

Audit Committee Charter

Statement of Purpose

The purpose of the Audit Committee (the "Committee") is to (i) appoint, oversee, and replace, if necessary, the independent registered public accounting firm, and (ii) act on behalf of, and provide assistance to, the Board in fulfilling its oversight responsibility with respect to the Company's accounting and reporting practices, and the quality and integrity of its financial reports.

Organization

The Committee shall be comprised of at least three members of the Board, who shall satisfy the independence requirements of The NASDAQ Stock Market and who shall meet the audit committee independence requirements of The NASDAQ Stock Market and the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), as such requirements are interpreted by the Board in its business judgment. The Board shall annually review the Committee's compliance with such requirements. Each member of the Committee must be able to read and understand fundamental financial statements at the time of his or her appointment to the Committee. In addition, at least one member of the Committee will be an "audit committee financial expert" (as that term is defined by the Securities and Exchange Commission ("the SEC")). Members of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance and Nominating Committee. The Board shall designate one member as chairperson or delegate the authority to designate a chairperson to the Committee. The Board may remove members of the Committee from such Committee, with or without cause.

Duties and Responsibilities

The Committee has the responsibilities and powers set forth in this Charter. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining internal control over financial reporting. The independent registered public accountants are responsible for auditing the Company's financial statements and the effectiveness of internal control over financial reporting, and for reviewing the Company's unaudited interim financial statements. The following functions shall be the common recurring activities of the Committee in carrying out its oversight function. The functions are set forth as a guide and may be varied from time to time as appropriate under the circumstances.

1. **Audited Financials.** The Committee shall review and discuss with management and the independent registered public accounting firm the audited financial statements and shall review and discuss with the independent registered public accounting firm the matters contemplated by the current auditing and related professional practice standards, issued by the Public Company Accounting Oversight Board, as may be amended from time to time. The Committee shall inquire of the Company's management and the independent

registered public accounting firms as to whether there were any significant financial reporting issues and judgments made in connection with such financial statements.

2. **Interim Financials.** As a whole, or through the Committee chair, the Committee shall review the Company's interim financial information with management and the independent registered public accounting firm. The Committee shall inquire of the Company's management and the independent registered public accounting firms as to whether there were any significant financial reporting issues and judgments made in connection with such interim financial statements. The committee shall review and discuss with management, the Company's earnings press releases, as well as financial information and earnings guidance, if any provided to analysts and ratings agencies.
3. **Internal Controls.** The Committee shall periodically discuss with management, internal auditors, if any, and the independent registered public accounting firm the quality and adequacy of the Company's internal controls and internal auditing procedures, including any material weaknesses and significant deficiencies in the design or operation of those controls which could adversely affect the Company's ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls, and discuss with the independent registered public accounting firm how the Company's financial systems and controls compare with industry practices. In connection with the Committee's review of internal controls hereunder, it shall review annually a summary of expenses of all Section 16 Officers, as defined in Section 16 of the Securities Exchange Act of 1934, as amended, and shall be engaged to review on a periodic basis any expenses not currently contemplated by the Company's internal expense policy.
4. **Risks and Exposures.** The Committee shall discuss with management and the independent registered public accounting firms any significant risks or exposures facing the Company, evaluate the steps management has taken or proposes to take to mitigate such risks to the Company, and shall review the Company's compliance with such mitigation plans.
5. **Accounting Policies.** The Committee shall periodically review with management and the independent registered public accounting firm the quality, as well as acceptability, of the Company's accounting policies, and discuss with the independent registered public accounting firm how the Company's accounting policies compare with those in the industry and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, the ramifications of use of such alternative disclosures and treatments, the treatment preferred by the independent registered public accounting firm, any changes in Company's critical accounting principles and the effects of alternative GAAP methods, off-balance sheet structures and regulatory and accounting initiatives.
6. The Committee shall discuss with management its process for performing its required quarterly certifications under Section 302 of the Sarbanes-Oxley Act, including the evaluation of the effectiveness of disclosure controls by the Chief Executive Officer and Chief Financial Officer.

