



GREAT LAKES CHEMICAL CORPORATION AUDIT COMMITTEE CHARTER

ORGANIZATION

There shall be an Audit Committee (the "Committee") of the Board of Directors (the "Board") of Great Lakes Chemical Corporation (the "Company"). The Committee will be composed of at least three directors. All members of the Committee shall be independent directors. All members of the Committee shall have (or obtain within a reasonable time frame) working familiarity with basic finance and accounting practices, and at least one member of the Committee shall be a financial expert. Committee members shall continue to act until their successors are appointed by the Board and shall be subject to removal at any time by a majority of the whole Board.

ROLE OF THE AUDIT COMMITTEE

The Audit Committee shall be directly responsible for the appointment, compensation and oversight of the work of the independent auditors and the independent auditors shall report directly to the Committee. The Committee shall provide assistance to the Board in fulfilling its oversight responsibilities relating to: (i) accounting and reporting practices of the Company and compliance with legal and regulatory requirements regarding such accounting and reporting practices; (ii) the quality and integrity of the financial statements of the Company; (iii) internal control and compliance programs; (iv) the independent auditors' qualifications and independence; and (v) the performance of the independent auditors and the Company's internal audit function. In so doing, it is the responsibility of the Committee to maintain free and open means of communication between directors, independent auditors, internal auditors, and management of the Company. The Committee shall be responsible for reporting to the shareholders in the Company's annual proxy statement as required by applicable law and regulations.

DUTIES AND RESPONSIBILITIES

In carrying out its duties and responsibilities, the Committee may develop policies and procedures, reacting as appropriate to changing conditions, which are intended to help assure the directors and shareholders that the accounting and reporting practices of the Company are in accordance with applicable requirements and are of high quality. The Committee's duties and responsibilities shall include but are not limited to the following:

A. Audit Process

1. Review and approve the annual appointment of the independent auditors (who are ultimately accountable to the Committee and the Board) to audit the Company's financial statements; review and pre-approve the audit services to be performed by the independent auditors, including the audit scope and plan; review and pre-approve the fee arrangements of the independent auditors; and evaluate and, if appropriate, review and approve their termination and replacement.
2. Pre-approve all non-audit services to be performed by the independent auditors.
3. Obtain annually from the independent auditors a statement describing all relationships (or services provided) the auditors have with the Company in order to evaluate the auditors' objectivity and independence.
4. Obtain annually from the independent auditors a formal written statement (consistent with Independence Standards Board Standard No. 1) that, in their professional judgment, they are independent of the Company.
5. Obtain and review annually a report from the independent auditors with respect to the audit firm's internal quality control procedures, any material issues raised by the most recent internal quality control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities.
6. Review with the independent auditors any audit problems or difficulties and management's response, any restrictions on the scope of the independent auditors' activities, or on access to information, and any significant disagreements with management.
7. Review and discuss annually with the director of internal audit risk assessment and risk management policies and the resulting Internal Audit plan. Review internal audit coverage, including coverage provided for the more significant audit risk areas and related staffing levels.
8. Review the coordination of audit efforts between the independent auditors and internal audit to ensure completeness of coverage, reduction of redundant effort and the effective use of audit resources.

B. Financial Reporting

1. Review and discuss with management and the independent auditors the financial statements to be included in the Company's annual report on Form 10-K and the quarterly financial statements to be included in the quarterly reports on Form 10-Q, including the Company's disclosures under the Securities and Exchange Act, including those disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations." The review of these financial statements will include the judgments of management and the independent auditors about the quality, not just the acceptability, of accounting principles; the reasonableness of significant judgments; and the clarity of the disclosures in the financial statements. Also, the Committee will discuss the results of the annual audit and quarterly reviews and any other matters required to be communicated to the Committee by the independent auditors under auditing standards generally accepted in the United States.
2. Develop with management general guidelines – not specific content - for earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies, and monitor, review and discuss with management and the independent auditors compliance with such guidelines.
3. Review the independent auditors' summary of significant accounting, auditing and internal control issues identified during the audit along with management's corrective action plans and other matters related to the conduct of the audit which are required to be communicated to the Committee under auditing standards generally accepted in the United States.
4. Review with management and the independent auditors' significant accounting policy changes or applicable new accounting or reporting standards adopted by management.
5. As required by the Securities and Exchange Commission, obtain periodic reports from the independent auditors relating to critical accounting policies and practices to be used; alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, 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 audit differences.

C. Internal Controls

1. Review with management, the director of internal audit and the independent auditors the adequacy of the Company's internal controls.
2. Review periodic reports from the director of internal audit summarizing the results of completed audits/reviews including significant findings and the resolution or status of previously reported significant control issues, along with management's responses thereto.
3. Review with management, the director of internal audit and the independent auditors significant risks or exposures.

D. Complaints

1. Establish procedures consistent with SEC regulations for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and monitor the resolution of such complaints.
2. Establish procedures consistent with SEC regulations for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters and monitor compliance with such procedures.

E. Code of Business Conduct Compliance

1. Review periodically with management, the general counsel and the director of internal audit, the Company's program for monitoring compliance with the Code of Business Conduct and the results of management's investigation and follow-up (including disciplinary actions) regarding any fraudulent acts or accounting irregularities.

F. General

1. Establish hiring policies for employees or former employees of the independent auditors.
2. Conduct annual evaluations of the Committee's performance and report the results of such evaluations to the Board.
3. Perform such other duties and responsibilities as may be assigned from time to time by the Board.

CONSULTANTS

In its discretion from time to time the Committee may obtain advice and assistance from outside legal, accounting or other advisors or consultants.

MEETINGS AND REPORTS

The Committee shall meet at least four (4) times annually and at such other times as determined by the chair of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. At least annually the Committee shall meet separately and privately with the independent auditors, with management, and with the director of internal audit, in separate executive sessions to discuss any matters that they or the Committee desire to address.

The Committee may from time to time delegate any of its duties and responsibilities, including the authority to grant pre-approvals of audit and non-audit services by the independent auditors, to a subcommittee made up of one or more Committee members. Actions and decisions of any subcommittee shall be reported to the Committee.

The Committee will keep regular minutes of its meetings. The Committee shall report regularly to the Board regarding its decisions and activities.

ANNUAL REVIEW OF CHARTER

At least annually, the Committee will review and reassess the adequacy of this charter and will obtain Board approval of the charter.

Adopted by the Board of Directors
on December 5, 2002

/s/Karen Witte Duros

Karen Witte Duros
Assistant Secretary