

October 2008

## AUDIT COMMITTEE CHARTER

The Audit Committee is appointed by the Board of Directors (the "Board") to assist the Board in monitoring (1) the integrity of the financial statements of the company, (2) the compliance by the company with legal and regulatory requirements and (3) the independence and performance of the company's internal and external auditors.

The members of the Audit Committee shall meet all regulatory requirements pertaining to independence and experience requirements, including audit committee financial expert requirements. The Board on the recommendation of the Nominating and Governance Committee shall appoint the members of the Audit Committee.

The Audit Committee shall have the authority to select the independent auditor, retain special legal, accounting or other consultants to advise the Committee. The Audit Committee may request any officer or employee of the company or the company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Audit Committee shall make regular reports to the Board.

The Audit Committee shall at least annually, unless otherwise specified:

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
2. Review the annual audited financial statements with management, including MD&A and major issues regarding accounting and auditing principles and practices as well as the adequacy of internal controls that could significantly affect the company's financial statements.
3. Review an analysis prepared by the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the company's financial statements, including a description of any transactions as to which management obtained Statements on Auditing Standards No. 50 letters.
4. Review the company's annual and quarterly financial results prior to issuance of earnings announcements and review the company's Forms 10-K and 10-Q prior to filing.
5. Review major changes to the company's accounting principles and practices as suggested by the independent auditor, internal auditors or management.
6. Select and appoint independent auditor and advisors, if necessary. Notify the Board of the selection and appointment of the independent auditor, which firm is ultimately accountable to the Audit Committee.
7. Review the experience and qualifications of the senior members of the independent auditor team and the quality control procedures of the independent auditor. Review the experience and qualifications of the company's senior finance executives.
8. Pre-approve the fees to be paid to the independent auditor.
9. Establish guidelines for the retention of the independent auditor for any non-audit service. Pre-approve any independent auditor non-audit services. Current guidelines are set forth on Exhibit A attached to this Charter.

10. Receive periodic reports from the independent auditor regarding the auditor's independence, discuss such reports with the auditor, and if so determined by the Audit Committee, recommend that the Board take appropriate action to satisfy itself of the independence of the auditor.
11. Recommend to the Board guidelines for the company's hiring of employees of the independent auditor who were engaged on the company's account.
12. Review the appointment and replacement of the senior internal auditing director.
13. Review the significant reports to management prepared by the internal auditing department and management's responses.
  - (a) Any changes required in the planned scope of the internal audit.
  - (b) The internal audit department responsibilities, budget and staffing.
14. Meet with the independent auditor prior to the year-end audit to review the planning and staffing of the audit.
15. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 114 relating to the conduct of the audit.
16. Review with the independent auditor any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and the company's response to that letter. Such review should include
  - (a) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, and any disagreements with management.
17. Review and approve the report required by the rules of the Securities and Exchange Commission to be included in the company's annual proxy statement.
18. Review the company's policies and procedures regarding compliance with applicable laws and regulations and with the company's Code of Ethics.
19. Review with the company's General Counsel legal matters that may have a material impact on the financial statements, the company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
20. Meet with the chief executive officer, chief financial officer, chief accounting officer, the senior internal auditing director and the independent auditor in separate executive sessions.
21. Assess its performance of the duties specified in this charter and report its findings to the Board of Directors.
22. The Audit Committee shall review and approve all related-party transactions.
23. The Audit Committee shall establish and monitor procedures for:
  - (a) The confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and

- (b) The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

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 are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor or to assure compliance with laws and regulations and the company's Code of Conduct.

*Exhibit A to Annex A*

#### Guidelines for the retention of the independent auditor for non-audit services

##### **Allowable Non-Audit Services**

- Foreign statutory audits
- 11K and ERISA audits
- Carve-out audits in connection with divestitures
- Tax compliance including preparation and filing returns
- Tax counseling
- Due diligence assistance in connection with M&A transactions
- Providing "comfort letters" in connection with securities offerings
- Litigation support involving disputes related to financial statements audited by the independent auditor

##### *Unallowable Non-Audit Services*

- Information Technology consulting services
- Human Resources consulting services
- Management consulting services
- Valuation services
- M&A transaction structuring services