

BIDLACK JERALD D  
 Form 4  
 February 25, 2011

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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**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 \*  
**BIDLACK JERALD D**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**C/O GRAHAM CORPORATION, 20 FLORENCE AVENUE**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/24/2011**

Director  10% Owner  
 Officer (give title below)  Other (specify below)

(Street)  
**BATAVIA, NY 14020**

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

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 Beneficial Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount		
Common Stock	02/24/2011		M	5,000	A	\$ 7.976	26,639	D
Common Stock	02/24/2011		M	3,750	A	\$ 6.9	30,389	D
Common Stock	02/24/2011		S	1,300	D	\$ 21.73	29,089	D
Common Stock	02/24/2011		S	2,200	D	\$ 21.72	26,889	D
Common Stock	02/24/2011		S	1,500	D	\$ 21.7	25,389	D

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Common Stock	02/24/2011	S	100	D	\$ 21.69	25,289	D
Common Stock	02/24/2011	S	900	D	\$ 21.68	24,389	D
Common Stock	02/24/2011	S	100	D	\$ 21.679	24,289	D
Common Stock	02/24/2011	S	800	D	\$ 21.661	23,489	D
Common Stock	02/24/2011	S	100	D	\$ 21.651	23,389	D
Common Stock	02/24/2011	S	100	D	\$ 21.642	23,289	D
Common Stock	02/24/2011	S	950	D	\$ 21.64	22,339	D
Common Stock	02/24/2011	S	700	D	\$ 21.611	21,639	D

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

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(9-02)

**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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (Right to Buy)	\$ 7.976	02/24/2011		M	5,000 (1)	06/01/2010	06/01/2016	Common Stock	5,000 (1)
Stock Option (Right to Buy)	\$ 6.9	02/24/2011		M	3,750 (2)	(2)	05/31/2017	Common Stock	3,750 (2)

Stock Option (Right to Buy)	\$ 30.875	(3)	05/29/2018	Common Stock	924 (3)
Share Equivalent Unit	(4) (5)	(4)(5)	(4)(5)	Common Stock	106.15

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BIDLACK JERALD D C/O GRAHAM CORPORATION 20 FLORENCE AVENUE BATAVIA, NY 14020	X			

## Signatures

/s/ Jennifer R. Condamine, Attorney-in-fact for Jerald D. Bidlack 02/25/2011

\_\_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) This option was previously reported by Mr. Bidlack.
- (2) This option was previously reported by Mr. Bidlack and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/31/07 grant date.
- (3) This option was previously reported by Mr. Bidlack and is exercisable pro rata on the first, second, third and fourth anniversaries of the 5/29/08 grant date.
- (4) This share equivalent unit was granted under the Graham Corporation Outside Directors' Long Term Incentive Plan, as amended. Under the LTIP, SEUs are credited to each non-employee director's account for each of the first five fiscal years during such director's term in which Graham produces consolidated net income in an amount at least equal to the consolidated net income specified in the budget for each such fiscal year. Such determinations are made annually. Each SEU is valued at the market value of one share of common stock on the valuation date, which is the last day of trading of the first quarter following the end of a fiscal year for which SEUs are to be credited. The number of SEUs to be credited annually is determined by dividing the value of one SEU into \$10,000.
- (5) Outstanding SEUs accrue dividends quarterly in accordance with Graham's regular dividend policy and such dividends are reflected in each director's account after the end of each fiscal year. The number of SEUs reported represent dividends accrued under the LTIP. Upon termination of a non-employee director's service, but not before, the non-employee director may redeem each SEU for one share of common stock or, alternatively and subject to Graham's discretion, for the cash equivalent at the closing price of the stock on the NYSE Amex on the date of termination of service, subject to certain limitations.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.