
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): November 29, 2021

Graham Corporation

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-08462
(Commission
File Number)

16-1194720
(IRS Employer
Identification No.)

20 Florence Avenue, Batavia, New York
(Address of principal executive offices)

14020
(Zip Code)

Registrant's telephone number, including area code: (585) 343-2216

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.10 per share	GHM	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On November 29, 2021, Graham Corporation (the “Company”), announced the upcoming retirement of Jeffrey F. Glajch, Chief Financial Officer, in the first half of 2022. Pursuant to a Severance and Transition Agreement dated as of November 29, 2021 (the “Agreement”), the Company and Mr. Glajch agreed that he will retire the earlier of June 30, 2022 or as of a date upon which the Company and Mr. Glajch otherwise mutually agree (the “Resignation Date”). In addition, pursuant to the Agreement, Mr. Glajch agreed to provide certain transition-related services to the Company for a period of 18 months following the Resignation Date. The Agreement also provides that the Company will pay Mr. Glajch (i) a severance payment in an amount equal to 18 months of Mr. Glajch’s base salary, less applicable deductions and withholdings, payable in accordance with the Company’s regular payroll schedule and practices over the 18-month period commencing on or around January 1, 2023, and (ii) monthly health premiums for a period of 18 months following the Resignation Date, subject to certain conditions contained in the Agreement.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

A copy of the press release dated November 29, 2021 announcing Mr. Glajch’s retirement is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The information furnished pursuant to this Item 7.01, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under such section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Severance and Transition Agreement, dated as of November 29, 2021, between Graham Corporation and Jeffrey F. Glajch
99.1	Press release dated November 29, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Graham Corporation

Date: November 29, 2021

By: /s/ Daniel J. Thoren

Daniel J. Thoren

President and Chief Executive Officer

SEVERANCE AND TRANSITION AGREEMENT

This SEVERANCE AND TRANSITION AGREEMENT (this “Agreement”) is made and entered into as of November 29, 2021 (the “Effective Date”) by and between Graham Corporation (the “Company”) and Jeffrey F. Glajch (the “Executive”). The Company and the Executive are collectively referred to herein as the “Parties.”

WHEREAS, the Company and the Executive are parties to that certain Employment Agreement dated March 2, 2009, as amended and restated by that certain Amended and Restated Employment Agreement dated July 29, 2010, as further amended by that certain First Amendment to Amended and Restated Employment Agreement dated September 12, 2019, and as further amended by that certain Second Amendment to Amended and Restated Employment Agreement dated March 16, 2021 (such Employment Agreement, as amended, is referred to herein as the “Employment Agreement”); and

WHEREAS, the Executive is currently employed as the Company’s Vice President—Finance & Administration, Chief Financial Officer and Corporate Secretary; and

WHEREAS, the Executive wishes to voluntarily resign from his employment with the Company in the second calendar quarter of 2022, and the Company wishes to accept the Executive’s resignation and provide severance benefits to the Executive in recognition of his service to the Company; and

WHEREAS, the Company anticipates that it will hire a Chief Financial Officer to perform certain duties currently performed by the Executive; and

WHEREAS, the Parties recognize the importance of the Executive’s cooperation and assistance in facilitating the transfer of his knowledge and expertise to the new Chief Financial Officer in order to ensure a smooth transition; and

WHEREAS, in order to effectuate this resignation and transition, the Company and the Executive wish to enter into this Agreement which sets forth the terms that will govern the Executive’s resignation from the Company, the transition of his duties, and the post-employment obligations between and among the Parties.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants contained herein, the Parties agree as follows:

1. **Voluntary Resignation.** If not terminated earlier pursuant to the terms of the Employment Agreement, the Executive shall and does resign from his employment with, and his membership on any Boards or committees of, the Company effective on the close of business on the “Separation Date” which shall be the earlier of (i) the resignation date mutually agreed upon in writing by the Parties or (ii) June 30, 2022. If not terminated earlier pursuant to the terms of the Employment Agreement, the Company shall accept the Executive’s resignation as of the Separation Date. The Parties further agree and acknowledge that, if not terminated earlier pursuant to the terms of the Employment Agreement, the Executive shall continue to perform the regular duties of his position and any short term duties assigned to the Executive by the Company’s Chief Executive Officer or Board of Directors through the Separation Date.

