

Corporate Governance Committee Charter

This Corporate Governance Committee Charter (the "Charter") has been adopted by the Board of Directors of Lydall, Inc. to assist the Corporate Governance Committee in the exercise of its responsibilities to take a leadership role in shaping the corporate governance of the Company. The Charter reflects the Committee's commitment to monitor the effectiveness of policy and decision-making both at the Board and management levels, with the goal of enhancing stockholder value over the long term.

Composition

There shall be a committee of the Board of Directors known as the Corporate Governance Committee, which shall report to the Board. The Committee shall comprise at least three directors who are appointed by the Board at the annual organizational meeting following the Annual Meeting of Stockholders. Each of the Committee members must be independent within the meaning of the Corporate Governance Listing Standards of the New York Stock Exchange ("New York Stock Exchange Standards").

The members of the Committee shall be subject to removal by the Board. If a vacancy shall occur on the Committee, the Board of Directors will fill that vacancy by appointing another director to the Committee, so long as the new appointee satisfies the independence requirements of the New York Stock Exchange Standards. If any member of the Committee ceases to meet those requirements, the Committee member shall resign from the Committee and may be removed from the Committee by action of the Committee or the Board.

The Committee may form, and delegate authority to, subcommittees when appropriate. If the Committee delegates any function to its chairperson or one or more members of the Committee for any purpose, those members shall report any action taken to the full Committee at its next meeting. The Committee shall meet as frequently as circumstances dictate. A majority of the Committee members present at any Committee meeting at which a quorum¹ is present in person or by conference call may act on behalf of the Committee. The Committee may also act by unanimous written consent. If a chairperson is not designated by the Board, the Committee may designate a chairperson by majority vote of the full Committee membership. The Chairperson shall designate a secretary, who need not be a member, to record minutes and prepare agendas for meetings.

Purposes

The purposes of the Committee are: to identify individuals who are qualified to become Board members consistent with criteria approved by the Board; to select the director nominees for the next Annual Meeting of Stockholders; make recommendations to the Board as to the membership and chairperson of each standing committee; to develop and recommend to the Board a set of corporate governance guidelines applicable to the Company designed to provide for effective and efficient governance of the Company; to oversee the evaluation of the Board and its members; to evaluate annually the performance of the Committee; and to provide guidance on matters relating to corporate governance.

Goals and Responsibilities

The Committee shall:

1. Evaluate the skills and expertise needed by the Board and other criteria for nominating directors and propose those criteria to the Board for approval.
2. Oversee the process of recruiting qualified new directors, consistent with criteria approved by the Board.
3. Select the Director nominees for the next Annual Shareholder Meeting.
4. Oversee an annual evaluation of the Board and its members, including developing and recommending to the Board procedures for improving the effectiveness of the Board and its members.
5. Plan for Board continuing education, including new member orientation and education for Board members.
6. Develop and recommend to the Board a set of corporate governance guidelines addressing: director qualification standards (including independence standards); director responsibilities; director access to management and independent advisors; director compensation; director orientation and continuing education; management succession; and the annual performance evaluation of the Board.
7. Plan for and conduct an annual performance evaluation of the Committee.

In discharging its oversight role, the Committee shall have the power to investigate any matter that comes to its attention, with full access to all books, records, facilities and personnel of the Company. The Committee shall also have the sole authority to retain (at the Company's expense) outside counsel and other advisors as it determines necessary to carry out its purposes and to determine the engagement terms and fees of such outside counsel, auditors and other advisors. The Committee shall have the sole authority to retain and terminate search firms to identify director candidates, and to approve the search firm's fees and other retention terms.

Meetings

The Committee shall meet when necessary or appropriate, at the call of the Committee chairperson or any other Committee member.

¹ A quorum shall be constituted by a majority of the full Committee, but must not be less than two members.