



Audit Committee Charter

(Adopted April 24, 2013)

I. Purpose

The Audit Committee (the "Committee") assists the Board of Directors (the "Board") in fulfilling its responsibility for oversight of the quality and integrity of the Company's accounting and financial reporting processes, its system of internal accounting controls and the auditing of the Company's financial statements. The Company's independent auditors report directly to the Committee, which has sole responsibility for the appointment (subject to shareholder ratification), compensation, retention, and oversight of the independent auditors and for confirming their independence. The Committee also oversees the Company's internal audit function. The Committee is responsible for oversight of the Company's processes to manage financial risk and processes for compliance with significant applicable legal, ethical, and regulatory requirements related to accounting and financial reporting matters.

The Committee's function is one of oversight, and thus the Committee does not serve to relieve the Company's management of its responsibility to prepare accurate and fairly presented financial statements in accordance with generally accepted accounting principles. Although the Committee is directly responsible for the appointment, compensation, retention and oversight of the independent auditors, the Committee's function does not relieve the independent auditors of their responsibilities relating to the audit or review of the Company's financial statements.

II. Membership

The Committee will consist of at least three directors, who must meet the following criteria:

- Each member will be an independent director as defined in applicable laws, regulations and listing standards.
- No member shall have participated in the preparation of the Company's or any current subsidiary's financial statements at any time during the past three (3) years.
- Each member will be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement, in accordance with Nasdaq Stock Market listing standards.
- At least one member will have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience that results in such member's financial sophistication, in accordance with Nasdaq listing standards, and shall be an "audit committee financial expert," as determined by the Board in accordance with Securities and Exchange Commission ("SEC") rules.

The Corporate Governance/Nominating Committee recommends and the Board appoints the members and Chairperson of the Committee, provided that if the Board has not appointed a Chairperson, the Committee may do so. The Board may remove any member from the Committee at any time with or without cause.

III. Roles and Responsibilities

Without limiting its scope, the Committee's roles and responsibilities will include the following:

Financial Statements, SEC Reports and Other Disclosure

- Review and discuss with management and the independent auditors the annual audited financial statements, quarterly unaudited financial statements, and annual and quarterly reports on Forms 10-K and 10-Q (including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein). Based on such review, recommend to the Board whether the Company's annual financial statements should be included in the annual report on Form 10-K, and prepare the report that SEC rules require be included in the Company's annual proxy statement.
- Review with management before release the unaudited quarterly operating results and earnings guidance, the Company's quarterly earnings press releases and any press releases issued to update earnings guidance.

Processes, Controls and Risk Management

- Periodically review the Company's accounting and financial reporting processes, internal controls and disclosure controls, based on consultation with the Company's management, the Internal Auditor and the independent auditors.
- Receive and assess any reports from the Internal Auditor, independent auditors and management on significant deficiencies or material weaknesses in, or significant changes to, the Company's internal controls over financial reporting.
- Annually review, and discuss with management, the Company's internal audit department (the "Internal Auditor") and the independent auditors, the management and auditor reports, assessments, evaluations and certifications regarding internal control over financial reporting.
- Periodically assess, as needed, and when provided, reports from management related to the Company's compliance with significant applicable legal, ethical, and regulatory requirements related to accounting and financial reporting matters.
- Periodically assess, as needed, and when provided, reports from management related to the Company's processes to manage (i) financial risk, (ii) business interruption and other risk policies, and (iii) investment policies.
- Periodically discuss the implementation of fraud controls and the risk of fraud with management, internal audit and the independent auditors.

