

**CHARTER FOR THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF  
POLYCOM, INC.**

**(Revised November 1, 2005)**

**1. PURPOSE**

The purpose of the Audit Committee of the Board of Directors of Polycom, Inc. (the “*Company*”) shall be to:

- provide oversight of the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements;
- assist the Board of Directors in oversight of (1) the integrity of the Company’s financial statements, (2) the Company’s internal accounting and financial controls, (3) the Company’s compliance with legal and regulatory requirements, (4) the organization and performance of the Company’s internal audit function, and (5) the independent auditor’s qualifications, independence and performance; and
- provide to the Board of Directors such information and materials as it may deem necessary to make the Board aware of significant financial matters that require the attention of the Board.

In furtherance of these purposes, the Audit Committee will undertake those duties and responsibilities as are enumerated in and consistent with this charter.

**2. MEMBERSHIP AND ORGANIZATION**

**Composition.** The Audit Committee members will be appointed by, and will serve at the discretion of, the Board of Directors. The Audit Committee will consist of at least three members of the Board of Directors. Members of the Audit Committee must meet the following criteria (as well as any additional criteria required by the NASDAQ and the SEC):

- each member will be an independent director in accordance with (i) the Audit Committee requirements of the Nasdaq Stock Market, Inc. Marketplace Rules (the “*Nasdaq Rules*”) and (ii) the rules of the SEC;
- each member will be able to read and understand fundamental financial statements, in accordance with the Audit Committee requirements of the Nasdaq Rules;
- at least one member will have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background, including a

current or past position as a principal financial officer or other senior officer with financial oversight responsibilities, in accordance with the Audit Committee requirements of the Nasdaq Rules; and

- at least one member will be an “audit committee financial expert” as defined in the rules of the SEC.

The Board may designate one member of the Committee as its chair.

**Meetings.** The Audit Committee will meet at least each fiscal quarter. The Audit Committee may establish its own meeting schedule, which it will provide to the Board of Directors. The Audit Committee will meet separately with the Chief Executive Officer and separately with the Chief Financial Officer of the Company, at such times as it deems appropriate to review the financial affairs of the Company. The Audit Committee will meet separately with the independent auditors of the Company, and with the Company’s Vice President, Internal Audit, at such times as it deems appropriate, but not less than quarterly. The Audit Committee may meet with any person in executive session.

Except as the Audit Committee may otherwise decide in its discretion, Audit Committee meetings will normally be attended by the Company’s Management including the Company’s General Counsel, Internal Auditor and a representative of the company’s independent auditors and outside legal counsel.

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors. The Audit Committee shall make regular reports to the full Board on the actions and recommendations of the Committee.

### **3. RESPONSIBILITIES AND DUTIES**

The responsibilities and duties of the Audit Committee shall include:

#### ***Review Procedures***

- reviewing the reports of management, internal audit and the independent auditors concerning the design, implementation and maintenance of the Company’s internal controls and procedures for financial reporting, including reviewing before release the disclosure regarding such system of internal controls required under SEC rules to be contained in the Company’s periodic filings and the attestations or reports by the independent auditors relating to such disclosure;
- reviewing and providing guidance with respect to the external audit by (i) reviewing the independent auditors’ proposed audit scope and approach, (ii) discussing with the Company’s independent auditors the financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies, disagreements with management, control deficiencies and any other relevant matters, (iii) review with the independent auditors the Company’s critical accounting policies and practices, alternative treatments of financial information within generally accepted accounting principles that have been discussed with management and the treatment recommended by the independent auditors, and other material written communications between the independent auditors and management, and (iv) reviewing reports submitted to the audit committee by the independent auditors in accordance with applicable SEC requirements;

- reviewing and approving the annual internal audit project plan and any proposed changes and reviewing periodic reports summarizing results of the internal audit projects;
- reviewing before release the audited quarterly operating results in the Company's quarterly earnings release and reviewing and discussing with management the annual audited financial statements and quarterly unaudited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to filing the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, respectively, with the SEC;
- recommending to the Board of Directors, if deemed appropriate, that the audited financial statements be included in the Company's Annual Report on Form 10-K, in accordance with the rules and regulations of the SEC;
- reviewing with the Company's independent auditors, before filing with the SEC, the results of the auditor's review of the Company's interim financial statements included in Quarterly Reports on Form 10-Q,;
- conducting a review of any suggestions for improvements to the internal control systems highlighted by management, internal audit and the independent auditors and management's action plan to implement such suggestions;
- providing oversight and review at least annually of the Company's risk management, disaster recovery plans, significant financial and accounting policies, including its investment policies, commitment and expenditure authorization policy, revenue recognition policy, credit policy and capital expenditure policy;
- reviewing and approving in advance any proposed related party transactions;
- reviewing, in conjunction with counsel, any legal matters that could have a significant impact on the Company's financial statements; and
- reviewing its own charter and processes at least annually.

### ***Independent Auditors***

- being directly responsible for appointing, compensating and overseeing the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
- reviewing the independence of the outside auditors, including (i) obtaining on a periodic basis a written statement from the independent auditors regarding relationships and services with the Company that may impact independence, as defined by applicable standards and SEC requirements, and discussing with the independent auditors their independence, (ii) presenting this statement to the Board, and (iii) to the extent there are relationships, monitoring and investigating them; and
- pre-approving audit and permissible non-audit services provided to the Company by the independent auditors, except where pre-approval is not required because such non-audit services are de minimis

under the rules of the SEC, in which case subsequent approval may be obtained. The Audit Committee may delegate to one or more designated members of the Audit Committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full Audit Committee at its scheduled meetings.

#### ***Internal Audit***

- reviewing and approving the selection of the Company's General Auditor;
- reviewing the activities, organizational structure and qualifications of the internal audit function;
- reviewing and approving changes to the internal audit charter; and
- reviewing periodically with the Company's General Auditor any issues encountered in the course of the internal audit function's work.

#### ***Regulatory Compliance and Other Matters***

- overseeing compliance with the requirements of the SEC for disclosure of auditor's services and audit committee members, member qualifications and activities;
- reviewing management's monitoring of compliance with the Foreign Corrupt Practices Act;
- reviewing, approving and monitoring the Company's code of ethics for its principal executive and senior financial officers;
- providing a report for inclusion in the Company's proxy statement in accordance with the rules and regulations of the SEC;
- establishing procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and
- engaging in an annual assessment of the committee's performance.

The independent auditors shall report directly to the Audit Committee. In addition, the Audit Committee may retain, as appropriate, outside legal, accounting or other advisors to advise or assist the Audit Committee in the performance of any of the responsibilities and duties set forth above. The Audit Committee shall have sole authority to approve related fees and retention terms.

#### **4. LIMITATION OF AUDIT COMMITTEE'S ROLE**

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 or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.