

Audit Committee Charter

PURPOSES

The Audit Committee (the "Committee") shall assist the Board in fulfilling its responsibility to oversee management regarding: (i) the conduct and integrity of the Company's financial reporting to any governmental or regulatory body, shareholders, other users of Company financial reports and the public; (ii) the Company's systems of internal control over financial reporting and disclosure controls and procedures; (iii) the qualifications, engagement, compensation, independence and performance of the Company's independent auditors, their conduct of the annual audit of the Company's financial statements, and their engagement to provide any other services; (iv) the performance of the Company's internal audit function and independent auditors (v) the Company's legal and regulatory compliance; (vi) the application of the Company's code(s) of business conduct and ethics as established by management and the Board; and (vii) the preparation of any reports or other disclosure required by the applicable rules and regulations of the U.S. Securities and Exchange Commission (the "SEC").

In discharging its role, the Committee is empowered to inquire into any matter it considers appropriate to carry out its responsibilities, with access to all books, records, facilities and personnel of the Company. In addition to retaining the Company's independent auditor, the Committee has the power to retain outside counsel, other auditors or other advisers to assist it in carrying out its activities. The Company shall provide adequate resources to support the Committee's activities, including compensation of the Company's independent auditor and any counsel, other auditors and other advisers retained by the Committee. The Committee shall have the sole authority to retain, compensate, direct, oversee and terminate the Company's independent auditor and any counsel, other auditors and other advisers hired to assist the Committee, who shall be accountable ultimately to the Committee.

COMMITTEE MEMBERSHIP

The Committee shall consist of three or more members of the Board, each of whom the Board has selected and determined to be "independent" and to satisfy other requirements for purposes of audit committee membership in accordance with applicable Nasdaq Stock Market Rules and SEC rules, as then in effect, and in accordance with any other qualifications determined by the Board or the Nominating and Corporate Governance Committee from time to time. All members of the Committee shall meet the financial literacy requirements of the Nasdaq Stock Market Rules and at least one member shall be an "audit committee financial expert" as such term is defined under applicable SEC rules. No member of the Committee may serve on the audit committee of more than three public companies, including the Company, unless the Board has determined that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

The Chairman of the Committee shall be appointed from among the Committee members by, and serve at the pleasure of, the Board, shall preside at meetings of the Committee and shall have authority to convene meetings, set agendas for meetings, and determine the Committee's information needs, except as otherwise provided by action of the Committee. In the absence of the Chairman at a duly convened meeting, the Committee shall select a temporary substitute from among its members to serve as chair of the meeting.

COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least four times per year and additionally as circumstances dictate. The Committee shall meet separately and regularly with the head of the internal audit function and the independent auditor in executive sessions to provide the opportunity for full and frank discussion without members of senior management present.

KEY RESPONSIBILITIES

The Committee's role is one of oversight. The Company's management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing those financial statements. In carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the independent auditor's work.

The following responsibilities are set forth as a guide to fulfilling the Committee's purposes, with the understanding that the Committee's activities may diverge as appropriate given the circumstances. The Committee is authorized to carry out these activities and other actions reasonably related to the Committee's purposes or assigned by the Board from time to time.

The Committee may form, and delegate any of its responsibilities to, a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee.

To fulfill its purposes, the Committee shall:

