



## **Audit Committee Charter**

Amended and Restated August 10, 2007

### **I. Purpose**

The purpose of the Audit Committee is to represent and assist the Board of Directors in fulfilling its oversight responsibilities with respect to the integrity of the financial statements of the Company, the independence, qualifications and performance of the Company's corporate and external auditors, and compliance with legal and regulatory requirements, as well as the Company's policies for conducting business, as established in the Company's Code of Conduct, and to prepare the Audit Committee report for inclusion in the annual proxy statement.

### **II. Organization**

#### **A. Composition and Qualifications**

1. The Audit Committee shall be appointed by the Board of Directors from time to time and shall consist of three or more directors, each of whom shall meet the independence requirements of the New York Stock Exchange for directors and audit committee members. The Board of Directors shall appoint one member of the Audit Committee as the Chair.
2. Each member of the Audit Committee shall be financially literate (as such qualification is interpreted by the Board of Directors in its business judgment). At least one member of the Audit Committee shall meet the audit committee financial expert requirements of the Securities and Exchange Commission, as determined by the Board of Directors.

#### **B. Meetings / Minutes / Reports**

1. The Audit Committee shall meet at least quarterly, or more frequently if circumstances dictate.
2. The Chair (or in his or her absence, a member designated by the Chair) shall preside at all meetings of the Audit Committee. The Chair shall be responsible for leadership of the Committee, including scheduling meetings, preparing agendas and making regular reports to the Board of Directors.
3. The Audit Committee shall have full access to management. The Audit Committee shall meet separately, periodically, with management, with corporate auditors and with external auditors to discuss any matters that the Committee believes are relevant to fulfilling its responsibilities.
4. Minutes of each Audit Committee meeting shall be prepared and sent to all Audit Committee members.
5. The Audit Committee shall evaluate and assess the effectiveness of the Committee and the adequacy of this Audit Committee Charter on an annual basis and recommend any proposed changes to the Board of Directors.

#### **C. Authority**

1. The Audit Committee shall have the authority to obtain advice and assistance from internal and outside legal, accounting or other advisors. The Company shall provide appropriate funding, as determined by the Audit Committee, for payment of compensation to the advisors employed by the Audit Committee.
2. The Audit Committee is authorized to conduct or originate investigations into any matters within the Committee's scope of responsibilities.

### **III. Responsibilities and Duties**

#### **A. Annual Audit**

1. The Audit Committee shall meet with the external auditors and senior management prior to the annual audit to discuss planning and staffing of the audit.

2. The Audit Committee shall review the annual audited financial statements and discuss them with senior management and the external auditors, including the Company's MD&A disclosures. In connection with such review, the Audit Committee shall:
  - a. Discuss with the external auditors the matters required to be discussed by Statements on Auditing Standards Nos. 61 and 90 relating to the Audit.
  - b. Review significant issues regarding accounting principles, practices and judgments.
  - c. Discuss any significant financial reporting issues arising in the fiscal year and the Company's accounting and disclosure thereof.
  - d. Review with the external auditors any problems or difficulties encountered in the course of their audit, including any change in the planned audit work and any restrictions placed on the scope of such work, and management's response.
3. Based on its review of the audited financial statements and the external auditors' independence, the Committee shall make its recommendation to the Board of Directors as to the inclusion of the Company's audited financial statements in the Company's Report on Form 10-K.
4. The Audit Committee shall prepare the report of the Committee required by the rules of the SEC to be included in the Company's proxy statements for each annual meeting.

**B. Quarterly Reviews** The Audit Committee shall discuss earnings press releases, and corporate practices with respect to earnings press releases, and financial information and earnings guidance provided to analysts and rating agencies. The Audit Committee shall discuss with management and the external auditors, the quarterly financial statements, including the Company's MD&A disclosures.

**C. Evaluation of External Auditors**

1. The Audit Committee shall be directly responsible, in its capacity as a committee of the Board of Directors, for the appointment, compensation, retention and oversight of the work of the external auditors. In this regard, the Audit Committee shall appoint and retain (subject to ratification by the Company's shareholders), compensate, evaluate and terminate when appropriate, the Company's external auditors, which shall report directly to the Audit Committee.
2. The Audit Committee shall obtain confirmation and assurance as to the external auditors' independence including a requirement that the external auditors submit to the Audit Committee on a periodic basis, not less than annually, a formal written statement delineating all relationships between the external auditors and the Company, as well as a summary of all services provided by the external auditors and the fees charged for such services.
3. The Audit Committee shall also obtain and review at least annually, a report by the external auditor describing the audit firm's internal quality control procedures and any material issues raised by the most recent internal quality control review or peer review of the audit firm, or by any investigation by governmental or professional authorities within the preceding five years regarding any independent audit conducted by the firm and the steps taken to address such issues.

**D. Oversee Corporate Audit Activities**

1. The Audit Committee shall review the appointment or replacement and performance of the Director of Corporate Audit.
2. The Audit Committee shall review the plan and scope of corporate audit activities and budget and staffing of the corporate audit group. The Audit Committee shall review on a periodic basis with the Director of Corporate Audit, the progress of the proposed corporate audit plan, including explanations for any deviations from the original plan and any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information.
3. The Audit Committee shall review the significant reports to management prepared by the corporate auditing group and management's response to such reports.

**E. Enterprise Risk Assessment and Management, Ethics and Compliance Matters**

1. The Audit Committee shall oversee the Company's policies and procedures with respect to enterprise risk assessment and management, and compliance systems with respect to legal and regulatory requirements,

including the Company's business ethics and compliance policies, training programs and programs to monitor compliance with such policies.

2. The Audit Committee shall establish and oversee procedures for the receipt, retention and treatment of complaints with respect to accounting, internal accounting controls or auditing matters, as well as for confidential anonymous submissions by the Company's employees with respect to questionable accounting or auditing matters.
3. The Audit Committee shall review and approve transactions with any related person in which the Company is a participant in an amount exceeding \$120,000.

**F. Internal Controls**

1. The Audit Committee shall review with the external auditors and management the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies or material weaknesses in internal controls reported to the Audit Committee by the external auditors or management.
2. The Audit Committee shall review with management the adequacy and effectiveness of the Company's disclosure controls and procedures.
3. The Audit Committee shall discuss policies with respect to risk assessment and risk management.

**G. Hiring Policy.**

The Audit Committee shall establish hiring policies for employees or former employees of the external auditor.