2. Employment Agreement. If not terminated earlier pursuant to the terms and conditions of the Employment Agreement, the Employment Agreement shall remain in full force and effect through the Separation Date. If not terminated earlier pursuant to the terms of the Employment Agreement, the Executive's employment with the Company and the Employment Agreement shall terminate on the Separation Date. Notwithstanding the foregoing, this Agreement does not supersede the portions of any agreement or understanding with the Company applicable to the Executive's conduct after the termination of Executive's employment, including but not limited to the covenants of Executive contained in Section 10 of the Employment Agreement, which shall survive termination of the Employment Agreement and are incorporated herein by reference. For purposes of Section 10 of the Employment Agreement, the Executive acknowledges and agrees that Executive's compliance with the terms of Section 10 of the Employment Agreement following his termination of employment with the Company is a material inducement for the Company to enter into this Agreement and provide the severance benefits described below. The Executive acknowledges and agrees that he has and will receive good and valuable consideration in return for his post-termination covenants. In addition, Section 11 of the Employment Agreement entitled "Indemnification of Executive" shall survive termination of the Employment Agreement and is incorporated herein by reference.

3. Future Cooperation. From the Effective Date of this Agreement through the Separation Date, the Executive shall do whatever is reasonably necessary to assure an orderly transition of his knowledge, expertise, work and responsibilities to the Company's succeeding Chief Financial Officer, and to fully cooperate with these efforts. From the Separation Date through the end of the eighteen (18) month period following the Separation Date, the Executive shall, upon reasonable request of the Company, further cooperate with the transition of his knowledge, expertise, work and responsibilities, which may include promptly answering Company inquiries via email or telephone, and may also include brief visits to the Company to assist in the transition of his duties. To assist in accomplishing this support, the Company will allow the Executive to retain his Company cell phone, iPad, and laptop through this eighteen (18) month period and at its discretion, certain electronic access to Company systems. The Parties agree that the time spent by the Executive on such transition assistance required by this Agreement after the Separation Date: is intended to be *de minimis*; shall not cause the Executive to be employed by the Company; and shall not entitle the Executive to compensation from the Company.

4. Employee Benefits. If not terminated earlier pursuant to the terms and conditions of the Employment Agreement, the Executive's employee benefits, including his enrollment in any the Company-provided health insurance or retirement benefits, shall terminate on the Separation Date. If applicable, the Executive shall receive by separate cover information regarding his rights to both health insurance continuation and his retirement benefits, if any. To the extent that the Executive has such rights, nothing in this Agreement shall impair those rights.

5. Severance Benefits. Provided that the Executive: continues his employment through the Separation Date; complies with the terms and conditions set forth in the Employment Agreement, including but not limiting to complying with the covenants of the Executive contained in Section 10 of the Employment Agreement; and Executive executes (and does not revoke) a Waiver and General Release acceptable to the Company on or after his final day of employment with the Company; the Company shall provide the Executive with the severance benefits described below, which includes compensation and benefits to which he is not otherwise entitled.

a. The Company shall pay the Executive a severance pay benefit in the gross amount equivalent to eighteen (18) months of the Executive's base salary as of the Separation Date, less applicable deductions and withholdings. This severance benefit will be paid in accordance with the Company's regular payroll schedule and practices, over the 18-month period commencing on or around the first regular pay period after January 1, 2023. If the Executive dies prior to his receipt of the full payment required by this subparagraph, the Company will pay or provide the unpaid balance in a lump sum to the Executive's surviving spouse (or, if that is not possible, to his estate) as soon as practicable following the date of death, but no later than 90 days thereafter.

