

CENTRAL SECURITIES CORPORATION

COMPENSATION AND NOMINATING COMMITTEE CHARTER

Committee Composition

The Compensation and Nominating Committee (the “Committee”) of Central Securities Corporation (the “Corporation”) shall be composed of at least three Directors of the Corporation, each of whom shall not be an “interested person” of the Corporation as that term is defined in the Investment Company Act of 1940, as amended (the “1940 Act”) and shall be (i) an “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) an “outside director” as defined by Section 162(m) of the Internal Revenue Code of 1986, as amended. Members may be replaced by the Board of Directors at any time, but shall otherwise serve until their successor has been named.

Other Directors of the Corporation, while not serving as members of the Committee, nonetheless will be expected to have a role in the nominating process by identifying and recommending potential candidates to the Committee for its consideration, and by otherwise assisting the Committee in the discharge of its responsibilities.

Role of the Committee

The role of the Committee is to assist the Board of Directors of Central Securities Corporation by:

1. Identifying, reviewing and evaluating individuals qualified to become members of the Board of Directors;
2. Reviewing and recommending the nomination of Board members;
3. Setting the compensation of the President and performing other compensation oversight;
4. Overseeing and administering any incentive compensation plan adopted by the Corporation;
5. Assisting the Board with other related tasks from time to time.

Board Nominations

1. The Committee shall review candidates for and recommend to the Board of Directors nominations for Directors of the Corporation. Before recommending an incumbent, replacement, or additional director, the Committee shall review his or her qualifications, including capability, availability to serve, independence, conflicts of interest and other relevant factors.
2. Persons nominated as Independent Directors may not be “interested persons” of the Corporation as that term is defined 1940 Act. With respect to such nominees, the Committee shall carefully evaluate their independence from any service providers to the

Corporation. The Committee shall also consider the effect of any relationships beyond those delineated in the 1940 Act that might impair independence, *e.g.* business, financial or family relationships with the Corporation's senior officers or with Corporation service providers. In determining nominees' qualifications for Board membership, the Committee may consider such other factors as it may determine to be relevant to fulfilling the role of being a member of the Board of Directors.

Compensation Matters

1. The Committee shall review and approve the President's compensation annually.
2. The Committee shall make recommendations to the Board of Directors with respect to the compensation of officers other than the President as the Committee deems appropriate.
3. The Committee shall administer the Corporation's incentive compensation plan, including (i) the approval, and recommendation to the Board of Directors for ratification, of grants of awards to eligible persons under the plan, (ii) the written determination as to the achievement of performance goals relating to performance awards under the plan and (iii) compliance with applicable requirements under the exemptive order issued by the Securities and Exchange Commission with respect to the plan.

Other Powers and Responsibilities

1. The Committee shall meet as necessary in connection with any vacancy on or addition to the Board, and otherwise from time to time as it deems appropriate to perform its responsibilities.
2. The Committee shall have the resources and authority appropriate to discharge its responsibilities. It may consult with counsel to the Corporation concerning the requirements of the 1940 Act applicable to the selection and qualification of independent directors.
3. The Committee shall recommend to the Board of Directors any revisions or modifications to this Charter that the Committee deems necessary or appropriate to the effective exercise of its responsibilities.