A. Oversee Financial Reporting

1. Review and discuss with management and the independent auditor: (i) all critical accounting policies and practices used by the Company; (ii) any significant changes in Company accounting policies; (iii) any material alternative accounting treatments within generally accepted accounting principles ("GAAP") that have been discussed with management, including the ramifications of the use of the alternative treatments and the treatment preferred by the independent auditor; and (iv) any accounting and financial reporting proposals that may have a significant impact on the Company's financial reports.
2. Inquire as to the independent auditor's view of the accounting treatment related to significant new transactions or other significant matters or events not in the ordinary course of business.
3. Review and discuss with the independent auditor the matters required to be discussed with the independent auditor by: (i) Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 1301, including the auditor's responsibility under the standards of the PCAOB, the significant accounting policies used by the Company, accounting estimates used by the Company and the process used by management in formulating them, any consultation with other accountants and any major issues discussed with management prior to its retention; (ii) Statement of Auditing Standards ("SAS") No. 90 and any report required to be delivered by the independent auditor pursuant to Section 10(A)(k) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and (iii) SAS No. 100, including the review of the interim financial information of the Company and any material modifications that need to be made to the interim financial information for it to conform with GAAP.
4. Review and discuss with management and the independent auditor any material financial or non-financial arrangements that do not appear on the financial statements of the Company.
5. Review and discuss with the independent auditor: (i) any accounting adjustments that were noted or proposed by the auditors but were "passed" (as immaterial or otherwise); (ii) any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement; and (iii) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company or any other material written communications between the accounting firm and management, such as any management letter or schedule of "unadjusted difference."
6. Review the Company's financial statements, including: (i) prior to public release, review and discuss with management and the independent auditor the Company's annual and quarterly financial statements to be filed with the SEC (including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any certifications regarding the financial statements or the Company's internal control over financial reporting and disclosure controls and procedures filed with the SEC by the Company's senior executive and financial officers); (ii) with respect to the independent auditor's annual audit report and attestation, prior to release of the annual audited financial statements, meet with the independent auditor without any management member present to discuss (a) the adequacy of the preparation of the Company's audited financial statements, the Company's system of internal control over financial reporting and the audit procedures applied by the independent auditor, (b) the appropriateness of the accounting principles applied and the judgments, including estimates, made in the preparation of the Company's audited financial statements, and (c) the quality of the Company's financial reports; (iii) meet separately, periodically, with management, including the head of the internal audit function regarding such matters; (iv) recommend to the Board whether to include the audited annual financial statements in the Company's Annual Report on Form 10-K to be filed with the SEC; and (v) prior to submission to any governmental authority of any financial statements of the Company that differ from the financial statements filed by the Company with the SEC, review such financial statements and any report, certification or opinion thereon provided by the independent auditor.
7. Discuss with management and the independent auditor, as appropriate, earnings press releases and financial information and earnings guidance (including the dissemination of financial information not involving the presentation of financial measures in accordance with GAAP) disclosed by the Company.

B. Supervise the Independent Auditor

1. Appoint, oversee, evaluate, set the compensation of, and, if appropriate, terminate, the independent auditor, who shall report directly to the Committee.
2. Review and approve the terms of the independent auditor's retention, engagement and scope of the annual audit, and pre-approve any audit-related and permitted non-audit services (including the fees and terms thereof) to be provided by the independent auditor (with pre-approvals disclosed as appropriate in the Company's filings with the SEC); provided, however, that the pre-approval requirement is waived with respect to the provision of non-audit services for the Company if the "de minimis" exception for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act is satisfied. This authority to pre-approve non-audit services may be delegated to one or more members of the Committee, who shall present all decisions to pre-approve an activity to the full Committee at its first meeting following such decision.
3. On an annual basis: (i) review a formal written statement from the independent auditor delineating all relationships between the independent auditor and the Company, consistent with Independence Standards Board Standard No. 1 (as modified or supplemented), actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or

services that may impact the objectivity and independence of the independent auditor and take appropriate action in response to the independent auditor's report to satisfy itself of the auditor's independence; and (ii) set clear hiring policies for employees or former employees of the independent auditors.

4. Review any disagreements between management and the independent auditor concerning financial reporting, or relating to any audit report or other audit, review or attest services provided by the independent auditor.
5. Ensure the periodic rotation of the engagement audit partners in accordance with applicable rules established by the SEC.
6. On a regular basis, meet separately with the independent auditor to discuss any matters that the Committee or the independent auditor believes should be discussed privately.

C. Oversee Internal Controls and Risk Management

1. Review and discuss with management and the independent auditor: (i) the adequacy of the Company's internal control over financial reporting and disclosure controls and procedures (including computerized information system disclosure controls and security), including (a) management's quarterly certification of the Company's disclosure controls and procedures and any reports of material weaknesses in internal control over financial reporting and actions taken to remedy any such weaknesses, (b) management's annual assessment of the Company's internal control over financial reporting, (c) the independent auditor's annual attestation report regarding the Company's internal control over financial reporting, and (d) whether the Company's internal control over financial reporting and disclosure controls and procedures are designed to provide reasonable assurance that transactions entered into by the Company are properly authorized, assets are safeguarded from unauthorized or improper use, and transactions by the Company are properly recorded and reported; (ii) any significant deficiencies in the design or operation of the Company's internal control over financial reporting and disclosure controls and procedures that could adversely affect the Company's ability to record, process, summarize and report financial data; (iii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting and disclosure controls and procedures; and (iv) related findings and recommendations of management.
2. Review and discuss with management and the independent auditor any significant risks or exposures and assess the steps management has taken to minimize such risks; and review and discuss with management and the independent auditor the Company's policies with respect to risk assessment and risk management.
3. Establish and oversee procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and any other aspects of the Company's internal control over financial reporting, and for the confidential, anonymous submission by employees of concerns regarding questionable accounting, financial reporting or auditing matters.
4. Review and discuss with management guidelines and policies to govern risk assessment and risk management.