b. Provided that the Executive timely elects continuation health insurance coverage under COBRA, for the eighteen (18) month period following the Separation Date, the Company shall pay the entire amount of the Executive's monthly health premiums, subject to the following terms and conditions. The Executive agrees and acknowledges that his continued participation in such benefits is conditioned upon the continued availability of such coverage and is subject to any changes that may be made to such coverage by the Company or applicable insurance companies. The Executive also agrees and acknowledges that the Company is only obligated to make premium payments for continuation of the same types and levels of coverage that the Executive had as of the Separation Date. If (i) the Executive obtains health insurance coverage from a subsequent employer; (ii) the Executive discontinues COBRA continuation coverage; (iii) the Executive dies; and/or (iv) the coverage is cancelled at any point during the eighteen (18) month period, the Company shall have no further obligations under this subparagraph.

c. The Executive acknowledges that he may not execute and deliver the Waiver and General Release at any time before his employment with the Company ends. In the event that he does so, such execution shall be null and void and the Company may require the Executive to sign a valid Waiver and General Release thereafter as a condition precedent to his receipt of the severance benefits described in this Paragraph 5.

d. Upon signing this Agreement, the Executive acknowledges and agrees that the severance benefits set forth in this Paragraph 5 are provided instead of and in lieu of any benefits the Executive would be eligible to receive under the Employment Agreement or any plan or policy provided to the Company's employees regarding severance pay or benefits. In the event that the Executive makes a claim for benefits under the Employment Agreement or any such severance plan or policy, the Executive expressly agrees that his entitlement to such pay or benefits, if any, shall be reduced by the value of the pay and benefits provided in this Paragraph 5. The Executive further acknowledges and agrees that, in the absence of this Agreement, he is not entitled to the severance pay and benefits set forth in this Paragraph 5.

6. Company Property. The Executive agrees that upon his separation from employment with the Company he shall return to the Company any and all documents (and all copies thereof) and other property belonging to the Company that he has in his possession or control, with the exception of any property that the Company specifically authorizes him in writing

to retain. The Parties agree to confer in good faith in advance of the Separation Date to jointly identify and list any property of the Company that Executive is authorized to retain (including, but not limited to, the Executive's cell phone, iPad, and laptop as described in Paragraph 3). The documents and property to be returned by the Executive include, but are not limited to, all files, correspondence, e-mail, memoranda, notes, notebooks, drawings, records, plans, forecasts, reports, studies, analyses, compilations of data, proposals, agreements, financial information, research and development information, customer information, marketing information, operational and personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, facsimile machines, and servers), credit cards, entry cards, identification badges and keys, as well as any materials of any kind which contain or embody any proprietary or confidential information of the Company or its subsidiaries or affiliates (and all reproductions thereof in whole or in part). The Executive agrees to make a diligent search to locate any such documents, property and information. If the Executive has used any personally-owned computer, server, or e-mail system to receive, store, review, prepare or transmit any Company confidential or proprietary data, materials or information, then no later than the Separation Date, the Executive shall provide the Company with a computer-useable copy of all such information, and then permanently delete and expunge such confidential or proprietary information from those systems.

7. Remedies. In the event of a breach or threatened breach by the Executive of this Agreement, the Waiver and General Release, the covenants contained in Section 10 of the Employment Agreement, or any other agreement or understanding with the Company applicable to the Executive's conduct after the termination of Executive's employment, the Company may immediately stop payment of any unpaid severance pay and COBRA continuation insurance premium amounts otherwise due to the Executive until and unless such breach or threatened breach is cured by the Executive to the Company's satisfaction. In the event that any dispute, controversy or claim arises between the Parties out of or in connection with this Agreement (or the Waiver and General Release) and is decided by a court of competent jurisdiction or other binding authority, the prevailing party in such dispute, controversy or claim, shall be entitled to recover from the other party its reasonable attorneys' fees, costs and expenses incurred in its defense or prosecution of such dispute, controversy or claim (including temporary or permanent injunctive relief), in addition to any award of damages.

