

AUDIT AND CORPORATE PERFORMANCE COMMITTEE **CHARTER**

Purpose and Composition

The Audit and Corporate Performance Committee (“Committee”) shall be a standing committee of the Board of Directors (“Board”). The Committee shall assist, advise, and report regularly to the Board in fulfilling its oversight responsibilities related to:

- The integrity of the Company’s financial statements
- The Company’s compliance with legal and regulatory requirements
- The independent auditor’s qualifications and independence
- The performance of the Company’s internal audit function and independent auditors, and
- The Corporate Ethics Program.

In meeting its responsibilities, the Committee is expected to provide an open channel of communication with management, internal audit, the external auditors, and the Board.

The Committee is composed of at least three members of the Board who are independent within the meaning of the Listing Standards of the New York Stock Exchange (NYSE). Committee members shall be appointed and/or removed by the Board. No member of the Committee shall be removed except by a majority vote of the independent directors then in office. Committee members shall be free from any relationships that would interfere with or give the appearance of interfering with the exercise of independent judgment as a Committee member. All members shall have a requisite working familiarity with basic finance and accounting practices in compliance with the Listing Standards of the NYSE. Furthermore, at least one member of the Committee shall have sufficient accounting or financial expertise and be designated as a "financial expert" in compliance with the Listing Standards of the NYSE. Committee members shall be appointed by the Board normally at the Annual Organizational Meeting of the Board.

Director's fees shall be the only compensation an audit committee member may receive from the Company. The Board shall designate one Committee member as Chairman, who shall preside over the meetings of the Committee and report Committee actions to the Board.

Duties and Responsibilities

Duties and responsibilities of the Committee shall include, but are not limited to the following:

1. Review with management and the external auditors the annual and quarterly financial results for the Company, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations". Discussions with management will also include earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The review should focus on appropriate disclosure of key events, risk assessment and management, and actual or contingent liabilities that could materially impact the Company’s financial results or cause the reported information to be misleading. Also review the annual report to shareholders, the annual/quarterly reports on Forms 10-K/10-Q filed with the Securities and Exchange Commission, and legal and regulatory matters having a material impact on the financial statements. The external auditors will have discussions with the Committee on the quality of the accounting policies and practices used by the Company, any alternative

treatments of financial information, their ramifications and the external auditors' preferred treatments.

2. Oversee and monitor the work of the external auditors to ensure they are independent of management and their objectivity is not impaired, recognizing that the external auditors are accountable to the Board and the Committee. In determining the independence of the external auditors, the Committee will annually obtain and review a formal report from the external auditors affirming their independence as prescribed by the NYSE. Review with the external auditors any audit problems or difficulties and management's response.

The Committee has sole authority to retain and terminate the Company's external auditors and will set clear hiring policies for employees or former employees of the independent auditors. Annually obtain and review a report from the external auditors describing the internal quality control process, including material issues raised by the most recent internal quality control review or by any inquiry or investigation by government, regulatory or professional authorities within the past five years.

Annually report to the Board the external audit firm(s) to be retained and preapprove all audit and non-audit services and fees as noted in the Committee's Preapproval Procedure. The Committee will review the scope of any non-audit services to be performed by the external auditors and determine its impact on the auditors' independence. Review the scope of the external audit plan and upon completion of the audit, review significant changes made in the scope of the audit plan. Meet with the external auditors privately, without management present, at each regular meeting.

3. Oversee and monitor the activities of the Audit Services Department to ensure the internal audit function maintains appropriate independence and objectivity in the fulfillment of its responsibilities. The Committee should review: the audit plan for the upcoming year, any planned significant outsourcing of internal audit work, and the results/changes made to the prior year's plan; significant audit findings and recommendations and management's action plans; the adequacy of the budget and staffing for the Department; and the appointment or dismissal and annual compensation of the Chief Audit Executive. Meet with the Chief Audit Executive privately, without management present, at each regular meeting.
4. Assess and monitor the overall control environment of the Company through discussions with management, the external auditors and the Chief Audit Executive. Assess the extent to which the audit plans of the external and internal auditors can be relied on to identify material internal control weaknesses or fraud.
5. Oversee and monitor the activities of the Corporate Ethics Program. As noted in the Committee's Complaint Procedure, the Committee will review and take appropriate action on any complaints received by the Company regarding questionable accounting, internal controls or auditing matters.
6. Review and discuss with management the Company's guidelines and policies governing risk assessment and risk management. Note: While the CEO and Senior Management have the responsibility to assess and manage the Company's exposure to risk and the Finance Committee is responsible for the oversight of the Risk Management Committee Policy and Guidelines, the Audit Committee must discuss in a general manner the guidelines and policies used to govern the process.

7. Request the external auditors, the internal auditors, or management to conduct special reviews or studies, as appropriate. Also, the Committee may obtain advice and assistance from outside legal, accounting or other advisors, at Company expense.
8. Provide a report in the proxy statement stating that the Committee has reviewed and discussed the financial statements with management and the auditors. In addition, this report will include a recommendation to the Board that the audited financial statements be included in the Company's annual report on Form 10-K.
9. Conduct an annual self-assessment of the effectiveness and performance of this Committee and review the adequacy of this Charter. This Charter and the Company's Code of Ethics will be published on the Company's website. In addition, the disclosure of this Charter will be stated annually in the proxy, which will contain a copy of the Charter in an appendix, as required.

Meetings

The Committee shall hold at least three regular meetings and four quarterly conference call meetings each year in order to accomplish the aforementioned duties and responsibilities. The Committee's Chairman may call additional meetings as needed, to review matters of interest to the Committee. The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Audit and Corporate Performance Committee deems appropriate. As deemed necessary by the Committee, meetings shall be attended by appropriate Company personnel.

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

The President of the Service Company or his designee shall, at the request of the Chairman of the Committee, arrange meetings, prepare meeting agendas, and serve as Secretary to the Committee.