
**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): June 17, 2024

Graham Corporation

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-08462
(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.

Fiscal 2025 Annual Executive Cash Bonus Program. On June 17, 2024, Graham Corporation (the “Company”) amended the Company’s Annual Executive Cash Bonus Program (the “Cash Bonus Program”) for Fiscal 2025. The target bonus levels under the Cash Bonus Program at 100% attainment of both Company and personal objectives are as follows: Daniel J. Thoren – 100% of base salary; Christopher J. Thome – 50% of base salary; and Matthew Malone – 50% of base salary. Each named executive officer will be eligible to receive anywhere from 0% to 200% of his target bonus level depending on the attainment of such objectives. A summary of the performance goal weightings for the Company’s named executive officers for Fiscal 2025 is as follows:

Adjusted EBITDA ⁽¹⁾	Bookings ⁽²⁾	Personal Goals
50%	20%	30%

- (1) For Messrs. Thoren and Thome Adjusted EBITDA includes consolidated Adjusted EBITDA and for Mr. Malone Adjusted EBITDA includes consolidated Adjusted EBITDA (15%) and divisional Adjusted EBITDA (35%).
- (2) For Messrs. Thoren and Thome bookings include consolidated bookings and for Mr. Malone bookings include consolidated bookings (6%) and divisional bookings (14%).

The foregoing descriptions of the Cash Bonus Program in effect for Fiscal 2025 does not purport to be complete and is qualified in its entirety by the Cash Bonus Program a copy of which is attached to this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
#10.1	Graham Corporation Annual Executive Cash Bonus Program in effect for Company’s named executive officers for the fiscal year ending March 31, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).
#	Management contract or compensatory plan.

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: June 20, 2024

By: /s/ Christopher J. Thome
Christopher J. Thome
Vice President – Finance, Chief Financial Officer and
Chief Accounting Officer

GRAHAM CORPORATION
ANNUAL EXECUTIVE CASH BONUS PLAN
(As Amended and Restated Effective June 10, 2024)

Summary

The objective of this Annual Executive Cash Bonus Plan (the “Plan”) is to compensate the Chief Executive Officer and his direct reports for above-average performance through annual bonuses related to both Company and individual performance.

Eligibility and Participation

1. Eligible employees shall include the Chief Executive Officer and his direct reports. “Direct reports” means the: (a) Vice President – Finance, Chief Financial Officer and Chief Accounting Officer, (b) Vice Presidents and General Managers, and (c) such other employees of the Company selected by the Chief Executive Officer to participate in this Plan, subject to the approval by the Compensation Committee of such participation.
2. Target participation levels shall be established by the Compensation Committee.
3. Newly hired or promoted employees are eligible for participation in the Plan upon employment unless otherwise determined by the Chief Executive Officer for Direct Reports and by the Compensation Committee in the case of the Chief Executive Officer.
4. Participants who voluntarily terminate employment or whose employment is involuntarily terminated, in each case, for any reason before the end of the fiscal year shall receive no bonus except as approved by the Compensation Committee, in its sole discretion.

Establishment and Level of Goals

1. Financial goals shall be approved by the Board of Directors.
2. The Chairman of the Compensation Committee shall approve individual goals for the Chief Executive Officer. The Chief Executive Officer shall approve individual goals for Direct Reports. The Chairman of the Compensation Committee or Chief Executive Officer, as applicable, shall determine the number and weighting of goals.

Payment Calculation

At the end of each fiscal year, the Compensation Committee shall determine the extent to which the applicable financial goals and individual goals have been satisfied and the corresponding goal payout factors. The Compensation Committee shall then determine each Participant’s preliminary payout value, which shall be the Participant’s Target Participation Level multiplied

by the product of each performance goal's weighting times its payout factor. The Compensation Committee may then adjust each Participant's preliminary payout value, either upwards or downwards, in the Compensation Committee's sole discretion, to determine each Participant's final payout value.

The final payout values, as determined by the Compensation Committee, will be paid to Participant's as soon as practicable after the end of the fiscal year, but in no event later than 75 days immediately following the end of the fiscal year.

