

**CHARTER OF  
THE AUDIT COMMITTEE OF  
THE BOARD OF DIRECTORS  
OF iPCS, INC.**

**I. PURPOSE**

The audit committee is established by and among the board of directors (the “Board”) of iPCS, Inc. (the “Company”) for the primary purpose of assisting the Board in:

- overseeing the integrity of the Company’s financial statements;
- overseeing the Company’s compliance with material legal and regulatory requirements;
- overseeing the registered public accounting firm’s qualifications and independence;
- overseeing the performance of the Company’s registered public accounting firm; and
- overseeing the Company’s systems of disclosure controls and procedures, internal controls over financial reporting.

Consistent with this function, the audit committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures, and practices at all levels. The audit committee should also provide for open communication among the registered public accounting firm, financial and senior management and the Board. The audit committee has the authority to obtain advice and assistance from and rely on information and advice provided by and expertise of outside legal, accounting, or other advisors as deemed appropriate to perform its duties and responsibilities.

The audit committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section III of this charter. The audit committee will report regularly to the Board regarding the execution of its duties and responsibilities.

**II. COMPOSITION, QUALIFICATIONS, AND MEETINGS**

The audit committee will comprise three or more directors as determined by the Board, with one of the members appointed as Audit Committee Chair. Each audit committee member

will be a person other than an officer or employee of the Company or its subsidiaries or any other individual having a relationship which, in the opinion of the Board, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director. All committee members must be independent, including being free of disallowed compensation agreements, under all other applicable rules and regulations.

All members of the committee must comply with all financial literacy requirements of the Nasdaq Stock Market. The Board will determine whether at least one member of the committee qualifies as an “audit committee financial expert” in compliance with the criteria established by the SEC. The existence of such a member, including his or her name and whether or not he or she is independent, will be disclosed in periodic filings as required by the SEC. Committee members are encouraged to enhance their familiarity with finance and accounting by participating in educational programs, including those conducted by the Company or outside consultants.

The members of the committee will be elected by the Board at the annual organizational meeting of the Board to serve until their successors are elected. Unless a chairperson is elected by the full Board, the members of the committee may designate a chairperson by majority vote.

The committee will meet at least four times annually, or more frequently as circumstances dictate. Each regularly scheduled meeting will conclude with an executive session of the committee absent members of management. As part of its responsibility to foster open communication, the committee will meet periodically with management and the registered public accounting firm in separate executive sessions. In addition, the committee will meet with the registered public accounting firm and management to discuss the annual audited financial statements and quarterly financial statements, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

### **III. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the audit committee will:

#### **Documents/Reports/Accounting Information Review**

1. Review this charter periodically — at least annually — and recommend to the Board of directors any necessary amendments.

2. Review and discuss with management and the registered public accounting firm the Company’s annual financial statements, quarterly financial statements (prior to the Company’s 10-Q filings or release of earnings), and all internal controls reports (or summaries thereof). Review other relevant reports or financial information submitted by the Company to any governmental body or the public, including management certifications as required by the Sarbanes-Oxley Act of 2002 and relevant reports rendered by the registered public accounting firm (or summaries thereof).

3. Recommend to the Board whether the financial statements should be included in the annual report on Form 10-K.

4. Discuss earnings press releases, including the type and presentation of information, paying particular attention to any pro forma or adjusted non-GAAP information. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the types of presentations to be made).

### **Registered Public Accounting Firm**

5. Appoint (and recommend that the Board submit for stockholder ratification, if applicable), compensate, retain, and oversee the work performed by the registered public accounting firm for the purpose of preparing or issuing an audit report or related work. Review the performance of the registered public accounting firm and remove the registered public accounting firm if circumstances warrant. The registered public accounting firm will report directly to the audit committee and the audit committee will oversee the resolution of disagreements between management and the registered public accounting firm if they arise. Consider whether the auditor's performance of permissible nonaudit services is compatible with the auditor's independence. Discuss with the registered public accounting firm the matters required to be discussed under Statement on Auditing Standards ("SAS") No. 61, as amended by SAS No. 84 and SAS No. 90.

