

**CUNO INCORPORATED  
COMPENSATION AND PENSION COMMITTEE  
CHARTER**

The Compensation and Pension Committee (the “Committee”) shall be composed entirely of independent directors, as defined by NASDAQ. The Committee has the authority to determine contractual arrangements, annual salaries and bonuses for all elected officers and senior management; is the “Committee” that administers such compensation plans; and has the authority to approve incentive and deferred compensation plans, and funding arrangements related thereto, for elected officers and senior management. The Committee is responsible for the Compensation Committee Report on Executive Compensation in the Company’s annual Proxy Statement. The Committee recommends to the non-employee members of the Board of Directors any contractual arrangements, annual salary, bonus, stock options, performance shares and restricted shares for the Chairman and Chief Executive Officer. The Committee will review and approve corporate goals and objectives relevant to senior executive compensation, evaluate senior executive performance in light of those goals and objectives, and set the senior executive compensation levels based on this evaluation. In addition, the Committee has sole authority to retain and terminate any compensation consultant or consulting firm to assist in the evaluation of the CEO or senior executive compensation, including sole authority to approve the consultant’s fees and other retention terms. The Committee may also, at its discretion, engage outside legal counsel or other advisers as it deems necessary to carry out its functions.

The Committee has the responsibility for overseeing and evaluating the investments of the Corporation’s pension plan trusts, selecting fund managers and reviewing their performance, designating the proportion of pension contributions to be assigned to such managers, and monitoring plan liabilities for changes which might influence investment decisions.