



PALL CORPORATION
CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS

(AS AMENDED AND RESTATED BY THE BOARD OF DIRECTORS ON APRIL 21, 2011)

I. ORGANIZATION, MEMBERSHIP AND QUALIFICATIONS

(a) Organization

The audit committee ("**Committee**") of the board of directors ("**Board**") of Pall Corporation ("**Company**") shall consist of a minimum of three Directors.

(b) Membership

Members of the Committee, including the Chairperson, shall be appointed by the Board upon the recommendation of the Nominating/Governance Committee.

Members of the Committee may be removed by the Board, upon recommendation of the Nominating/Governance Committee, at any time.

The Committee may delegate its responsibilities to a subcommittee comprised of one or more members of the Committee, as it deems appropriate.

(c) Qualifications

Each member of the Committee shall be:

- (i) "independent" as that term is defined in and determined pursuant to Section B.4 of the Company's Corporate Governance Policy including the specified additional independence criteria for Audit Committee members set out in Section B.8 of the Company's Corporate Governance Policy; and
- (ii) at the time of his or her appointment or must become within a reasonable period of time after his or her appointment to the Committee, in the judgment of the Board, financially literate and have the ability to read and understand the Company's financial statements.

In addition, at least one member of the Committee in the judgment of the Board shall be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated by the Securities and Exchange Commission ("**SEC**").

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Board must determine that simultaneous service does not impair the member's ability for effective service on this Committee. Such determination must be disclosed as required by applicable law and listing standards.

II. PURPOSE

The Committee will assist the Board in fulfilling its oversight responsibilities with respect to matters involving the accounting, financial reporting and internal audit functions of the Company and its subsidiaries. This will include assisting the Board in overseeing: (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the independent auditors' qualifications, independence and performance, (d) the performance of the Company's internal audit function, and (e) the Company's ethics and compliance program.

The Committee will prepare the audit committee report that SEC rules require to be included in the Company's annual proxy statement.

The Committee will review periodically and oversee the financial reporting process, the Company's internal control over financial reporting and the audit process, and the Company's process for monitoring compliance with the Company's Codes of Conduct, Code of Ethical Behavior, Directors Code of Conduct and Financial Code of Ethics. Each of the General Counsel and the Corporate Compliance and Ethics Officer has express authority to communicate personally with the Chairperson of the Committee at any time about material legal or compliance matters involving the Company.

In discharging its responsibilities, the Committee is not itself responsible for the planning or conduct of audits or for any determination that the Company's financial statements are complete and accurate or in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditors.

III. DUTIES AND RESPONSIBILITIES

(a) Oversight of Internal Control over Financial Reporting

In conjunction with Company management, the independent auditors and the internal auditors, the Committee shall evaluate, at least quarterly, the adequacy of the Company's financial reporting systems and business process controls and discuss significant exposures and the actions management has taken to monitor and control such exposures. In addition, the Committee shall review with management and the independent auditors (i) significant deficiencies and material weaknesses in the design or operation of the Company's internal control over financial reporting; (ii) any fraud (regardless of materiality) involving management or other employees having a significant role in internal control over financial reporting; and (iii) changes in the Company's internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, such internal control over financial reporting.

(b) Financial Reporting Generally

In connection with its general oversight of the Company's financial reporting, the Committee shall:

- (i) Review significant accounting and reporting issues identified in any analyses prepared by management or the independent auditors or otherwise identified in the course of the Committee's review of the Company's

financial statements and discussions with its independent auditors, including recent professional and regulatory pronouncements provided to the Committee by the Company or its independent auditors as being particularly relevant to the Company, as well as, off-balance sheet structures with due consideration of their impact on the Company's financial statements.