7. **Adjustments.** The Committee shall periodically discuss with the independent registered public accounting firm whether all material correcting adjustments identified by the independent registered public accounting firm in accordance with generally accepted accounting principles are reflected in the Company's financial statements.
8. **Engagement of Auditor.** The Committee shall appoint, retain, oversee, approve compensation for, and when necessary, terminate the engagement of, the independent registered public accounting firm, including the resolution of disagreements between management and the auditor regarding financial reporting. The Committee shall approve, in advance, all audit services and all permitted non-audit, tax and other services to be provided to the Company by the independent registered public accounting firm. The Committee shall also discuss with the independent and internal auditors (if any) the overall scope and plans for their respective audits, including the adequacy of staffing and their respective fees.
9. **Auditor Independence.** The Committee shall discuss with the independent registered public accounting firm its independence, and shall actively engage in a dialogue with the independent registered public accounting firm regarding any disclosed relationships or services that might impact the objectivity and independence of the auditor. The Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the independent registered public accounting firm.

The Committee shall pre-approve all audit and non-audit services provided by the independent registered public accountants, including specific pre-approval of internal control-related services based on PCAOB Rule 3525, and shall receive certain disclosure, documentation, and discussion of non-prohibited tax services by the independent registered public accountant based on PCAOB Rule 3524. The Committee shall not engage the independent registered public accountants to perform non-audit services proscribed by law or regulation. The Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.

The Committee shall set clear hiring policies for employees or former employees of the independent registered public accountants that meet SEC regulations and applicable stock exchange listing standards.

10. **Related Party Transactions.** The Committee shall review and approve all related-party transactions required to be disclosed pursuant to SEC Regulation S-K, Item 404.
11. **Filings.** The Committee shall recommend to the Board whether, based on the reviews and discussions referred to above, the audited financial statements should be included in the Company's Annual Report on Form 10-K. The Committee shall also prepare, in accordance with the rules of the SEC as amended from time to time, a written report of the Committee to be included in the company's annual proxy statement for each annual meeting of stockholders.
12. **Communications.** The Committee shall review with the independent registered public accounting firm all material communications between the independent registered public accounting firm and management, such as any management letter or schedule of unadjusted audit differences.

13. **Code of Conduct and Ethics.** The Committee shall approve a code of conduct and ethics for senior financial officers and such other employees and agents of the Company as it determines, and shall periodically review and update the code of conduct and ethics as needed. The Committee shall discuss with management and the independent and internal auditors (if any) the overall corporate "tone" for ethical financial and business behavior, including the need for integrity, transparency, and compliance in all financial and business matters.
14. **Complaints.** Committee shall establish procedures for (i) the receipt, retention, investigation, and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
15. **Generally.** The Committee shall review such other matters as the Board or the Committee shall deem appropriate.

Procedures and Administration

1. **Meetings.** The Committee shall hold regularly scheduled meetings and such special meetings as circumstances dictate. It shall periodically, and no less than quarterly, meet separately with management, with the internal auditors (if any, or other personnel responsible for the internal audit function), and with the independent registered public accounting firm to discuss results of examinations, or discuss any matters that the Committee or any of these persons or firms believe should be discussed privately. The Committee shall report regularly to the Board on its activities.
2. **Action.** Action may be taken by the Committee (or any subcommittee of the Committee) upon the affirmative vote of a majority of the members of the Committee (or subcommittee). Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing.
3. **Notice.** Any member of the Committee may call a meeting of the Committee upon due notice to each other member at least twenty-four hours prior to the meeting (provided that participation in any meeting shall be deemed to constitute waiver of any deficiency in such notice).
4. **Charter.** The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. **Independent Advisors.** The Committee is authorized, without further action by the Board, to engage such independent legal, accounting, and other advisors as it deems necessary or appropriate to carry out its responsibilities.
6. **Expenses.** The Committee is empowered, without further action by the Board, to cause the Company to pay the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
7. **Committee Self-evaluation.** The Committee shall review its performance against the requirements of this Charter annually and shall report to the Board on the results of such evaluation. The Committee's performance evaluation shall be conducted in such manner

as the Committee deems appropriate.

8. **Investigations.** The Committee shall have full access to all books, records, facilities and personnel of the Company and shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company meet with the Committee or any advisors engaged by the Committee.