

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

ORGANIZATION

There shall be a committee of the Board of Directors to be known as the Audit Committee. The Audit Committee of the Board of Directors shall be comprised of at least three directors, and each member of the Audit Committee shall be independent.

Independence

Directors shall be considered independent only if the Board affirmatively determines that (i) the director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company); and (ii) the director is independent under any and all other applicable rules and regulations including rules and regulations of the New York Stock Exchange (“NYSE”) and the Securities and Exchange Commission (“SEC”). In any event, each of the members of the Audit Committee shall be free from any relationship (including disallowed compensatory arrangements) that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Directors’ fees are the only compensation an Audit Committee member may receive from the Company, and each member (and his or her spouse, minor children or stepchildren or children or stepchildren sharing a home with the member) is barred from accepting, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary, other than fees in connection with the member’s capacity as a member of the Board of Directors and any Board committee and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service). This prohibition precludes payments to a member as an officer or employee of the Company or a subsidiary, as well as other compensatory payments. Indirect acceptance of any consulting, advisory or other compensatory fee includes, without limitation, acceptance of such a fee (x) by a spouse, a minor child or stepchild or a child or stepchild sharing a home with the member, (y) by an entity in which such member is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary.

In addition, to the full extent provided in applicable SEC and NYSE rules and regulations:

- (i) no director who is an employee of the Company, or has an immediate family member who is employed as an executive officer of the Company, can be independent until three years after the employment has ended.
- (ii) no director can be independent if he or she, or an immediate family member, has received during any twelve-month period within the last three years more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
- (iii) no director can be independent if he or she, or an immediate family member, is an “affiliate” or “affiliated person” of the Company. For these purposes, an “affiliate” or “affiliated person” means a person who directly or, through one or more intermediaries, controls or is controlled by, or is under common control with, the Company; and “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.
- (iv) no director can be independent if he or she is a current partner or employee of a firm that is the Company’s internal or external auditor, or an immediate family member is a current partner of such a firm or is a current employee of such a firm and personally works on the Company’s audit. Also, no director can be independent if he or she, or an immediate family member, was within the last three years a partner or employee of such a firm and personally worked on the Company’s audit within that time.
- (v) no director can be independent if he or she is, or a member of his or her immediately family is, or in the past three years has been, part of an interlocking directorate in which an executive officer of the Company serves on the compensation committee of another company that concurrently employs the director or an immediate family member.
- (vi) no director can be independent if he or she is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of the other company’s consolidated gross revenues.

An “immediate family member” is defined as a director’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who share the director’s home.

Qualifications

All Audit Committee members shall be financially literate, including a working familiarity with basic finance and accounting practices, and at least one member shall be a “financial expert” in compliance with criteria established by the SEC and must have accounting or related financial management expertise, as the Board of Directors interprets such qualification in its business judgment. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Company or an outside consultant. Prospective Audit Committee members should evaluate carefully the existing demands on his or her time before accepting this important assignment. No Audit Committee member may simultaneously serve on the audit committees of more than three public companies.

Election

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board with a term of one year or until their successors shall be duly elected and qualified. In connection with such annual election, the determination of the independence of a director and his or her qualifications to serve as a member of the Audit Committee shall be determined by the Board of Directors. Unless a Chair is seated by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

PURPOSE

The Audit Committee shall provide assistance to the Directors in fulfilling their responsibility to the stockholders, potential stockholders, and investment community relating to corporate accounting, reporting practices of the Company and the quality and integrity of financial reports of the Company. In so doing, the Audit Committee shall assist the Board in overseeing:

- the accounting and financial reporting practices of the Company;
- the audits of the Company’s financial statements including without limitation the performance of the Company’s internal controls and internal audit function and the independent auditors’ qualifications, independence and performance;
- the integrity of the Company’s financial statements;
- the Company’s compliance with legal and regulatory requirements; and
- the Company’s system of disclosure controls and system of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established.

The Committee shall prepare the Audit Committee report that SEC rules require be included in the Company's annual proxy statement.

While certain duties and responsibilities of the Audit Committee are more specifically set forth below, the general function of the Audit Committee is oversight. Management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. In addition, management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations.

Each member of the Audit Committee may rely on (i) the integrity of those persons and organizations within and outside the Company from which it receives information; and (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall promptly be reported to the Board of Directors).

As more fully described in "Responsibilities" below, the outside auditors for the Company are accountable to the Audit Committee. The outside auditors shall submit to the Audit Committee and the Company annually a formal written statement delineating all relationships between the outside auditors and the Company ("Statement as to Independence"), addressing at least the matters set forth in Independence Standard No. 1 adopted by the Independence Standards Board.

MEETINGS

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. Each regularly scheduled meeting shall conclude with an executive session of the Committee absent members of management and on such terms and conditions as the Committee may elect. As part of its job to foster open communication, the Committee should meet periodically with management, the director of the internal audit department and the independent auditors in separate sessions to discuss any matters that the Committee or any of these groups believe should be discussed privately.

RESPONSIBILITIES

The Audit Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in this Section below. The Audit Committee will report regularly to the Board of Directors regarding the execution of these duties and responsibilities, including, without limitation, its (i) evaluation of the independent auditors; (ii) the quality and integrity of the Company's financial statements; (iii) the Company's compliance with legal or regulatory requirements; (iv) the performance and independence of the Company's independent auditors; and (v) the performance of the internal audit function. The Audit Committee has the authority, without seeking Board approval, to, and shall,

obtain advice and assistance from outside legal, accounting and/or other advisors as deemed appropriate by the Committee to fully execute its duties and responsibilities. The Company shall provide appropriate funding, as determined by the Audit Committee, for compensation for the independent auditors and for any outside legal, accounting and other advisers that the Audit Committee may choose to engage and for ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties. None of the Committee's responsibilities may be delegated to any other committee of the Board.

