



AUDIT COMMITTEE CHARTER
(approved by the Board of Directors - January 25, 2006)

Purpose

The Audit Committee shall represent and assist the Board in fulfilling its oversight responsibility regarding:

- The qualifications, independence and performance of the Corporation's Independent Auditors,
- The adequacy of the Corporation's internal controls and the integrity of the Corporation's financial information reported to the public,
- The performance of the Corporation's internal audit function,
- The appropriateness of the Corporation's accounting policies, and
- The Corporation's compliance with legal and regulatory requirements.
- The review and evaluation of enterprise risk issues.

The Audit Committee shall prepare the audit committee report for inclusion in the Corporation's proxy statement.

Management is responsible for the Corporation's internal controls and the financial reporting process. The Independent Auditors are responsible for performing an independent audit of the Corporation's consolidated financial statements and issuing a report on these financial statements. The Audit Committee represents and assists the Board in fulfilling its oversight responsibility regarding the Corporation's internal controls, financial reporting and independent auditing processes as set forth in this charter. In connection with its responsibility, the Audit Committee may consider and rely upon reports and work from persons and organizations inside and outside of the Corporation when the Committee reasonably believes that the reports and work merit confidence.

Membership

The Audit Committee shall consist of a minimum of at least three members of the Board of Directors. Members of the Committee shall be appointed by the Board of Directors upon the recommendation of the Corporate Governance Committee and may be removed by the Board of Directors in its discretion. All members of the Committee shall satisfy all applicable independence requirements. Each member of the Committee shall be financially literate, as determined by the Board of Directors. In addition, at least one member of the Committee shall be an "audit committee financial expert," as determined by the Board in accordance with Securities and Exchange Commission rules.

The Audit Committee shall have the following authority and responsibilities:

Matters Pertaining to Independent Auditors

The Independent Auditors shall have sole accountability to the Audit Committee.

The Audit Committee shall appoint (subject to ratification by the Corporation's shareholders), compensate, oversee the work of and remove, as appropriate, the Independent Auditors.

In connection with its oversight of the Independent Auditors, the Audit Committee shall:

- Review and approve the terms of the engagement of the Independent Auditors, including the scope of their audit, proposed fees and personnel qualifications.
- Approve in advance all audit and permissible non-audit services to be provided by the Independent Auditors. An audit service within the scope of the engagement approved by the Audit Committee shall be deemed to be approved in advance. Develop and oversee policies and procedures for the engagement of the Independent Auditors to provide audit and permissible non-audit services.
- Periodically review information from the Independent Auditors regarding the Independent Auditors' qualifications, independence, and performance. At least annually, consider the independence of the Independent Auditors, including whether their performance of permissible non-audit services is compatible with their independence, and (to assess the auditor's independence) receive and review a report by the Independent Auditors describing any relationships between the Independent Auditors and the Corporation or any other relationships that may adversely affect the independence of the Independent Auditors.
- Discuss information regarding their qualifications, independence and performance with the Independent Auditors; take appropriate action to determine such qualifications and independence and evaluate their performance.
- Receive and review required communications from the Independent Auditors, including the Independent Auditors' report concerning:
 - critical accounting policies and practices to be used,
 - all alternative treatments of financial information within GAAP for policies and practices related to material items that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditors, and
 - other material written communications between the Independent Auditors and management, such as any management letter or schedule of unadjusted differences.
- Annually, receive and review the Independent Auditors' report on:
 - the Independent Auditors' internal quality-control procedures; and,
 - any material issues raised by the most recent internal quality-control review, or inspection report of, or proceeding against, the Independent Auditors, or by any inquiry or investigation by any governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the Independent Auditors' firm, and any steps taken to deal with any such issues.
- Establish policies for hiring employees and former employees of the Independent Auditors.

Matters Pertaining to the General Auditor, Risk Assessment and Risk Management

The Audit Committee shall:

- Review with the General Auditor the risk assessment process, results, and resulting Annual Audit Plan for the upcoming year, including adequacy of staffing and qualifications of the staff.
- Review with the General Auditor quarterly changes to the Audit Plan, the results of Internal Audit activities, including Audit findings and Special investigations.
- Review and discuss with management the Corporation's enterprise risk management framework and process for identifying, assessing, and monitoring key business risks.

- Review and discuss with management the Corporation's major risk exposures and the steps that management has taken to address and monitor those exposures.
- Report to the entire Board, at least annually, with respect to matters related to enterprise risks and risk management.

Matters Pertaining to Filings with Government Agencies

The Audit Committee shall:

- Review with the Independent Auditors and management the Corporation's Form 10-K, including the Corporation's annual audited financial statements and disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and determine whether to recommend for Board approval the inclusion of the financial statements in the Form 10-K for filing with the Securities and Exchange Commission.
- Discuss with the Independent Auditors and management the Corporation's quarterly financial statements and disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- Discuss with management and the independent auditors the procedures employed to ensure compliance with Sarbanes/Oxley sections 302 and 404, including policies and procedures regarding adequacy of internal controls over financial reporting and disclosure controls.
- Prepare and approve the Audit Committee report for the Corporation's proxy statement.

Controls; Significant Accounting Policies

The Audit Committee shall:

- Review with the Independent Auditors and management both Management's Assessment and the Independent Auditors' Annual Report on Management's Assessment of the Corporation's Internal Controls.
- Review with management and the General Auditor the adequacy and effectiveness of the Corporation's internal controls, financial controls, and of disclosure controls and procedures.
- Review with management and the Independent Auditors the Corporation's significant accounting policies. Review with the Independent Auditors any audit problems, differences or difficulties and management's response.

Press Releases and Earnings Guidance

The Audit Committee shall:

- Review with management and Independent Auditors the earnings press releases.
- Periodically discuss with management and Independent Auditors policies regarding earnings releases, financial information and earnings guidance provided to analysts and rating agencies.

Compliance and Legal Matters

The Audit Committee shall:

- Review with the Corporation's Compliance Officer the Corporation's Compliance Program.
- Review with the Corporation's General Counsel material litigation and other legal matters as appropriate.
- Establish and review procedures for:

- receipt, retention and treatment of complaints regarding the Corporation's accounting, internal accounting controls and auditing matters; and,
- the Corporation's employees to submit confidentially and anonymously concerns regarding questionable accounting and auditing matters.

Other Matters

In order to carry out and effectuate its purpose, the Audit Committee shall, at least quarterly, meet separately with the Corporation's

- Independent Auditors,
- General Auditor,
- Chief Accounting Officer, and
- General Counsel

In order to carry out its responsibilities, the Audit Committee shall also:

- have the authority to engage independent counsel and advisers, and shall receive appropriate funding from the Corporation, as determined by the Committee, for payment of compensation to any such counsel and advisers,
- have the authority to conduct or authorize investigations into any matters within the scope of the Committee's responsibilities, and
- receive appropriate funding from the Corporation for the payment of such ordinary administrative expenses as the Committee determines are necessary or appropriate for carrying out its duties.

The Audit Committee shall report regularly to the Board with respect to its activities.

Performance Evaluation and Charter Review

The Audit Committee shall annually:

- evaluate and assess its performance, and
- reassess the adequacy of its charter and recommend any proposed changes to the Board for approval.