8. Non-Disparagement. From and following the Effective Date, the Executive shall not publicly disparage: the Company; the Company's predecessors, successors, subsidiaries, related entities, and all of their members, shareholders, officers, directors, agents, attorneys, employees, or board members; or the Company's customers. From and following the Effective Date, the Company shall not, and it shall cause its directors and officers not to, publicly disparage the Executive. Nothing in this Paragraph 8 precludes the Company or the Executive from making truthful statements in connection with (i) a disclosure required by law, regulation, or order of a court or governmental agency, (ii) the filing of a good faith report or participation in a proceeding related to an alleged violation of any applicable law, regulation, or order of a court or governmental agency, or (iii) any governmental, quasi-governmental or administrative or judicial inquiry or court proceeding.

9. **No Admission of Liability.** The Executive agrees that neither any payment under this Agreement, nor any term or condition of it, shall be construed by either the Executive or the Company, at any time, as an admission of liability or wrongdoing by the Company.

10. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Executive may not assign this Agreement or any interest herein, in whole or in part, without the prior written consent of the Company, and if any such assignment is made without such consent, this Agreement shall be voidable at the sole discretion of the Company upon such assignment.

11. **Governing Law and Legal Proceedings.** This Agreement shall be governed by and construed under the laws of the State of New York, without regard to the conflict of law principles thereof. Any action or proceeding brought by either party against the other arising out of or related to the Agreement shall be brought only in a state court of competent jurisdiction located in the County of Erie, State of New York or the Federal District Court for the Western District of New York located in Erie County, New York. The Executive hereby irrevocably consents to the personal jurisdiction of those courts and irrevocably waives any claim that such a forum is improper or inconvenient. If any provision of this Agreement should be deemed unenforceable, the remaining provisions shall, to the extent possible, be carried into effect, taking into account the general purpose and intent of this Agreement.

12. **Binding Nature.** The rights and benefits of the Company under this Agreement shall be transferable to, or enforceable by or against, the Company's successors and assigns. The Executive agrees that this Agreement also binds all persons who might assert a legal right or claim on his behalf, such as his heirs, personal representatives, and assigns, now and in the future.

13. **Counterparts.** This Agreement may be signed by the parties in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

14. **Scope of Agreement.** The Executive agrees that no promise, inducement, or other agreement not expressly contained or referred to in this Agreement has been made conferring any benefit upon him, and that this Agreement and the Employment Agreement constitute the sole and entire agreement of the Parties, and supersede all prior agreements and understandings between the Company and the Executive, and cannot be modified or changed by any oral or verbal promise or statement.

15. **Voluntary Agreement.** The Executive agrees that he is voluntarily signing this Agreement, that he has not been pressured into agreeing to its terms and that he had enough information to decide whether to sign it. If, for any reason, the Executive believes that this Agreement is not entirely voluntary, or if he believes that he does not have enough information, then he should not sign this Agreement.

16. **Attorney Consultation.** The Executive is advised to consult with an attorney of his choice before signing this Agreement. By signing this Agreement, the Executive acknowledges that he has had an opportunity to do so.

17. **Section 409A.** The compensation and benefits under this Agreement are intended to be exempt from or comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated and other official guidance issued thereunder (collectively, "Section 409A"), and this Agreement will be interpreted in a manner consistent with that intent. Notwithstanding the foregoing, the Company makes no representations that the compensation or benefits provided under this Agreement are exempt from or comply with Section 409A, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Executive on account of non-compliance with Section 409A.

IN WITNESS WHEREOF, the Company and the Executive, intending to be bound by the terms and conditions hereof, have duly executed this Agreement as of the Effective Date.