The Audit Committee shall:

Documents/Reports/Accounting Information Review

1. Review this Charter periodically, at least annually, and recommend to the Board of Directors any necessary amendments as conditions dictate.
2. Review and discuss with management and the independent auditors the Company's annual financial statements, quarterly financial statements and all internal controls reports (or summaries thereof). Review any other relevant reports or financial information submitted by the Company to any governmental body, or the public, including management certifications as required by the Sarbanes-Oxley Act of 2002 (Sections 302 and 906) and relevant reports rendered by the independent auditors (or summaries thereof).
3. Review with financial management and the independent auditors each Quarterly Report on Form 10-Q and each Annual Report on Form 10-K (including, without limitation, the Company's disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations") prior to its filing.
4. Review earnings press releases with management, paying particular attention to any use of "pro-forma", "adjusted" or other information which is not required by generally accepted accounting principles ("GAAP").
5. Discuss with management financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be on general terms (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and need not be in advance of each earnings release or earnings guidance.
6. Review the regular internal reports (or summaries thereof) to management prepared by the internal auditing department and management's response.
7. Recommend to the Board of Directors whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.

8. Obtain from the outside auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Securities Exchange Act of 1934, as amended, which sets forth certain procedures to be followed in any audit of financial statements required under the Securities Exchange Act of 1934.

Independent Auditors

9. Have sole authority to appoint (subject to stockholder ratification), compensate, retain and oversee the work performed by the independent auditor engaged for the purpose of preparing and issuing an audit report or performing other audit, review or attest services for the Company. The Audit Committee shall have the ultimate authority to approve all audit engagement fees and terms. The Audit Committee shall have sole authority to review the performance of the independent auditors and remove the independent auditors if circumstances warrant. The independent auditors shall report directly to the Audit Committee and the Audit Committee shall oversee the resolution of any disagreement between management and the independent auditors in the event that any may arise.
10. Review with the independent auditor (without representatives of management when deemed necessary) reports or communications (and management's and/or the internal audit department's response thereto) submitted to the Audit Committee by the outside auditors required by or referred to in SAS 61; review any problems or difficulties with an audit and management's response, including any restrictions on the scope of the independent auditors activities or an access to requested information, and any significant disagreements with management; and review and hold timely discussions with the independent auditors regarding the following:
 - all critical accounting policies and practices and other major issues regarding accounting principles and financial statement presentations, including significant changes in accounting principles;
 - all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors;
 - other material written communications between the independent auditors and management including, but not limited to, any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors and schedule of unadjusted differences;
 - the scope of the annual audit;
 - the audited financial statements and disclosures made in Management's Discussion and Analysis;

- significant risks and exposures, if any, and the steps taken to monitor and minimize such risks;
 - any other significant matters arising from any audit or report or communication referred to in items 2 or 3 above, whether raised by management, the internal audit department or the outside auditors, relating to the Company's financial statements;
 - review the form of opinion the outside auditors propose to render to the Board of Directors and stockholders;
 - any accounting adjustments that were noted or proposed by the independent auditor but were "passed" (as immaterial or otherwise); and
 - any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement.
11. At least annually, obtain and review a report by the independent auditor (including the review and evaluation of the lead partner of the independent auditors) describing:
- the firm's internal quality control procedures, the budget, staffing and responsibilities of the internal audit department and any recommended changes in the planned scope of the internal audit;
 - any material issues raised by the most recent internal quality-control review or peer review of the independent auditors, 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, and any steps taken to deal with any such issues;
 - (to assess the auditor's independence) all relationships between the independent auditor and the Company;

In making the foregoing evaluation, the Audit Committee should take into account the opinions of management and the Company's internal auditors.

12. Review audit services and approve in advance nonaudit services to be provided by the independent auditors, taking into consideration SEC rules regarding permissible and impermissible services by such independent auditors. This duty may be delegated to one or more designated members of the Audit Committee with any such preapproval reported to the Audit Committee at its next regularly scheduled meeting. Approval of nonaudit services shall be disclosed to investors in periodic reports to the extent required by Section 13(a) of the Securities Exchange Act of 1934.

13. Set clear hiring policies, compliant with governing laws or regulations, for employees or former employees of the independent auditors.
14. Review and evaluate the lead audit partner of the independent auditor.
15. Assure the regular rotation of the lead audit partner as required by law, and consider whether regular rotation of the independent auditor is advisable to assure continuing auditor independence.

Financial Reporting Processes and Accounting Policies

16. In consultation with the independent auditors and the internal auditors, review the integrity of the organizations' financial reporting processes (both internal and external), and the internal control structure (including disclosure controls).
17. Review 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.
18. Review analyses prepared by management (and the independent auditor as noted in item 10 above) 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.
19. Review the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
20. Review and approve all related party transactions.
21. Establish and maintain procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.
22. Establish and maintain procedures for the confidential, anonymous submission by Company employees regarding questionable accounting or auditing matters.

Internal Audit

23. Review and advise on the selection and removal of the internal audit director.
24. Review activities, organizational structure, and qualifications of the internal audit department.