6. Review with the registered public accounting firm any problems or difficulties and management's response; review the registered public accounting firm's attestation and report on management's internal control report, from the time that such reports are prepared; and hold timely discussions with the registered public accounting firm regarding the following:

- all critical accounting policies and practices;
- all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the registered public accounting firm; and
- other material written communications between the registered public accounting firm and management, including, but not limited to, the management letter and schedule of unadjusted differences.

7. At least annually, obtain and review a report by the registered public accounting firm describing:

- the firm's internal quality-control procedures;
- any material issues raised by the most recent internal quality-control review or peer review, or by any inquiry or investigation conducted by governmental or professional authorities during the preceding five years with respect to independent audits carried out by the firm, and any steps taken to deal with any such issues; and
- all relationships between the registered public accounting firm and the Company, addressing the matters set forth in Independence Standards Board Standard No. 1.

This report should be used to evaluate the registered public accounting firm's qualifications, performance, and independence. Further, the committee will review the experience and qualifications of the lead partner and other senior members of the independent audit team each year and determine that all partner rotation requirements, as promulgated by applicable rules and regulations, are executed. The committee will also consider whether there should be rotation of the firm itself.

8. Actively engage in dialogue with the registered public accounting firm with respect to any disclosed relationships or services that may affect the independence and objectivity of the auditor and take, or recommend that the full Board take, appropriate actions to oversee the independence of the outside auditor.

9. Review and pre-approve (which may be pursuant to pre-approval policies and procedures) both audit and nonaudit services to be provided by the registered public accounting firm. The authority to grant pre-approvals may be delegated to one or more designated members of the audit committee whose decisions will be presented to the full audit committee at its next regularly scheduled meeting. Approval of nonaudit services will be disclosed to investors in periodic reports required by Section 13(a) of the Securities Exchange Act of 1934.

10. Set clear hiring policies, compliant with governing laws and regulations, for employees or former employees of the registered public accounting firm.

#### **Financial Reporting Processes, Accounting Policies, and Internal Control Structure**

11. In consultation with the registered public accounting firm, review the integrity of the organization's financial reporting processes (both internal and external) and the internal control structure (including disclosure controls and procedures and internal control over financial reporting).

12. Receive and review any disclosure from the Company's CEO or CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of: a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

13. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; major issues as to the adequacy of the Company's internal controls; and any special audit steps adopted in light of material control deficiencies.

14. Review analyses prepared by management (and the registered public accounting firm as noted in item 7 above) setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

15. Review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.

16. Review and approve all related-party transactions, defined as those transactions required to be disclosed under Item 404 of Regulation S-K.

17. Establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters.

18. Establish procedures for the confidential, anonymous submission by Company employees regarding questionable accounting or auditing matters.

### **Legal Compliance and Risk Management**

19. Review, with the Company's counsel, material legal compliance matters, including corporate securities trading policies.

20. Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.

21. Discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has undertaken to control them.

### **Other Responsibilities**

22. Review with the registered public accounting firm and management the extent to which changes or improvements in financial or accounting practices have been implemented.

23. Prepare the report that the SEC requires to be included in the Company's annual proxy statement.

24. Conduct an annual performance assessment relative to the audit committee's purpose, duties, and responsibilities outlined herein.

25. Perform any other activities consistent with this charter, the Company's bylaws, and governing law, as the Board deems necessary or appropriate.

## **IV. PROCEDURES**

### **Fees**

The Company shall provide for appropriate funding, as determined by the audit committee, for payment of compensation: (a) to the registered public accounting firm; (b) to any outside legal accounting or other advisors employed by the audit committee; and (c) for ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.

## **Limitations**

While the audit committee has the responsibilities and powers set forth in this Charter, it is not the duty of the audit committee to plan or conduct audits, to prepare financial statements, or to determine that the Company's financial statements are complete and accurate and are in accordance with GAAP. This is the responsibility of management and the registered public accounting firm. In addition, it is not the audit committee's responsibility to ensure compliance with laws. This is the responsibility of management.

ADOPTED BY THE BOARD OF DIRECTORS: September 27, 2004