Independent Auditors

- Directly appoint, retain, approve all engagement terms for, compensate, evaluate, and oversee the Company's independent auditors engaged for the purpose of preparing or issuing any audit report or performing other audit, review or attestation services, and terminate and replace the independent auditors when circumstances warrant.
- Pre-approve audit and permissible non-audit services provided to the Company by the independent auditors and any associated fees (or subsequently approve non-audit services in those circumstances where a subsequent approval is necessary and permissible).
- Review, at least annually, the qualifications and performance of the independent auditors, including receiving a report from the auditors on the firm's internal quality-control procedures and any material issues raised by the firm's most recent internal quality-control review or peer review, 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.
- At least annually, review and discuss with the independent auditors the written independence disclosures required by the applicable rules of the Public Company Accounting Oversight Board, consider whether the auditors' performance of permissible non-audit services is compatible with their independence and actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of such auditors.
- Review the independent auditors' proposed audit scope and key risk areas and approve any significant modifications to the annual audit plan.
- Review and discuss with the independent auditors the financial statements and the auditors' audit or review findings, as well as (i) all critical accounting policies and practices used by the Company; (ii) any alternative accounting treatments within generally accepted accounting principles related to material items that have been discussed with management, including the ramifications of the use of the alternative treatments and the treatment preferred by the independent auditors; (iii) any significant adjustments, management judgments and accounting estimates; (iv) any significant new accounting policies; (v) any disagreements with management; (v) any other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences; and (vi) any other matters required to be communicated to the Committee under applicable rules and standards at the time of the Company's preparation of the financial statements.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Review and discuss with management and the independent auditors the annual audit findings, including any significant suggestions for improvements provided to management by the independent auditors.
- Review and discuss with the independent auditors the independent auditors' judgments as to the quality of the Company's accounting principles and such further matters as the independent auditors may present to the Committee under generally accepted auditing standards.
- Review and discuss with management and the independent auditors topics and events that may have significant financial impact on the Company or that are the subject of discussions between management and the independent auditors.
- Periodically review and discuss with the independent auditors any other reports or communications submitted to the Committee by the independent auditors in accordance with applicable requirements.
- Monitor the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

Internal Auditors

- Directly appoint, retain, compensate, evaluate the performance and independence of, and oversee the Internal Auditor, and terminate and replace the Internal Auditor when circumstances warrant.
- Evaluate the performance, independence and adequacy of resources of the internal audit function.
- Review the internal audit charter, plan, proposed budget and significant changes in planned activities.
- Review significant findings resulting from internal audits and management's responses thereto.
- Review the Internal Auditors' assessment of the effectiveness of, or weaknesses in, internal control systems.

Other Responsibilities

- Review and approve in advance any proposed related party transactions for which disclosure would be required under SEC Regulation S-K, Item 404 or other applicable laws, regulations or listing standards, or which could impact the independence of any non-employee director under applicable laws, regulations or listing standards.
- Establish procedures for receiving, retaining and addressing complaints received by the Company regarding accounting, internal accounting control or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Review reported violations of laws, regulations or the Company's Code of Business Conduct and Ethics by any director or executive officer (as defined in SEC Rule 16a 1(f)), and report the Committee's findings to the Board as required.
- Review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.
- Review the findings of any examination by regulatory agencies, such as the SEC.
- If necessary, institute special investigations into financial and other matters, with full access to all books, records, facilities and personnel of the Company.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, to understand their impact on the financial statements.
- Review all off-balance sheet structures and transactions, and any complex and unusual or non-recurring transactions.
- Perform other oversight functions or duties as requested by the Board.
- Annually review and evaluate its own performance and report on the results of such self-assessment to the Board.
- Review and reassess the adequacy of this Charter annually and make recommendations to the Board for any proposed changes.

IV. Organizational Matters

Meetings. The Committee will hold meetings at least quarterly, generally in conjunction with both a regular meeting of the Board and the publishing of the Company's quarterly and annual financial statements. The Committee will keep regular minutes of its meetings, and will regularly update the Board about Committee activities and findings.

Executive Sessions. The Committee will meet periodically in executive sessions, without Company management present, at such times as it deems appropriate to review the financial affairs of the Company and to fulfill the Committee's responsibilities under this charter. The executive sessions will include periodic meetings separately with (a) each of the Chief Executive Officer and the Chief Financial Officer of the Company, as needed, (b) the independent auditors, (c) the Internal Auditor, and (d) the Company's compliance officers, as needed.

Subcommittees. The Audit Committee shall not delegate any of its responsibilities to any non-Committee members. To the extent permitted by applicable laws, regulations and listing standards, including independence requirements, the Committee may, as deemed appropriate in its sole discretion, (a) delegate to one or more designated Committee members the authority to pre-approve audit and permissible non-audit services, (b) create and delegate responsibilities to subcommittees consisting of two or more Committee members, and (c) revoke any such delegation at any time, with or without cause. Such designees and subcommittees will promptly report activities and decisions to the full Committee at a subsequent regularly scheduled meeting.

Resources and Advisers. The Committee has the authority to engage consultants and legal advisers as deemed necessary or appropriate, and sole authority to approve the fees and retention terms for and terminate any such consultants and legal advisers. The Company will provide the Committee with the funding and other resources the Committee deems necessary or appropriate to fulfill its responsibilities, including funding to pay for ordinary administrative expenses, and fees to consultants, advisers and the independent auditors.

Unless the Board, the Company's Bylaws or this charter provides otherwise, the Committee may make, alter or repeal rules for the conduct of its affairs. All references to specific statutes or regulations in this charter are to such statutes or regulations as they may be amended from time to time in the future.