

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee is a standing committee of the Board of Directors. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibility relating to: (i) the integrity of the Company's financial statements, the financial reporting process, and the systems of internal accounting and financial controls; (ii) the performance of the Company's internal audit function; (iii) the appointment, engagement and performance of the independent auditors and the evaluation of the independent auditors' qualifications and independence; (iv) the Company's compliance with ethics and information security policies and legal and regulatory requirements, including the Company's disclosure controls and procedures; and (v) the evaluation of enterprise risk issues. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, the independent auditors, the internal auditors, and management of the Company and to resolve any disagreements between management and the independent auditors regarding financial reporting.

In discharging its responsibilities, the Committee is not itself responsible for the planning or the performance of audits, or for any determination that the Company's financial statements are complete and accurate, or in accordance with generally accepted accounting principles. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's financial statements and for reviewing the Company's unaudited interim financial statements.

The Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and it is authorized to retain, at the expense of the Company, independent legal, accounting, or such other advisors as it may deem necessary or advisable to carry out its duties.

The Committee is also responsible for the preparation of the audit committee report required by the rules of the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement.

Organization

This Charter governs the operations of the Committee. The Committee shall review and reassess the Charter at least annually and recommend any proposed changes to the Board of Directors for approval. The Committee shall be comprised of at least three members of the Company's Board of Directors, and

each member of the Committee shall meet the independence and experience requirements of the New York Stock Exchange, the Securities Exchange Act of 1934, and the rules and regulations of the SEC. At least one member of the Committee shall be a “financial expert” as defined by the SEC. The Board of Directors shall appoint the members of the Committee and its Chairman.

Meetings

The Committee shall meet as often as it deems necessary or advisable, but not less frequently than quarterly. The Committee shall meet periodically with management, the internal audit service providers, and the independent auditors in separate executive sessions. The Committee may request any officer or employee of the Company or the Company’s outside counsel or its internal audit services provider or its independent auditor to attend any meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Duties and Responsibilities

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances. The following shall be the principal duties and responsibilities of the Committee:

A. Review of Annual SEC Filings. The Committee shall review with management and the independent auditors the financial information to be included in the Company’s Annual Report on SEC Form 10-K, including management’s discussion and analysis, and (i) the independent auditors’ judgment about the quality, not just the acceptability, of the accounting principles used in the preparation of the financial statements, (ii) any changes in the accounting policies or principles applied by the Company, (iii) the reasonableness of significant judgments, (iv) the clarity of the disclosures in the financial statements, (v) any material correcting adjustments that have been identified by the independent auditors, and any material unadjusted differences, (vi) any major issues as to the adequacy of the Company’s internal controls, and (vii) any special steps taken in light of material control deficiencies. The Committee shall also discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards, applicable law or listing standards, including matters required to be discussed by Statement of Auditing Standards No. 61, as amended by Statement of Auditing Standards No. 90. The Committee may discuss with the national office of the independent auditors issues on which it was consulted by the Company’s audit team and matters of audit quality and consistency. Based on such review and discussion, the Committee shall make a determination whether to recommend to the Board of Directors that the audited financial statements should be included in the Company’s Annual Report to Stockholders.

B. Review of Quarterly SEC Filings and Other Communications. The Committee shall review and discuss with management and the independent auditors the quarterly financial information to be included in the Company's quarterly reports on Form 10-Q, including the disclosures under management's discussion and analysis. The independent auditors shall report to the Committee on all critical accounting policies and practices used and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of using such alternative treatments, and the treatment preferred by the independent auditors. The independent auditors shall also discuss any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards, applicable law or listing standards. The Chairman of the Committee shall review the Company's earnings releases and the types of financial information and earnings guidance periodically presented to analysts and rating agencies to the extent required by law or listing standards. The Committee shall also discuss the results of the independent auditors' review of the Company's quarterly financial information conducted in accordance with Statement of Auditing Standards No. 71.

C. Performance of Internal Auditors. The Committee shall annually review the experience and qualifications of senior management personnel involved in the Company's internal audit activity. The Committee shall also be responsible for the engagement, evaluation and termination of any third party providers of internal audit services and it shall approve all fees to be paid to such service providers. As part of its responsibility for evaluating the services performed by any internal audit service provider, the Committee shall review quality control procedures applicable to such service provider. The Committee shall also obtain at least annually a report of such service providers' internal quality control procedures, any material issues raised by their most recent internal quality control review or by any recent inquiry or investigation by governmental or professional authorities within the preceding five years in respect of one or more internal audits conducted by the firm, and any steps taken to deal with such issues.

D. Review of Disclosure Controls and Procedures. The Committee shall review with the Chief Executive Officer and the Chief Financial Officer, and other Company officers, the Company's disclosure controls and procedures and shall review periodically, but not less frequently than quarterly, management's conclusions about the efficacy of such disclosure controls and procedures, including any deficiencies in, or material non-compliance with, such controls and procedures.

