



Charter of the Audit Committee of the Board of Directors

I. Audit Committee Purpose

The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities.

The Audit Committee's primary duties and responsibilities are to:

- Assist Board oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications and independence, (iv) the performance of the Company's internal audit function, and (v) performance of the independent auditors.
- Prepare the Audit Committee report that SEC rules require be included in the Company's annual proxy statement.
- Monitor the integrity of the Company's financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance.
- Provide an avenue of communication among the independent auditors, management, and the Board.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as anyone in the organization. The Audit Committee has the sole authority and direct responsibility for (i) the appointment, compensation, and oversight of the work of the independent auditors; (ii) resolving any disagreements between management and the independent auditors regarding financial reporting; and (iii) pre-approving any significant non-audit relationship with the independent auditors. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties, without seeking Board approval.

II. Audit Committee Composition and Meetings

Audit Committee members shall meet the requirements of applicable law and the New York Stock Exchange.

The Audit Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be an independent director, free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Audit Committee shall be financially literate (e.g., have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements) or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee, and the Chair of the Audit Committee shall have accounting or related financial management expertise and experience. A member of the Audit Committee will be considered to be a "financial expert" if, through education and experience as a public accountant or auditor or a principal financial officer, controller, or principal accounting officer of a company that, at the time the person held such

position, was required to file SEC reports, or experience in one or more positions that involve the performance of similar functions (or has similar expertise and experience), she or he has the following attributes: (i) an understanding of generally accepted accounting principles and financial statements; (ii) experience applying such generally accepted accounting principles in connection with the accounting for estimates, accruals, and reserves, if any, used in the Company's financial statements; (iii) experience preparing or auditing financial statements that present accounting issues that are generally comparable to those raised by the Company's financial statements; (iv) experience with internal controls and procedures for financial reporting; and (v) an understanding of audit committee functions.

Audit Committee members and the Chair of the Audit Committee shall be appointed by and serve at the pleasure of the Board. If an Audit Committee Chair is not designated by the Board or present, the members of the Audit Committee may designate a Chair by majority vote of the Audit Committee membership.

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Audit Committee Chair shall approve an agenda in advance of each meeting.

III. Audit Committee Responsibilities and Duties

1. Review and reassess the adequacy of this Charter at least annually. Submit the Charter to the Board of Directors for adoption and approval, and for inclusion in the Company's annual proxy statement at least every three years in accordance with SEC regulations.
2. Review the Company's annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", prior to filing or distribution. Review includes discussion with management and independent auditors of significant issues regarding accounting principles, practices, and judgments.
3. In consultation with the management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors.
4. Review with management and the independent auditors, the Company's quarterly financial results prior to the release of earnings and/or the Company's quarterly financial statements prior to filing or distribution. Discuss any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors in accordance with SAS 60 (see item 9), and including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations".
5. Review: (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (ii) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures on the financial statements of the Company; and (iv) earnings press releases

(paying particular attention to any use of “pro forma,” or “adjusted” non-GAAP, information), as well as financial information and earnings guidance provided to analysts and rating agencies.

Independent Auditors

6. Retain and terminate the Company’s independent auditors (subject, if applicable, to stockholder ratification). The independent auditors are ultimately accountable to the Audit Committee and the Board of Directors. The Audit Committee shall review the independence and performance of the independent auditors and annually recommend to the Board of Directors the appointment of the independent auditors or approve any discharge of independent auditors when circumstances warrant. The Audit Committee has the sole authority to approve all audit engagement fees and terms, as well as all significant non-audit engagements with the independent auditors. The Audit Committee may obtain the input of the Company management, but this responsibility may not be delegated to management.
7. Ensure that the independent auditors submit on a periodic basis to the Audit Committee a formal written statement delineating all relationships between the independent auditors and the Company. Review and actively discuss with the independent auditors all disclosed relationships or services that may impact the objectivity and independence of the auditors. Recommend that the Board take appropriate action in response to the independent auditors’ report to satisfy itself of the auditors’ independence.
8. Review the independent auditors’ audit plan - discuss scope, staffing, locations, reliance upon management, and internal audit and general audit approach.
9. Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors. Discuss certain matters required to be communicated to audit committees in accordance with AICPA SAS 61.
10. Consider the independent auditors’ judgments about the quality and appropriateness of the Company’s accounting principles as applied in its financial reporting.
11. On at least an annual basis, review with the Company’s counsel, any legal matters that could have a significant impact on the organization’s financial statements, the Company’s compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.
12. At least annually, obtain and review a report by the independent auditors describing: the firm’s internal quality control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, 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; and (to assess the auditor’s independence) all relationships between the independent auditors and the Company. Review and evaluate the lead partner of the independent auditors. Take into account the opinions of management and the Company’s internal auditors (or other personnel responsible for the internal audit function). Consider whether there should be regular rotation of the lead audit partner, or even of the audit firm itself. Decide whether the Company is obtaining high-quality audits and whether rotation of the auditors would be helpful for the Company. Present conclusions to the Board with respect to the independent auditors.

13. Regularly review with the independent auditors (i) the responsibilities, budget and staffing of the Company's internal audit function; (ii) any audit problems or difficulties and management's response, including any restrictions on the scope of the independent auditors' activities or on access to requested information, and any significant disagreements with management; and (iii) any accounting adjustments that were noted or proposed by the auditor but were "passed" (as immaterial or otherwise), any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement, and any "management" or "internal control" letter issued, or proposed to be issued, by the audit firm to the Company.

Other Audit Committee Responsibilities

14. Annually prepare a report to stockholders as required by the SEC for inclusion in the Company's annual proxy statement.
15. As appropriate, obtain advice and assistance from outside legal, accounting and other advisors.
16. Discuss policies with respect to risk assessment and risk management, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
17. Meet separately, at least quarterly, with management, with internal auditors (or other personnel responsible for the internal audit function), and with the independent auditors.
18. Set clear policies concerning the hiring by the Company of any employees or former employees of the independent auditors.
19. Implement an annual performance evaluation of the Audit Committee.
20. Perform any other activities consistent with this Audit Committee Charter, the Company's Certificate of Incorporation, the Company's bylaws, governing law, and New York Stock Exchange rules, as the Audit Committee or the Board deems necessary or appropriate; and the Audit Committee may delegate authority to subcommittees. The Audit Committee may appoint one of its members to act on behalf of the Audit Committee in pre-approving non-audit activities by the independent auditors, and such member shall present her or his decisions to the Audit Committee at a scheduled meeting.
21. Maintain minutes of meetings and periodically report to the Board on significant results of the foregoing activities, including any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

January 17, 2003