

AUDIT COMMITTEE CHARTER

PREFACE

The Audit Committee of the Board of Directors shall assist the Board in fulfilling its responsibilities with respect to (1) the integrity of the financial statements of the Company; (2) the Company's compliance with legal and regulatory requirements, including those matters that may impact the financial statements, (3) the external auditor's qualifications and independence (4) the performance of the Company's internal audit department and external auditors and (5) accounting and management controls, and financial reporting.

Specifically, the Audit Committee is responsible for overseeing that:

-- a system of internal controls is maintained throughout the Company which protects the assets of the Company on a reasonable and economic basis, provides for proper authorization and recording of transactions, ensures financial information is reliable and accurate and monitors compliance with laws and regulations; and

-- financial statements fairly present in all material respects the financial condition and results of operations of the Company in accordance with generally accepted accounting principles.

The duties of the Audit Committee are ones of financial oversight and supervision. It is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and in accordance with generally accepted accounting principles. The primary responsibility for the Company's financial statements and disclosures is with the Company's management, and the primary responsibility for auditing the Company's financial statements is with the Company's independent auditors.

MEMBERSHIP

The Audit Committee shall be comprised of at least three members. The Board of Directors shall appoint the Audit Committee members, all of whom shall be Directors. The Board may also appoint an individual, who need not be a Director, to serve as Secretary to the Audit Committee. The Board of Directors may remove members of the Audit Committee at any time, with or without cause, by a majority vote. The Board of Directors will fill any vacancy on the Audit Committee. During a vacancy, the remaining members will have full power to act as the Audit Committee. The Board of Directors will appoint a Committee Chairman annually. If the Chairman is absent from a meeting, the Audit Committee may, by majority vote of those members present, designate one of its members to serve as acting Chairman for the meeting. To the extent permitted by applicable law, the Audit Committee may delegate duties and responsibilities to one or more members or subcommittees as it deems appropriate.

Each member of the Audit Committee, including the Chairman, shall be independent, in accordance with the criteria for independence set forth in Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated thereunder, and

the Corporate Governance Standards of the New York Stock Exchange. Each member of the Audit Committee shall, by reason of education or experience and in light of all factors which the Board of Directors is aware, possess such degree of financial literacy as required to select and oversee the performance of the independent and internal auditors, to monitor the integrity of the Company's financial statements; and otherwise to faithfully execute the Charter of the Audit Committee. At least one member shall satisfy the criteria to be an audit committee financial expert under the rules and regulations of the Securities and Exchange Commission, as determined by the Board of Directors. No member of the Audit Committee may serve on the audit committee of more than three public companies, including the Company, unless the Board of Directors has determined that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee and the Company discloses such determination pursuant to New York Stock Exchange listing requirements or other applicable requirements.

TERM

Each member of the Audit Committee shall hold office until the earliest of the following shall occur: his or her successor member is elected, or he or she dies, resigns or is removed, or until he or she ceases to be a Director.

MEETINGS

The Audit Committee shall meet formally at least four times a year, with authority to convene additional meetings as deemed appropriate. The Audit Committee will meet separately, periodically, with management, representatives from the external auditor, the Chief Compliance Officer and the Company's Chief Internal Auditor, as the Audit Committee determines appropriate.

AUTHORITY

The Audit Committee shall have the sole authority to appoint or replace the external auditor. The Audit Committee shall be directly responsible for the compensation and oversight of the work of the external auditor (including resolution of disagreements between management and the external auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services to the Company. The external auditor shall report directly to the Audit Committee.

The Audit Committee shall pre-approve all auditing services, internal control-related services and permitted non-audit services (including the terms thereof) to be performed for the Company by its external auditor. The Audit Committee may establish pre-approval policies and procedures in compliance with applicable rules. The Audit Committee may delegate authority to the Committee Chairman to grant pre-approvals of audit and permitted non-audit services, provided that any such pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the external auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company and to

any advisors employed by the Audit Committee, as well as funding for the payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

DUTIES

Its duties are to:

FINANCIAL STATEMENTS AND FILINGS

1. Review with management and the external auditor:
 - the annual financial statements and results of the external audit;
 - the interim financial statements and results of the external auditors' review of such statements;
 - the periodic reports of the Company required by the Securities Exchange Act of 1934, as amended, including officer certificates filed therewith and management discussion and analysis presented in such filings;
 - the Company's earnings press releases, as well as financial information and financial outlook provided to investors, investment analysts and rating agencies; and
 - other significant financial filings as necessary.

The Audit Committee shall review such statements and reports prior to filing with the SEC. This review should include:

- specific disclosures under "Management's Discussion & Analysis of Financial Condition and Results of Operations;"
 - significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas; all critical accounting policies and practices to be used; and accounting alternative treatments and ramifications of their use; and
 - inquiry of the external auditor's judgment on the quality, consistent application of accounting principles and completeness of disclosures.
2. Review pending and recent professional and regulatory pronouncements and their impact on the financial statements.

INTERNAL CONTROLS

1. Review with management and the Chief Internal Auditor the effectiveness of the Company's internal controls, including significant deficiencies identified within the Company.