E. Engagement/Oversight of Independent Auditors. The Committee shall be solely responsible for the appointment of the Company's independent auditors and, where appropriate, for their termination and replacement (subject to

shareholder ratification). The Committee shall also be responsible for the oversight of the work performed by the independent auditor, and for resolution of any disagreements between management and the auditor regarding financial reporting. The independent auditor shall report directly to the Committee. The Committee shall pre-approve all audit services and permitted non-audit services to be performed for the Company by its independent auditor. The Committee shall also be solely responsible for approving the fees to be paid to the independent auditors for their services. The Committee may delegate authority to one or more members of the Committee to pre-approve audit and permitted non-audit services (including pre-approval of fees), provided that the approvals granted by such persons are reviewed with the full Committee at its next scheduled meeting. The independent auditors shall not be engaged to perform any non-audit services proscribed by law or SEC regulation.

F. Independence/Performance of Independent Auditors. The Committee shall receive a report from the independent auditors at least annually regarding their independence. The Committee shall discuss such report with the auditors and take such action as it may deem necessary to satisfy itself that the auditors are independent. The Committee shall also evaluate the performance of the Company's independent auditors annually. In doing so, the Committee shall consult with management and shall obtain and review a report from the independent auditors describing: (i) all relationships between the independent auditors and the Company, (ii) their internal quality control procedures, and (iii) 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 within the preceding five years in respect of one or more independent audits conducted by the firm, and any steps taken to deal with such issues.

G. Audits by Internal and Independent Auditors. The Committee shall discuss with the internal audit service providers and the independent auditors the overall scope and plans for their respective audits, including the adequacy of staffing and other factors that may affect the effectiveness and timeliness of such audits. In this connection, the Committee shall discuss with management, the internal audit service providers and the independent auditors the Company's major risk exposures (whether financial, operating or otherwise), the adequacy and effectiveness of the Company's accounting, financial, and disclosure controls, and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. The Committee shall review with management and the independent auditors management's annual internal control report, and the attestation of such report by the independent auditors. Management and the internal audit service providers shall report promptly to the Committee regarding any significant deficiencies in the design or operation of the Company's internal controls, material weaknesses in internal controls and any fraud (regardless of materiality) involving persons having a significant role in the internal controls, as well as any

significant changes in internal controls implemented by management during the most recent reporting period of the Company.

H. Review of Certain Matters with Internal and Independent Auditors.

The Committee shall review periodically with management, the internal audit service providers and the independent auditors the effect of new or proposed regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements and other public disclosures.

I. Consultation with Independent Auditors. The Committee shall review with the independent auditors any problems or difficulties the auditors may have encountered in connection with the annual audit or otherwise and any management letter provided by the auditors and the Company's response to that letter. Such review shall include a description of the difficulties encountered, including any restrictions on the scope of activities or access to required information, any disagreements with management regarding generally accepted accounting principles and other matters, material adjustments to the financial statements recommended by the independent auditors and adjustments that were proposed but "passed", regardless of materiality.

J. Preparation of Report for Proxy Statement. The Committee shall produce the report required to be included in the Company's annual proxy statement, all in accordance with applicable rules and regulations.

K. Policies for Employment of Former Audit Staff. The Committee shall approve guidelines for the Company's hiring of former employees of the independent auditors, which shall meet the requirements of applicable law and listing standards.

L. Establishment of "Whistleblowing" Procedures. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

M. Review of Certain Transactions with Directors and Related Parties. The Committee shall review periodically, but no less frequently than annually, a summary of the Company's transactions with directors and executive officers and with firms that employ directors, as well as any other material related party transactions.

N. Access to Records, Consultants and Others. The Committee shall have full authority (i) to investigate any matter brought to its attention with full access to all books, records, facilities and employees of the Company; (ii) to retain outside legal, accounting or other consultants to advise the Committee; (iii) to request any officer or employee of the Company, the Company's outside

counsel, internal auditor, internal audit service providers or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

O. Review of Legal and Regulatory Compliance. The Committee shall periodically review with management and the independent auditors any correspondence with, or action by, regulators or government agencies and any employee complaints or published reports that raise concerns regarding the Company's financial statements, accounting or auditing matters, or compliance with the Company's Business Ethics and Information Security Policies. The Committee shall also meet periodically and separately with the General Counsel and other appropriate legal staff of the Company to review material legal matters and compliance with applicable laws and listing standards.

P. Self-Evaluation. The Committee shall be responsible for evaluating its performance no less frequently than annually.

Q. Delegation. The Committee may delegate any of its responsibilities to one or more members of the Committee.

R. Other Delegated Responsibilities. The Committee shall also carry out such other duties as may be delegated to it by the Board of Directors from time to time.