

Audit Committee Charter

A. Purpose

The Audit Committee (the "Committee") will have the exclusive authority to appoint and remove the Company's independent auditors and determine their compensation. The Committee will be directly responsible for the oversight of the Company's independent auditors.

The Committee will assist the Board of Directors (the "Board") in overseeing (i) the integrity of the Company's financial statements and financial reporting process and the Company's systems of internal accounting and financial controls; (ii) the performance of the Company's internal audit services function; (iii) the annual independent audit of the Company's financial statements, the engagement of the independent auditors and the evaluation of the independent auditors' qualifications, independence and performance; (iv) the compliance by the Company with legal and regulatory requirements, including the Company's disclosure controls and procedures; (v) the management of significant financial and technological risks to the enterprise; and (vi) the fulfillment of the other responsibilities described in this Charter. The Committee will also prepare the report of the Committee required to be included in the Company's annual proxy statement.

The responsibilities of the Committee do not include the preparation of financial statements, planning or conducting audits or making determinations as to whether 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.

B. Membership

The members of the Committee will be appointed by the Board and will number at least three, each of whom meet the independence, experience and expertise requirements of the New York Stock Exchange and applicable law. The members of the Committee will serve until their successors are appointed and qualify. The Board will also designate the Chairman of the Committee and will have the power at any time to change the membership of the Committee and to fill vacancies in it, subject to such new members satisfying the requirements referred to above. No Committee member may serve on more than three audit committees of companies that have issued and outstanding publicly-traded equity securities. The Committee will be responsible for establishing its own procedural rules, subject to the provisions of this Charter, the Company's Bylaws, the Corporate Governance Guidelines of the Company, or the rules of the New York Stock Exchange.

C. Committee Authority and Responsibilities

The Committee will engage the independent auditors, including in connection with any non-audit services, and oversee, evaluate and, where appropriate, replace the independent auditors. The Committee will pre-approve audit and permitted non-audit services provided by the independent auditors. Specific pre-approval by the Committee is required for any proposed services that exceed previously approved cost levels. The Committee may delegate pre-approval authority for audit

and non-audit services to one or more of its members, and such authority has been delegated to the Chairman of the Committee to approve any permitted services for which estimated fees do not exceed \$50,000. Any services for which estimated fees exceed this limit shall be pre-approved by the full Committee. The Chairman will report any pre-approval activity to the full Committee for ratification at the next meeting of the Committee. The Committee may consult with management in performing these duties, but will not delegate these duties to management. The independent auditors will report directly to the Committee, and the Committee will be directly responsible for the oversight of the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.

The Committee will have the exclusive authority and discretion to retain independent advisors, including special legal, accounting or other consultants, to advise the Committee and carry out its duties, and to conduct or authorize investigations into any matters within its scope of responsibilities. The Committee will meet separately and periodically with management, the Internal Audit Director and the Company's independent auditors, in order to perform its oversight function effectively.

The Committee will make regular reports to the Board with respect to issues arising in connection with the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function. In addition, the Committee will perform the following activities in carrying out its oversight responsibility:

- Review and reassess this Charter on an annual basis and submit any proposed changes to the Board for approval.
- Review and discuss with management and the independent auditors the Company's annual audited financial statements and the annual report on Internal Control over Financial Reporting, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the matters required to be discussed pursuant to the Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 16, "Communications with Audit Committees," and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
- Review and discuss with management and the independent auditors the Company's quarterly financial statements, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the matters required to be discussed pursuant to the PCAOB Auditing Standard No. 16, "Communications with Audit Committees," and to PCAOB AU Section 722, "Interim Financial Information," prior to the filing of its Form 10-Q.
- Review and discuss with management and the independent auditors, as applicable, (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management or the

independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (c) any accounting adjustments that were noted or proposed by the independent auditors, but were “waived” (as immaterial or otherwise); (d) any other communications provided by the independent auditors; (e) any disagreements between management and the independent auditors or restrictions imposed on the independent auditors by management; (f) the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of the Company; and (g) earnings press releases.

- Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- Discuss with the independent auditors (1) communications between the audit team and the audit firm's national office relating to material differences between positions taken by the Company and the position of the audit team regarding auditing or accounting issues relating to the Company; and (2) the responsibilities, budget and staffing of the Company's internal audit function.
- Discuss with and obtain a report of the independent auditors at least annually regarding (a) the independent auditors' internal quality-control procedures, (b) any material issues raised by the most recent 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 respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditors and the Company. The Committee will evaluate the qualifications, performance and independence of the independent auditors. The Committee's conclusions with respect to the evaluation will be presented annually to the Board. The Committee will consider whether it is appropriate to adopt a policy of rotating independent auditors on a periodic basis. Any selection of the independent auditors by the Committee may be subject to shareholder approval, as determined by the Board.
- Review any reports of the independent auditors mandated by Section 10A of the Securities Exchange Act of 1934, as amended, and obtain from the independent auditors any information with respect to illegal acts in accordance with Section 10A.
- Ensure that the lead audit partner of the independent auditors and the audit partner responsible for reviewing the audit are rotated at least every five years as required by law and further consider rotation of the independent auditing firm itself.
- Review the Company's hiring of employees or former employees of the independent auditors who were engaged on the Company's account to ensure such hiring doesn't impact the auditors' independence (recognizing that the Sarbanes-Oxley Act of 2002 does not permit the Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller to have

participated in the Company's audit as an employee of the independent auditors during the preceding one-year period).

- Review summaries of 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.
- Review disclosures made by the Company's principal executive officer or officers and principal financial officer or officers regarding compliance with their certification and reporting obligations as required under the Sarbanes-Oxley Act of 2002.
- Review with the Chief Executive Officer, the Chief Financial Officer and the General Counsel the Company's disclosure controls and procedures and review periodically, but in no event less frequently than quarterly, management's conclusions about the effectiveness of such disclosure controls and procedures, including any significant deficiencies in, or material noncompliance with, such controls and procedures.
- Ensure that the Company maintains an internal audit function.
- Review the appointment, reassignment or dismissal of the Internal Audit Director.
- Review (1) the Company's internal audit function, (2) the reporting relationships among the Internal Audit Director, financial management and the Committee, (3) the internal audit reporting obligations, (4) the proposed internal audit plans for the coming year, and (5) the coordination of such plans with the independent auditors.
- Review findings from completed internal audits and progress reports on the proposed internal audit plan, together with explanations for any deviations from the original plan.
- Conduct an annual evaluation of the Committee's performance.
- Review the Company's succession planning for key financial and accounting positions.
- Review and reassess the Company's system for determining whether the Company's financial information required to be disseminated to the public and filed with governmental agencies satisfies the requirements of the Securities and Exchange Commission and New York Stock Exchange.