2. Review the reports of the external auditor relating to financial reporting practices and reportable conditions in the internal control structure.
3. Review Company policies on internal controls, and ethical and responsible business conduct, and review the results and adequacy of programs and procedures for determining compliance with such policies.
4. Review information concerning environmental, legal, regulatory and other matters which may represent material financial exposure.

EXTERNAL AUDIT

1. Review the audit scopes and plans, and the associated fees, of the external auditors.
2. Review the scope and fees of non-audit services and other relationships of the external auditor, and consider the possible effect of the performance of those services on the independence of the external auditor and approve performance of non-audit services in advance.
3. Review with external auditors any booked or waived audit adjustments, audit problems or difficulties and management's response thereto, including any restrictions on the scope of the external auditor's activities or on access to requested information, and any significant disagreements with management. Among the items the Audit Committee may review with the auditor are: any accounting adjustments that were noted or proposed by the auditor but were "passed" (as immaterial or for other reasons); 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.
4. Review and conclude as to the qualifications, performance and independence of the external auditor, including as to the lead partner, taking into account the opinions of management and the internal auditing department, and present the Audit Committee's conclusions to the Board of Directors. At least annually, the Audit Committee shall obtain and review a report by the external auditor 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, with respect to one or more independent audits carried out by the firm, and any steps taken to deal with such issues, and all relationships between the external auditor and the Company. The Audit Committee shall also obtain any other required report from the external auditor. The Audit Committee shall discuss with the external auditors any disclosed relationships or services that may impact their objectivity and independence, and take any other appropriate action to oversee their independence.

5. Meet privately with the external auditors on a periodic basis.

INTERNAL AUDIT

1. Review the organization and costs of the internal auditing department, the adequacy of its resources, and the quality of the audit staff, and provide general oversight of hiring, compensation and termination decisions, and annual performance review and compensation, of the Chief Internal Auditor.
2. Review the annual audit risk assessment and the proposed audit plans of internal auditing with management and the external auditors.
3. Review the coverage and results of the internal audits, including review of material weaknesses or significant deficiencies in internal controls and/or management improprieties identified in such audit, together with management's response thereto.
4. Meet privately with the Chief Internal Auditor on a periodic basis.

COMMITTEE REPORTING

1. Report regularly to the Board of Directors significant issues and activities of the Audit Committee, including with respect to the quality or integrity of the financial statements, and compliance with legal and regulatory requirements, the performance and independence of the external auditors, or the performance of the internal auditing department.
2. Comply with Audit Committee reporting obligations under the Securities Exchange Act of 1934, as amended, and rules and regulations promulgated thereunder, and the Corporate Governance Standards of the New York Stock Exchange.
3. Review and assess, at least annually, the adequacy of this charter and submit the charter for approval to the full Board at least every three years.

RISK OVERSIGHT

1. Review: (i) management's programs to identify, assess, manage, and mitigate significant enterprise risks of the Company, including both strategic and operational risks and (ii) management's risk management structures and practices.
2. At least annually, report to the Board the substance of the Committee's risk management oversight activities and, as necessary, recommend to the Board such actions as the Committee deems appropriate.

COMPLIANCE OVERSIGHT

1. Review & analyze management's compliance program in relation to standards of best practice for an effective compliance program.

2. Quarterly review of Compliance hotline cases with more frequent Accounting, Auditing & Financial Reporting by the Audit Committee Chair.
3. Ensure that the Chief Compliance Officer has unfettered access to the Audit Committee.
4. Approve material edits to the Code of Conduct.
5. Stay informed on compliance issues.

OTHER

1. Consider any other matters related to the oversight responsibilities of the Audit Committee, as deemed advisable or necessary by Company management, the Board of Directors or the Audit Committee.
2. Discuss policies with respect to financial risk assessment and management with senior management. While it is the responsibility of senior management to assess and manage the Company's exposure to risk, the Audit Committee should discuss the Company's major financial risk exposures and the steps undertaken to monitor and control those risks.
3. Review policies and procedures with respect to transactions between the Company and officers and directors, or their affiliates.
4. Review policies and procedures with respect to the presentation of non-GAAP financial measures.
5. Establish, monitor and review procedures and results of programs for (i) receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and (ii) confidential anonymous reporting by employees regarding questionable accounting or auditing (the Alertline confidential reporting system).
6. Oversee special investigations as needed, and set clear hiring policies for employees or former employees of the external auditor.
7. Prepare an audit committee report as required by the Securities and Exchange Commission to be included in the Company's annual Proxy Statement.
8. Participate in the Annual Board Self Evaluation, including the self-evaluation of the Audit Committee. The purpose of such evaluation is to increase the effectiveness of the Audit Committee as a whole, not to focus on individual Audit Committee members.
9. Review and approve all transactions between the Company and any related persons that are required to be disclosed pursuant to Regulation S-K Item 404, as well as all transactions and potential conflict of interest situations involving any member of the Board of Directors or senior management. "Related persons" and "transaction" shall have the meanings set forth in Item 404, as amended from time to time.
10. Have the authority, without further approval of the Board of Directors, to engage, at the expense of the Company, independent counsel and accounting or advisors to

advise the Audit Committee as it determines necessary or appropriate to assist in the full performance of its functions.

QUORUM

A majority of the members of the Audit Committee shall constitute a quorum for all purposes and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of the Audit Committee.