

member of the Committee shall be independent, as determined in accordance with the rules of NASDAQ and the SEC as in effect from time-to-time, and no member shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

In accordance with the rules of NASDAQ and the SEC as in effect from time-to-time, at least one member of the Committee by the SEC and determined by the Board, and each other member shall be financially literate and able to read and understand financial statements, as determined by the Board.

Committee members shall not simultaneously serve on the audit committees of more than two other public companies without prior approval by the Board.

Vacancies on the Committee shall be filled by a vote of the Board, provided that the Board shall not fill any vacancy on the Committee unless approved by at least a majority of the independent directors. The Board may remove a member of the Committee, or appoint a member of the Committee, at its discretion, provided that the Board shall not remove any member of the Committee or appoint a member of the Committee unless approved by at least a majority of the independent directors.

Any member of the Committee may resign therefrom at any time by delivering a letter of resignation to the Chair of the Board, with a copy to the Lead Independent Director (if applicable), the Chair of the Committee, and the Secretary of the Company. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect immediately upon its receipt by the Chair of the Board, unless the Chair of the Board determines otherwise. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Committee Resources:

The Committee shall have the authority to select, retain, and supervise any advisors as the Committee deems necessary, in its sole discretion, to fulfill its mandates under this Charter. The Committee also shall have the authority to compensate, at the expense of the Company, such advisors and employ such resources as are necessary to fulfill its mandates under this Charter.

Committee Meeting and Action:

- (a) A majority of the members of the Committee may establish rules of procedure in addition to those set forth in this Charter;
- (b) The Committee shall meet a sufficient number of times in order to carry out the requirements of this Charter, but no less than quarterly, and more

- (d) Meetings may be called by the Chair of the Committee or by a majority of the members of the Committee;
- (e) The Committee may hold meetings in person or via telephone or videoconference;
- (f) A majority of the members of the Committee shall constitute a quorum;
- (g) Any action, other than the establishment of additional rules of procedure for the Committee, adopted by a majority of the Committee members present at a meeting at which a quorum is present, shall be an act of the Committee;
- (h) Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all members of the Committee consent thereto in writing or by electronic transmission;
- (i) The Committee may, in its discretion, delegate any of its responsibilities to one or more subcommittees of one or more directors who are members of the Committee;
- (j) The Committee shall meet in separate executive session periodically (and at least four times annually), or upon the request of the Board, with the Head of Internal Audit, the independent auditor, Company counsel, and/or _____, during regularly scheduled meetings, without any members of management present; and
- (k) The Committee or its designee shall prepare minutes of each meeting and shall cause such minutes, as approved by the Committee, to be made available for review by any member of the Board.

Duties and Responsibilities:

The Committee shall, in addition to any other duties or responsibilities the Board may from time-to-time delegate to the Committee, have the following duties and responsibilities:

- (1)
 - (a) Exercise its authority over the appointment, compensation, retention, oversight, and replacement of the independent auditor engaged for the purpose of preparing and/or issuing audit reports and/or performing other audit, review, or attest services for the Company (including resolution of any disagreements between management and the independent auditor regarding financial reporting). The independent auditor shall report directly to the Committee;
 - (b) Provide the independent auditor with full access to the Committee and the Board as may be necessary to enable the independent auditor to report on any and all appropriate matters within the scope of its responsibilities;
 - (c) Approve, in advance, all auditing services and permitted non-audit services to be performed by the independent auditor, and approve the scope, procedures and fees for the proposed audit for the current year;

(d) Approve Company requirements for the hiring by the Company of employees or

difficulties encountered by the independent auditor, and require confirmation from the independent auditor that its audit was conducted in a manner consistent with professional standards;

- (i) Review reports from the independent auditor and, where applicable, the accounting policies and practices to be used; (2) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the management of the Company, the ramifications of the use of such alternative disclosures or treatments, and the treatment preferred by the auditor; (3) any other matters required to be reported to the Committee by the independent auditor pursuant to Auditing Standard No. 1301 (Communications with Audit Committees) **AS 1301** ; and (4) other material written communications between the independent auditor and the management of the Company, such as any management letter or schedule of unadjusted differences;

(2)

steps management has taken to mitigate and control them (including any off-balance sheet structures); and (8) the impacts of any new rules, standards, or regulatory guidance that pertain to accounting, auditing, and/or financial reporting, including but not limited to discussions, as needed, with the independent auditor, management, and external advisors with respect to the progress regarding any such new rules, standards, or regulatory guidance;

- (b) Review with management (including the Head of Internal Audit) and the internal control over financial reporting,

internal control over financial reporting; and (3) the controls and procedures, including their effectiveness;

- (c) Review, including reviewing and discussing with management (including the Head of Internal Audit) and the independent auditor, as appropriate, the procedures with respect to risk assessment and risk management of financial and disclosure control-related, as well as reporting-related, matters;

- (d) Review the scope of the audit for financial reporting, the scope of the auditing planned to be performed by Internal Audit and the independent auditor in that regard, and any coordination of such audit services;

(4) With respect to reporting by and recommendations from the Committee:

- (a) Review the audit plans for financial reporting, the financial reporting processes and internal control over financial reporting; and (3) selection, appointment and engagement of the independent auditor;

- (b) Review the financial statements should be included in its annual reports on Form 10-K on the review of such audited financial statements; (2) its review with management regarding such audited financial statements; (3) its review of such audited financial statements; (4) its review and discussion with the independent auditor; and (5) its review and discussion with the independent auditor be discussed pursuant to AS 1301; and (4) its review and discussion with the independent auditor;

- (c) Report to the Board that the Committee has reviewed the audit reports on Form 10-K

