

GSI LUMONICS
Nominating & Corporate Governance Committee Charter

I. Composition

The Board of Directors (the “Board”) of GSI Lumonics and its domestic and foreign subsidiaries (collectively, the “Company”) will appoint from among its members a Nominating & Corporate Governance Committee (the “Committee”) and will designate one such member to serve as the Chairman of the Committee. The Committee shall consist of no fewer than three (3) members of the Board, with each member meeting the standards established by NASDAQ with respect to independence. Members of the Committee shall be appointed for one (1) year terms, and may be removed by the Board at any time.

II. Purpose

The purpose of the Committee is to: (a) identify individuals qualified to become Board members and recommend to the Board the director nominees for the next annual meeting of shareholders or to fill any vacancies on the Board that arise between shareholder meetings; (b) develop and recommend to the Board a set of corporate governance principles applicable to the Company (the “Corporate Governance Guidelines”); and (c) review the qualifications of directors eligible to become members of the different committees of the Board, and recommend to the Board director nominees for each committee.

III. Duties and Responsibilities

It shall be the duty and responsibility of the Committee to:

1. Meet periodically as necessary, but not less than annually, to fulfill its duties. The Committee will make reports to the Board after each meeting of the Committee. The Committee may also with reasonable notice require members of management or external advisors to attend Committee meetings. Further, the Committee may meet in executive session with any two or more Committee members.
2. Develop and recommend to the Board a set of Corporate Governance Guidelines. The Committee will annually review the Corporate Governance Guidelines and recommend any proposed changes to the Board for approval.
3. Consistent with the Company’s Corporate Governance Guidelines, review with the Board, on a periodic basis, the requisite skills and characteristics of new Board members as well as the composition and size of the Board as a whole.
4. Identify individuals qualified to become Board members, including existing directors eligible for re-election to the Board, in accordance with the basic criteria regarding director qualifications set forth in the Corporate Governance Guidelines, and recommend to the Board the director nominees for the next

annual meeting of shareholders or the nominees to fill any interim vacancies on the Board.

5. Review and make recommendations to the Board with regard to the Board's committee structure, review the qualifications of directors eligible to become members of the different committees of the Board, and recommend to the Board director nominees for each committee.
6. Consistent with the Company's Corporate Governance Guidelines, review the continued appropriateness of a director's Board membership in light of a change in the director's position responsibility relative to his or her position responsibility when elected to the Board and the circumstances of the Company, and recommend to the Board the acceptance or nonacceptance of such director's tendered resignation.
7. Consistent with the Company's Corporate Governance Guidelines, periodically report to the Board on the status of the Company's professional development and succession planning for the Company's senior executives, including, but not limited to, policies and principles regarding succession in the event of an emergency or the retirement of the Company's Chief Executive Officer.
8. Annually oversee a review of the performance of the Board and its committees, and discuss the results of this review with the full Board following the end of each fiscal year.
9. Monitor the Company's review of the performance of management and ensure that such a review is conducted not less than annually.
10. Monitor the independence of the Company's directors.
11. Monitor and take appropriate action regarding the attendance of the Company's directors at Board and committee meetings.
12. Review corporate governance matters required by applicable law, rule or regulation to be included in the Company's annual proxy statement.
13. Annually review the Committee's own performance and this Charter, discuss the results of the performance review with the full Board, and recommend to the Board any proposed changes to this Charter.
14. Periodically review the compensation paid to non-employee directors and make recommendations to the Board for any adjustments. No member of the Committee will act to fix his or her own compensation except for uniform compensation paid to all directors for their services as such.

IV. Other Provisions

1. The Committee has the sole authority to retain and to terminate any search firm used to assist the Committee in identifying director candidates, and has sole authority to approve the search firm's fees and other retention terms. The Committee also has authority to obtain advice and assistance from internal or external legal, accounting or other advisors. Any communication between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.
2. The Committee may form and delegate authority to subcommittees as appropriate.
3. The Committee may designate a non-member to serve as secretary at committee meetings to keep meeting minutes.
4. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone), action without meetings, notice, waiver of notice, quorum and voting requirements as are applicable to the Board. The Committee is also authorized and empowered to adopt its own rules of procedure not inconsistent with any provision of this Charter, the Company's Bylaws, NASDAQ rules and applicable law.
5. A current version of this Charter will be included on the Company's website, and will be made available in print to any Company shareholder who requests it. In addition, this availability of this Charter will be stated in the Company's annual report.

Adopted by the Board: