of Directors could improve its performance.
8. Review Board meeting procedures, including the appropriateness and adequacy of the information supplied to Directors prior to and during Board meetings.
9. Monitor the practices of the Board of Directors to ensure compliance with the Corporation's corporate governance principles.
10. Annually evaluate and review the performance of the Board of Directors as a whole in order to increase the overall effectiveness of the Board, and report the results of its evaluation to the Board of Directors.
11. Review and pre-approve any outside directorships in other public companies held by the CEO. Monitor any outside directorships in other public companies held by other senior company officials that are reviewed and approved by the CEO.
12. Periodically receive and consider recommendations from the CEO regarding succession at the CEO and other senior officer levels.
13. Annually assesses whether (a) the majority of the Board are independent directors; and (b) the membership of the Audit, Compensation and Corporate Governance and Nominating Committees are comprised exclusively of independent directors, and provide such assessment to the Board of Directors for its determination of independence of the members of the Board.
14. Retain independent outside advisers including consultants, accountants and legal counsel as needed, the expenses of which shall be borne by the Corporation, and including the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms.
15. Oversee the evaluation of the Board and management.

16. Keep minutes of each meeting held and report to the Board periodically. This report shall include a review of any recommendations or issues that arise with respect to Board or committee nominees or membership, Board performance, corporate governance and any other matters that the Committee deems appropriate or is requested to be included by the Board. When presenting any recommendation or advice to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.
17. Conduct an annual performance appraisal of the Corporate Governance and Nominating Committee.
18. Annually review and assess this Charter and recommend any proposed changes to the Board for approval.