

GRAHAM CORP  
Form 4  
August 26, 2010

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**LINES JAMES R**

(Last) (First) (Middle)

**C/O GRAHAM CORPORATION, 20 FLORENCE AVENUE**

(Street)

**BATAVIA, NY 14020**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**GRAHAM CORP [GHM]**

3. Date of Earliest Transaction (Month/Day/Year)  
**08/25/2010**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**President and CEO**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	08/25/2010		P	2,000 A \$ 13.217	24,458	D	
Common Stock					5,570	I	See footnote (1)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 7.976					06/01/2010	06/01/2016	Common Stock	7,500 <u>(2)</u>
Stock Option (Right to Buy)	\$ 6.84					07/27/2010	07/27/2016	Common Stock	3,750 <u>(2)</u>
Stock Option (Right to Buy)	\$ 6.9					<u>(3)</u>	05/31/2017	Common Stock	9,894 <u>(3)</u>
Stock Option (Right to Buy)	\$ 30.875					<u>(4)</u>	05/29/2018	Common Stock	2,532 <u>(4)</u>
Stock Option (Right to Buy)	\$ 15.22					<u>(5)</u>	05/28/2019	Common Stock	5,922 <u>(5)</u>
Stock Option (Right to Buy)	\$ 15.25					<u>(6)</u>	05/20/2020	Common Stock	4,638 <u>(6)</u>

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director    10% Owner    Officer    Other

LINES JAMES R  
C/O GRAHAM CORPORATION  
20 FLORENCE AVENUE  
BATAVIA, NY 14020

X

President and CEO

## Signatures

/s/ James R.

08/26/2010

Lines

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares held by the trustee of the Graham Corporation Employee Stock Ownership Plan and allocated to Mr. Lines's account, as to which Mr. Lines has sole voting power but no dispositive power, except in limited circumstances.
- (2) This option was previously reported by Mr. Lines.
- (3) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/31/07 grant date.
- (4) This option was previously reported by Mr. Lines and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/29/08 grant date.
- (5) This option was previously reported by Mr. Lines and is exercisable 33 1/3% per year over three years beginning on the first anniversary of the 5/28/09 grant date.
- (6) This option was previously reported by Mr. Lines and is exercisable 33 1/3% per year over three years beginning on the first anniversary of the 5/20/10 grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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