

ORGANIZATION AND COMPENSATION COMMITTEE CHARTER

1. PURPOSE

The purpose of the Organization and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Flowserve Corporation (the “Company”) is to (a) see that the officers of the Company are compensated in a manner consistent with Company’s compensation philosophy and competitive with the Company’s peers; (b) review and monitor management succession planning and development; and (c) oversee the preparation, and authorize the filing, and prepare the compensation committee report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual Form 10-K and annual proxy statement. The Committee shall also have the responsibility to (1) appoint, remove, and replace members of the Company’s Pension and Investment Committee (the “PIC”); and (2) have settlor and administrative powers over the Flowserve Corporation 401(k) Plan, the Flowserve Corporation Pension Plan, and other retirement plans intended to be qualified under Section 401(a) of the Internal Revenue Code maintained by the Company or any affiliate of the Company (the “Qualified Plans”), the Flowserve Corporation Flex Health and Welfare Benefit Plan, and the Flowserve Corporation Supplemental Executive Retirement Plan and the Flowserve Corporation Senior Management Retirement Plan (the “Non-Qualified Plans”) (collectively, the “Plans”). The Committee’s settlor powers shall include, without limitation, the authority to amend, modify, or terminate the Plans for any reason and at any time unless the Plan(s) expressly provide to the contrary.

2. MEMBERS

The Committee must have at least three members. All Committee members must have been determined by the Board to be independent, as defined and to the extent required in the applicable New York Stock Exchange listing standards, as they may be amended from time to time. In addition, Committee members must qualify as “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and as “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Securities and Exchange Act of 1934, as amended. Committee members and the Committee Chair shall be appointed by and may be removed by the Board on the recommendation of the Corporate Governance and Nominating Committee.

3. POWERS

The Committee has all powers necessary to carry out its purpose and discharge its responsibilities. These include the power to set the compensation of officers and the power to directly retain outside legal counsel, consultants and other advisors as the Committee determines necessary to perform its responsibilities, without additional approval from the Board, and the power to investigate any matter within the scope of its duties, with full access to books, records, facilities and personnel necessary to do so. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any advisors retained by the

Committee. Without limiting the foregoing, these powers and duties shall include, without limitation, the following:

(a) Organizational

1. Review the Company's processes to recruit, retain and develop management resources, including its executive personnel appraisal, development and selection processes, with a focus on the Company's commitment to diversity.
2. Review management succession plans and monitor development of qualified backup candidates for principal positions in the Company.
3. Review performance and promotability of all officers (except the Chief Executive Officer (the "CEO")) with the CEO at least annually and summarize such reviews for the Board.
4. Review the structure, staffing and operational processes of the Company's organization to ensure they are aligned to achieve the Company's strategic objectives.
5. Review the results of periodic assessments of the Company's employees' morale, opinions and internal culture.
6. Appoint qualified candidates to the PIC, which shall have the powers and duties described in the PIC Charter, and the PIC shall generally manage and control the operation and administration of the Qualified and Non-Qualified Plans.
7. Review the Plans and make any amendments that it deems necessary and appropriate with respect to a plan's design and administration. This power to amend may be delegated to the PIC with the Committee overseeing any amendments proposed and made.

(b) Compensation

1. Periodically review the compensation system and structure to evaluate whether the cash compensation, stock-based compensation and benefit plans will attract, retain, and motivate officers to effectively build shareholder value.
2. Review corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and recommend to the independent directors of the Board the CEO's compensation.
3. Set annual base compensation and approve incentive compensation for all officers.

4. Administer the Company's stock option plans, restricted stock plan, and incentive compensation plans for officers, including the delegation of routine or ministerial activities to management.
5. Review and approve employment agreements and severance agreements for officers, except for the CEO, which will be subject to seeking input from the Board when appropriate, including change in control provisions, plans or agreements.
6. Review developments in corporate benefit plans for employees to evaluate their equity, soundness and adequacy.
7. Receive periodic confirmation that no personal loans to directors or executive officers, or other inappropriate compensation under applicable law, are made.
8. Review and discuss with management the Compensation Discussion and Analysis and other executive compensation-related disclosures required by the SEC to be included in the Company's annual Form 10-K and annual proxy statement and recommend to the Board whether the Compensation Discussion and Analysis should be included in the Company's annual Form 10-K and annual proxy statement.
9. Review and discuss with management, as the Committee deems necessary from time to time, but at least once every six years, the desired frequency of conducting the shareholder advisory vote on executive compensation required by the SEC to be included in the Company's annual proxy statement and recommend to the Board the desired frequency of such vote.
10. Review and discuss issues relating to the PIC's activities, including but not limited to the Qualified and Non-Qualified Plans, as the Committee or PIC may desire from time to time.

(c) Governance

1. Periodically review director compensation and recommend appropriate adjustments to the Corporate Governance and Nominating Committee for submission for approval to the Board, including, without limitation, evaluating all compensation to be paid to members of the Audit Committee for compliance with applicable law.
2. Monitor compliance by directors with the Company's stock ownership guidelines.
3. Review and reassess the adequacy of this charter at least annually.
4. Conduct an annual performance review of the Committee.

5. Produce a compensation committee report as required by the SEC to be included in the Company's annual Form 10-K and annual proxy statement.
6. Review the activities of the PIC, which will also report on the activities of the Flowserve Corporation Benefits Administrative Committee, on a basis no less frequent than annually.

4. MEETINGS

The Committee shall meet at least four times per year, either in person, telephonically, or electronically, at such times and places as the Committee shall determine. The Committee shall report regularly to the full Board with respect to its activities, but not less frequently than quarterly. A majority of the Committee members shall constitute a quorum.