- (ii) Review with management and the independent auditors management's proposals regarding: new accounting pronouncements; the adoption of, and changes of choice regarding material accounting principles and practices to be followed when preparing the financial statements of the Company; alternative principles and practices that could have been followed; the reasons for selecting the principles and practices to be followed; the financial impact of the principles and practices selected as compared to those of the other alternatives available; and the provision of any "pro forma," "adjusted" or "non-GAAP" information.
- (iii) Inquire as to whether the independent or internal auditors have any concerns regarding the possibility of significant accounting or reporting risks or exposures; the appropriateness and quality of the Company's significant accounting policies; any business transactions that may affect the fair presentation of the Company's financial condition or results of operations; or any weaknesses in the Company's internal control over financial reporting.
- (iv) Affirm in connection with the Committee's review of the Company's annual and quarterly financial statements that the independent auditors communicate certain matters to the Committee as required by professional standards related to their audit of the annual financial statements and their review of the interim financial information.
- (v) Review in private sessions with the independent auditors whether there have been (and if so the nature of) any problems or difficulties and any related responses by management. This shall include:
 - Confirmation that management is not placing any restrictions on the scope of the independent auditors' work or their access to information;
 - Inquiry as to any accounting adjustments noted or proposed by the independent auditors but "passed" (as immaterial or otherwise) and any communications between the audit team and the audit firm's national office regarding significant auditing or accounting issues raised in connection with the Company's audit;
 - Discussion of any "management" or "internal control" letters issued by the independent auditors to the Company, as well as any other material written communications between the independent auditors and management that the independent auditors or management bring to the Committee's attention;
 - Discussion of any disagreements with management regarding generally accepted accounting principles and other matters; and

Discussion of the responsibilities, budget and staffing of the Company's internal audit function and its adequacy and appropriateness.

- (vi) Establish a procedure whereby management discusses with the Committee on a pre-issuance basis all of the following:

The types of information to be disclosed and types of presentations to be made in earnings press releases and in financial information and earnings guidance provided to analysts and rating agencies;

Significant financial reporting matters to be disclosed in any SEC filings, such as a change in accounting principles or extraordinary and non-recurring items and transactions;

Responses to the SEC on any accounting matters contained in any SEC "comment letters"; and

- (vii) Review the structure of the Company's financial/accounting organization.

(c) Annual Financial Statements

In connection with the preparation and audit of the Company's annual audited financial statements, the Committee shall:

- (i) Review with the independent auditors their proposed audit scope and approach, including staffing, budgets, locations and coordination of the independent audit work with the work performed by the internal auditors;
- (ii) Meet with management and the independent auditors to review and discuss the annual audited financial statements and related notes, as well as the related Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), prior to filing or other public release and inquire whether such financial statements and related notes are prepared in accordance with U.S. generally accepted accounting principles and, together with such MD&A, are consistent with the information known to Committee members;

This review is to include discussions with management and the independent auditors about the existence and disposition of any significant issues, including any involving: accounting principles, practices, estimates and judgments; and any material transactions (including the Company's business purpose, pricing and fairness) with related parties or others that have or previously had a special relationship to the Company that may influence the Company's willingness to enter into such transaction or the terms of such transaction;

- (iii) Based on the foregoing review, the Committee also shall make a recommendation to the Board regarding inclusion of such financial statements, related notes and MD&A in the Company's Annual Report on Form 10-K; and

- (iv) Review any complex and/or unusual transactions and any matters requiring significant estimates of asset valuation allowances or liability reserves, and evaluate management's handling of proposed review adjustments identified by the independent auditors.

(d) Interim Financial Statements

With respect to the Company's interim financial statements, the Committee shall:

- (i) Meet with management and the independent auditors to review interim financial statements and any related notes, as well as the related MD&A, prior to filing or other public release, and inquire whether such financial statements and any related notes are prepared in accordance with U.S. generally accepted accounting principles and, together with such MD&A, are consistent with the information known to Committee members;
- (ii) Confirm that the Company's interim financial statements and any related notes included in Quarterly Reports on Form 10-Q have been reviewed by the Company's independent auditors using professional standards and procedures for conducting such reviews, as established by U.S. generally accepted auditing standards;
- (iii) Review any complex and/or unusual transactions and any matters requiring significant estimates of asset valuation allowances or liability reserves; and
- (iv) Evaluate management's handling of proposed review adjustments identified by the independent auditors.