D. Supervise the Internal Auditor

1. Review with management and the head of the internal audit function the plans, activities, staffing, and organizational structure of the internal audit function.
2. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the head of the internal audit function.
3. Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.
4. On a regular basis, meet separately with the head of the internal audit function to discuss any matters that the Committee or head of internal audit believes should be discussed privately.

E. Oversee Legal and Ethical Compliance

1. The Committee is responsible for the oversight of the Company's ethics and compliance program. In fulfilling its duties, the Committee will periodically, and not less than annually, receive reports from management on the effectiveness of the program. In addition, the General Counsel, or such other chief ethics officer as may be designated in the Company's Code of Business Conduct and Ethics, is expressly authorized to communicate directly and promptly to the Committee: (i) any matter involving criminal conduct, potential criminal conduct, or any violations of the Company's ethics and compliance policies and (ii) not less than annually on the implementation and effectiveness of the Company's ethics and compliance program. The Committee will also report to the Board with respect to the program.
2. Review periodically legal and regulatory matters that may have a material impact on the Company's financial statements.

3. Review on an ongoing basis, discuss with management and the independent auditor, and approve any transactions or courses of dealing with related parties (e.g., significant shareholders of the Company, directors, corporate officers or other members of senior management or their family members) that are significant in size, including but not necessarily limited to transactions that exceed \$120,000 and that the Company may be required to disclose under SEC rules regarding transactions with related persons pursuant to Item 404 of Regulation S-K, or involve terms or other aspects that differ from those that would likely be negotiated with independent parties, including any safeguards or additional procedures to be applied in such circumstances.
4. Review at least annually with management, including the General Counsel if the Company has one, and head of the internal audit function, compliance with, the adequacy of and any requests for waivers under, the Company's code(s) of business conduct and ethics (including codes that apply to all employees as well as those applicable to directors, senior officers and financial officers and the Company's policies and procedures concerning trading in Company securities and use in trading of proprietary or confidential information) and make a recommendation to the full Board with regard to any amendments to such code(s) or any waiver sought with respect to any executive officer or director.
5. Review and address conflicts of interest of directors and executive officers.

F. Report and Self-Evaluate

1. Oversee the preparation of and approve all reports and disclosure required or appropriate in the conduct of the Committee's responsibilities, including but not limited to the report and other disclosures required by Item 407(d)(3)(i) of Regulation S-K, stating whether the Committee: (i) has reviewed and discussed the audited financial statements with management; (ii) has discussed with the independent auditors the matters required to be discussed by SAS No. 61, as amended, as adopted by the PCAOB in Rule 3200T; (iii) has received the written disclosures and the letter from the independent accountant required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence; and (iv) has, based on the review and discussions referred to above, recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for filing with the SEC.
2. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter.
3. Review and reassess the adequacy of this Charter annually and recommend to the Board amendments as the Committee deems appropriate; request Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
4. Report regularly to the Board on Committee findings and recommendations, including on any issues that arise with respect to the quality or integrity of the Company's financial statements, the performance and independence of the independent auditors and the performance of the internal audit function, the Company's compliance with legal or regulatory requirements and its code(s) of business conduct and ethics, and any other matters the Committee deems appropriate or the Board requests.
5. Maintain minutes or other records of Committee meetings and activities.

G. Other Responsibilities

1. Discuss with management the Company's major policies with respect to risk assessment and risk management.
2. Perform other activities related to this Charter as requested by the Board.
3. Institute and oversee special investigations as needed (e.g., Compliance Hotline).
4. Confirm annually that all responsibilities outlined in this Charter have been carried out.