

AUDIT COMMITTEE CHARTER

1. Powers and Purposes. The Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing: the financial information provided to stockholders and others; the system of internal controls; and the auditing, accounting and financial reporting processes. Consistent with this function, the Committee should foster adherence at all levels to applicable laws, regulations, and the Company's policies, procedures and practices. The Committee will also serve as a means of communication between the Board, Internal Audit and the independent auditors.

While the Committee has the powers and responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in compliance with generally accepted accounting principles, which is the responsibility of management and the independent auditors. Likewise, it is not the responsibility of the Committee to conduct investigations, to resolve disputes, if any, between management and the independent auditors or to assure compliance with laws or the Company's corporate compliance program or code of ethics.

2. Composition and Meetings. The Committee shall be comprised of two or more directors as determined by the Board, each of whom shall be free from any relationships that may interfere with the exercise of his or her independence from management and the Company.

The Committee shall meet as frequently as it may determine necessary to comply with its responsibilities as set forth herein.

3. Responsibilities. It shall be the Committee's responsibility to:
 - (a) In connection with recommending the firm to be retained as the Company's independent auditors, review the information provided by management and the independent auditors relating to the independence of such firm, including, among other things, information related to the non-audit services provided and expected to be provided by the independent auditors. The Committee has also the responsibility to evaluate, and, where appropriate, recommend the replacement of the independent auditors.
 - (b) Review with the appropriate officers and managers of the Company and the independent auditors the audited financial statements of the Company prior to public release thereof.

- (c) Consider, in consultation with the independent auditors and the Director of Internal Audit, the audit scope and their plans for their annual audit and other examinations.
- (d) Review with the independent auditors the report of their annual audit, or proposed report of their annual audit, the accompanying management letter, if any, the reports of their reviews of the Company's interim financial statements conducted in accordance with Statement on Auditing Standards No. 71 (prior to the Company's preparation of its quarterly reports), and the reports of the results of such other examinations outside of the course of the independent auditors' normal audit procedures that the independent auditors may from time to time undertake.
- (e) Review such matters in relation to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.
- (f) Report its activities to the Board of Directors in such manner and at such times as it deems appropriate.