(e) Compliance with Laws and Regulations Relating to Financial Reporting and Tax Matters

The Committee shall oversee the Company's compliance with laws and regulations relating to financial reporting and tax matters and shall:

- (i) Periodically, but not less frequently than annually, review the Company's procedures for monitoring compliance with laws and regulations; and
- (ii) Discuss the significant findings, if any, of reviews or examinations by regulatory agencies, such as the SEC and the Internal Revenue Service.

(f) Compliance with the Company's Codes of Conduct, Code of Ethical Behavior, Financial Code of Ethics, Laws and Regulations Relating to Anticorruption and Approval of Related Person Transactions

The Committee shall oversee compliance with the Company's Codes of Conduct, Code of Ethical Behavior, Directors Code of Conduct and Financial Code of Ethics and laws and regulations relating to anticorruption. The Committee shall:

- (i) Confirm that the Company's Codes of Conduct, Code of Ethical Behavior, Directors Code of Conduct and Financial Code of Ethics are formalized in writing and that procedures are in place to communicate such codes to all personnel to whom they are applicable;

- (ii) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters and the communication of such procedures to all personnel;
- (iii) Periodically, but no less frequently than annually, review with management, including the General Counsel, the Company's Codes of Conduct, Code of Ethical Behavior, Directors Code of Conduct and Financial Code of Ethics;
- (iv) Review the program for monitoring compliance with the Company's Codes of Conduct, Code of Ethical Behavior, Directors Code of Conduct and Financial Code of Ethics and laws and regulations relating to anticorruption and periodically obtain updates from the General Counsel or the Corporate Compliance and Ethics Officer regarding compliance; and
- (v) Monitor on an ongoing basis (no less frequently than annually) and determine whether to recommend to the disinterested members of the Board for approval any related person transactions covered by the Company's Policy Concerning Related Person Transactions and Directors Code of Conduct.

(g) Internal Auditors

The Committee shall ensure that the Company maintains an internal audit function to provide management and the Committee with ongoing assessments of the Company's risk management processes and internal control over financial reporting and shall oversee the activities and programs administered by the internal audit function. The Committee shall:

- (i) Review the annual audit plan of the internal auditors and its scope, and the degree of coordination of the plan with management and the independent auditors;
- (ii) Annually review and approve the charter for the internal audit function;
- (iii) Review periodically the activities, staffing and budget of the internal audit function, including the responsibilities, experience and qualifications of the senior members of the internal audit function; and
- (iv) Meet with the Company's internal auditors without any other members of management being present to discuss matters that the Committee or the internal auditors believe should be discussed.

(h) Independent Auditors

In its oversight of the Company's independent auditors, the Committee shall:

- (i) Have sole authority to select, retain and terminate the Company's independent auditors, to pre-approve all fees and other terms of the audit engagement and to pre-approve the engagement of the independent auditors to provide any permitted non-audit services;

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- (ii) Assist the Board in evaluating the performance of the independent auditors, who are ultimately accountable to the Board and the Committee;
- (iii) Meet with the independent auditors without any members of management being present to discuss matters that the Committee or the independent auditors believe should be discussed;
- (iv) Obtain and review, at least annually, a written report from the independent auditors that describes all relationships between the independent auditors and the Company (including the amount and nature of all related compensation); discuss with the independent auditors the impact on the auditors' objectivity and independence of any disclosed relationships as required by professional standards; and determine whether any such non-audit engagements are consistent with the independent auditors' independence and objectivity;
- (v) Obtain and review, at least annually, a written report from the independent auditors that describes: the independent auditing firm's internal quality control procedures; and any material issues, raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues, and discuss with the independent auditors the contents of such report and the impact of the matters addressed in such report on the quality of services performed by the independent auditors;
- (vi) Evaluate annually whether the Company should change its independent auditors or the partner in charge of performing or reviewing the Company's audit or other audit team personnel, based on all relevant circumstances known to the Committee, including qualifications of and quality of services performed by the independent auditing firm and the primary audit partner, opinions of the Company's management and internal auditors regarding the independent auditors, length of tenure, factors having the potential to impact objectivity, applicable legal requirements, the desirability of regular rotation of the independent auditing firm, any reported issues regarding the firm's internal controls or audits of other companies, and the firm's efficiencies and relevant expertise regarding the Company;
- (vii) Establish and review annually policies for hiring of employees or former employees of the independent auditors of the Company and its subsidiaries, which shall meet the requirements of applicable law and listing standards; and
- (viii) Oversee the resolution of any disagreements between management and the independent auditors regarding financial reporting.