Recoupment

The Plan and the compensation payable hereunder shall be subject to forfeiture, recovery by the Company or other action pursuant to the Company's Policy for the Recovery of erroneously Awarded Compensation adopted by the Company's Board of Directors (the "Board"), as amended from time to time, or any other applicable policies adopted by the Board or the Compensation Committee..

Other Considerations

1. Participants who change their position during the fiscal year shall receive bonus on a pro rated basis.
2. Special awards may be made to any person who has made an extraordinary contribution to the Company during the year. Such awards must be recommended by the Chief Executive Officer to the Chairman of the Compensation Committee and may be approved by the Compensation Committee.
3. Unusual or non-recurring events that either positively or negatively affect financial performance may be included or excluded in financial calculations at the discretion of the Compensation Committee.
4. Nothing herein shall be construed to limit or affect the normal and usual powers of management, including right to terminate any individual at any time.
5. The Compensation Committee shall have final and conclusive authority on the existence and administration of this plan.
6. In the event that the Company is in danger of failing to meet its bank covenants, the Compensation Committee may consider granting equity awards in lieu of paying cash bonuses.
7. In the event of death, a Participant's designated beneficiary will be entitled to the Participant's plan benefits. If the Participant has not designated a beneficiary, the Participant's beneficiary or beneficiaries will be determined in accordance with the Participant's will. If there is no will, the beneficiary or beneficiaries shall be determined by the laws of descent and distribution in the state in which the Participant was a resident at the time of death. In the event of death prior to the end of a fiscal year, the Participant will be entitled to receive plan benefits on a pro rated basis, which shall be paid to a Participant's designated beneficiary.

Section 409A

The Plan and the compensation payable thereunder are intended to be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated and other official guidance issued thereunder, and shall be administered and interpreted consistent with such intention.

ANNUAL EXECUTIVE CASH BONUS PLAN

FISCAL YEAR 2025
TERMS FOR
NAMED EXECUTIVE OFFICERS

Target Participation Levels

<u>Position</u>	<u>% Base Pay</u>
Chief Executive Officer	100%
Vice President – Finance, Chief Financial Officer and Chief Accounting Officer	50%
Vice Presidents and General Managers	50%

Goal Weightings

<u>Position</u>	<u>Adjusted EBITDA (1)</u>	<u>Bookings (2)</u>	<u>Personal Goals</u>
Chief Executive Officer	50%	20%	30%
Vice President – Finance, Chief Financial Officer and Chief Accounting Officer	50%	20%	30%
Vice Presidents and General Managers	50%	20%	30%

(1) For the Chief Executive Officer and Chief Financial Officer Adjusted EBITDA includes consolidated Adjusted EBITDA and for the Vice Presidents and General Managers Adjusted EBITDA includes consolidated Adjusted EBITDA (15%) and divisional Adjusted EBITDA (35%). “Adjusted EBITDA” shall mean net income, plus income taxes, plus net interest expenses, plus depreciation, depletion and amortization, plus non-cash charges, expenses, write-downs and losses, less all non-cash income and gains, plus non-recurring costs and expenses, less non-recurring income/gains and any other unusual and infrequent items, as determined by the Committee.

(2) For the Chief Executive Officer and Chief Financial Officer bookings include consolidated bookings and for the Vice Presidents and General Managers bookings include consolidated bookings (6%) and divisional bookings (14%).

Bookings is defined as new orders received by the Company and entered into backlog during fiscal year 2025, defined as April 1, 2024 through March 31, 2025, and shall be reduced by the impact of any backlog cancellations. The consolidated bookings calculation for bonus purposes shall be consolidated net orders for Batavia, NY, Barber-Nichols, P3, Ahmedabad, India, and Suzhou, PRC, plus any new orders that may be received by a company acquired by the Company during the fiscal year. For any acquired company, only new bookings subsequent to acquisition apply.

Adjusted EBITDA shall be based upon fiscal year-end results.

Currency exchange rates will be calculated monthly at a fixed rate to eliminate currency fluctuations from incentive calculations.