GRAHAM CORPORATION

By: /s/ Daniel Thoren
Name: Daniel Thoren
Title: Chief Executive Officer

By: /s/ Jeffrey F. Glajch
Name: Jeffrey F. Glajch



Graham Corporation ♦ 20 Florence Avenue ♦ Batavia, NY 14020

IMMEDIATE RELEASE

**Graham Corporation Announces Retirement of
Jeffrey F. Glajch, Chief Financial Officer**

BATAVIA, NY, November 29, 2021 – Graham Corporation (NYSE: GHM), a global business that designs, manufactures and sells critical equipment for the defense/space, energy/new energy and chemical/petrochemical industries, today announced that Jeffrey F. Glajch, Chief Financial Officer, who has served as CFO for 13 years, plans to retire in the second calendar quarter of 2022 following the appointment of his successor. The Company has initiated a comprehensive external search to identify a successor for this role.

Daniel J. Thoren, President and CEO, commented, “I have had the pleasure of working with Jeff the last six months at Graham and also for almost three years during the process of the Barber-Nichols (“BN”) acquisition. He has demonstrated tenacity, integrity and a strong business acumen and has been extremely helpful as we bring these two businesses together. Importantly, he has been instrumental in our development of strategies to deliver growth and I am confident he will continue to be a major contributor through the search and transition. Our search for a successor is underway and I expect who we ultimately select will have the experience and capabilities to address the expanded responsibilities of this important role to help us deliver on our Company’s growth objectives.”

Mr. Glajch noted, “These are exciting times for Graham. I am proud of having led our acquisition of Barber-Nichols which has transformed Graham. We have become a defense and space focused company with several other opportunities for growth, including in new energy. Concurrently, we remain strongly committed to advancing our very well positioned traditional energy and petrochemicals business. With our investment in BN, we now have a much more efficient balance sheet and also are working to drive growth. My retirement in the second calendar quarter of 2022 allows for a full year post acquisition, which I believe is ample time to enable a smooth transition, as well as the completion of fiscal year 2022. I am highly confident in Graham’s future and the Company’s dedication to advancing growth.”

ABOUT GRAHAM CORPORATION

Graham is a global business that designs, manufactures and sells critical equipment for the defense/space, energy and advanced energy and chemical/petrochemical industries. The Graham and Barber-Nichols’ global brands are built upon world-renowned engineering expertise in vacuum and heat transfer, cryogenics, and turbomachinery technologies, as well as the Company’s responsive and flexible service and unsurpassed quality.

Graham routinely posts news and other important information on its website, www.graham-mfg.com, where additional comprehensive information on Graham Corporation and its subsidiaries can be found.

Safe Harbor Regarding Forward Looking Statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as “expects,” “estimates,” “confidence,” “projects,” “typically,” “outlook,”

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Graham Corporation Announces Retirement of Jeffrey F. Glajch, Chief Financial Officer

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“anticipates,” “indicates,” “believes,” “appears,” “could,” “opportunities,” “seeking,” “plans,” “aim,” “pursuit,” “look towards” and other similar words. All statements addressing operating performance, events, or developments that Graham Corporation expects or anticipates will occur in the future, including but not limited to, expected expansion and growth opportunities within its defense and energy markets, anticipated revenue, the timing of conversion of backlog to sales, order momentum and demand for our products, market presence, profit margins, tax rates, foreign sales operations, its ability to improve cost competitiveness and productivity, customer preferences, changes in market conditions in the industries in which it operates, the effect on its business of volatility in commodities prices, including, but not limited to changes in general economic conditions and customer behavior, forecasts regarding the timing and scope of the economic recovery in its markets, its acquisition and growth strategy are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties are more fully described in Graham Corporation’s most recent Annual Report filed with the Securities and Exchange Commission, including under the heading entitled “Risk Factors,” its quarterly reports on Form 10-Q, and other filings it makes with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize or should any of Graham Corporation’s underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on Graham Corporation’s forward-looking statements. Except as required by law, Graham Corporation disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this news release.

For more information, contact:

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