(i) Other Responsibilities

The Committee also shall:

- (i) Review and evaluate the Company's policies and practices with respect to risk assessment and risk management related to the Company's financial statements;
- (ii) Monitor major litigation and significant internal or external special investigations and review with the General Counsel any other legal matters that could have a material impact on the Company's financial statements or compliance with law;
- (iii) If deemed appropriate, initiate special investigations into matters within the Committee's scope of responsibilities or as delegated by the Board;
- (iv) Perform an annual self-evaluation of the Committee's performance and annually reassess the adequacy of and, if appropriate, propose to the Nominating/Governance Committee any desired changes, in the Charter of the Committee, all to supplement the oversight authority of the Nominating/Governance Committee with respect to such matters;
- (v) Perform oversight of the Company's information technology ("**IT**") function, including review of the IT department structure, proposed major IT projects and progress thereon and related resources (human and financial resources), monitor the quality and effectiveness of IT systems and processes that relate to or affect the Company's internal control system, security, disaster recovery capabilities, compliance with laws and risk identification and perform such other duties as are necessary or appropriate to insure that the Company's IT programs effectively support the Company's business and strategic objectives, or as the Board may from time to time assign to it; and
- (vi) Perform other oversight functions as requested by the Board.

(j) Reporting Responsibilities

The Committee shall:

- (i) Make such reports of its activities and evaluations as may be required by the SEC or as determined to be appropriate by the Board;
- (ii) Oversee management's provision to the New York Stock Exchange of any required notices and/or certifications; and
- (iii) Report regularly to the Board on its activities, generally following meetings of the Committee.

IV. MEETINGS

The Committee will meet in person or telephonically at least four times each year and at such other times, in the judgment of the Chairperson of the Committee or the Chairman of the Board, as may be deemed necessary or appropriate to fulfill its responsibilities. Meetings will be necessary following the end of each fiscal quarter of the Company and prior to the release of quarterly or annual earnings to review the financial results of the Company for the preceding fiscal quarter or the preceding fiscal year, as the case may be. Meetings may be called by the Chairperson of the Committee or the Chairman of the Board. Any action required or permitted to be taken by the Committee may be taken by a unanimous consent in writing.

All meetings and other actions of the Committee shall be held and taken pursuant to the by-laws of the Company, including by-law provisions governing notice of meetings and waiver thereof and the number of Committee members required to take actions at meetings and by written consent.

As part of its meetings, the Committee shall meet separately, at least annually with management, with the Company's internal auditors and with the Company's independent auditors. The Committee shall also regularly meet in executive session with only Committee members present.

An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared to document the Committee's discharge of its responsibilities. The minutes shall be circulated in draft form to all Committee members to ensure an accurate final record and shall be approved at a subsequent meeting of the Committee.

V. RESOURCES

The Committee shall have the right to use reasonable amounts of time of the Company's internal and independent accountants, internal and outside lawyers and other internal staff, such as the Chief Financial Officer and the Chief Accounting Officer, and also shall have the right to hire independent accounting experts, counsel and other consultants to assist and advise the Committee in connection with its responsibilities. The cost of such outside experts, counsel and consultants shall be paid by the Company.

The Committee shall advise the Board and the Company's Chief Financial Officer at the beginning of each fiscal year as to the general range of anticipated annual expenses for outside experts, counsel and consultants to be hired by such Committee during such fiscal year, and shall advise the Board at least twice a year with respect to its expenditures.

VI. DISCLOSURE OF CHARTER

This Charter will be posted on the Company's website and also will be made available in print to any shareholder requesting it. Such availability on the Company's website and in print will be disclosed as required by applicable law and listing standards.