

MISTRAS GROUP, INC.

Related Person Transaction Policy

The policy applies to any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which (i) the Company or any of its subsidiaries is or will be a participant and (ii) any “related person” has or will have a direct or indirect material interest (a “related person transaction”). The term “related person” is defined in Item 404 of Regulation S-K (“Item 404”) and includes directors, executive officers, director nominees, a 5% or more shareholder, and immediate family members of these individuals.

It is the policy of the Board that any related party transaction, and any renewals, extensions or material amendments to a related person transaction, even if previously approved under this policy or by the Board, shall be subject to review, approval or ratification by the Corporate Governance Committee (the “Committee”), or the entire Board if the Corporate Governance Committee does not have a quorum available to approve the transaction. Management shall be responsible to ensure proper disclosure of all related person transactions requiring public disclosure under Item 404.

Whether a related person’s interest in a transaction is material or not will depend on the overall significance of the transaction to investors in light of all relevant facts and circumstances, including the amount involved in the transaction and the relationships of the parties to the transaction with each other and with the related person.

The Corporate Governance Committee is responsible for administering this Policy, which is as follows:

1. Each director, executive officer or director nominee is responsible for notifying the Chief Executive Officer, the General Counsel or the Lead Director if the individual believes he or she may become involved in a related person transaction. Company management shall be responsible for identifying transactions that meet the requirements for review under this policy through examination of director and officer questionnaires, updates of such questionnaires, and through other disclosures to or reviews by management. Management shall provide the Committee with all material information relevant to a related person transaction requiring review, approval or ratification under this policy.
2. The members of the Committee shall review the material facts of the related person transaction, and the disinterested members of the Committee shall either approve or disapprove of the entry into the transaction. The Committee shall only approve a related person transaction if the Committee determines that the transaction is fair and reasonable to the Company. If a related party transaction was commenced without the approval of the Committee, then the related person transaction shall be considered and, if the Committee determines that the transaction is appropriate, shall be ratified by the disinterested members of the Committee. If after considering the relevant facts and circumstances, in connection with the transaction, the Committee determines that it cannot ratify the related person transaction that has been commenced without approval, then the Committee shall take such course of action as the Committee deems appropriate under the circumstances.

3. As necessary, the Committee shall review, approve and ratify related person transactions throughout the duration of the term of the transaction, but no less than annually, to ensure that such transactions remain fair and reasonable to the Company. However, if by its terms, as presented to the Committee, a related person transaction is for a committed term exceeding one year (such as a lease), then annual review shall not be required during the initially approved term so long as no modifications or extensions have been made to the terms and conditions as originally approved by the Committee.

In determining whether a related person transaction is fair and reasonable to the Company, the Committee shall consider all relevant factors, including (i) the Company's business rationale for the transaction, (ii) the alternatives available to the Company other than the related person transaction, (iii) whether the transaction is on terms comparable to those generally available with an unaffiliated third party under the same or similar circumstances, (iv) the extent of the related person's interest in the transaction, (v) the potential for the transaction to lead to an actual or apparent conflict of interest, and (vi) the impact on a director's independence if the related person involved in the transaction is a director, an immediately family member of a director or an entity in which the director is a partner, shareholder or executive officer.