

AMENDED AND RESTATED AUDIT COMMITTEE CHARTER

A. Name

There shall be a committee of the Board of Directors (the “Board”) of the Company which shall be called the “Audit Committee”.

B. Purpose

The Audit Committee shall be directly responsible for the appointment, compensation and oversight of the work of the Company’s independent public accountants.

The Audit Committee shall monitor (1) the integrity of the financial statements of the Company, (2) the independent public accountant’s qualifications and independence and (3) the performance of the Company’s internal audit function and independent public accountants.

The Audit Committee shall review and approve the report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company’s annual meeting proxy statement and the disclosure of the members of the Audit Committee shall be included or incorporated by reference in the Company’s annual report.

C. Organization and Procedure

The Audit Committee shall be appointed by the Board and shall be comprised of no fewer than three board members.

The members of the Audit Committee shall be appointed by the Board, considering the views of the Chairman of the Board and the Chief Executive Officer, as appropriate. The members of the Audit Committee shall serve until their successors shall be duly appointed and qualified. Unless a Chairperson is elected by the full Board, the members of the Audit Committee may designate a Chairperson by majority vote of the full Committee membership.

The Board shall have the power at any time to change the membership of the Audit Committee and to fill vacancies in it, subject to such new member(s) satisfying the requirements referred to above. Except as expressly provided in this Charter or the Bylaws of the Company, or as otherwise required by law, the Audit Committee shall fix its own rules of procedure.

D. Statement of Policy

The Audit Committee shall provide assistance to the Board in fulfilling the Board’s responsibilities to the shareholders and investment community regarding corporate accounting and reporting practices, including the quality and integrity of the financial reports of the Company. In doing so, the Audit Committee should strive to maintain free and open means of communication among the directors, independent auditor and financial management of the Company.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to prepare financial statements, plan or conduct audits or determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

E. Membership Requirements

The following criteria for membership on the Audit Committee shall be followed:

1. Each member of the Audit Committee shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement, or shall become able to do so within a reasonable period of time after his or her appointment to the Audit Committee.
2. At least one member of the Audit Committee shall be a financial expert as defined in the applicable NASDAQ rules.
3. At least a majority of the members of the Audit Committee shall meet the independence requirements of the applicable NASDAQ rules for being a member of an audit committee, subject to any exceptions authorized under the rules, as such rules are amended from time to time.

F. Committee Authority

The Audit Committee shall have the sole authority to appoint or replace the independent auditor, and shall approve all audit engagement fees and terms and all permissible non-audit engagement fees and terms with the independent auditor. The Audit Committee shall consult with management but shall not delegate these responsibilities, except that pre-approvals of permissible non-audit services may be delegated to a single member of the Audit Committee.

The Audit Committee shall have the authority to retain and fund legal, accounting or other consultants to advise it, and to conduct or authorize investigations into any matters within its scope of responsibilities. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

G. Committee Responsibilities

The Audit Committee shall have the following responsibilities:

Internal Audit. Review findings from completed internal audits and progress reports on the proposed internal audit plan, together with explanations for any deviations from the original plan. Review the appointment, reassignment or dismissal of the director of internal audit.

Charter. Review and reassess the adequacy of this Charter annually and recommend any changes to the Board for its approval.

Independent Auditor Selection. Appoint the independent auditor; approve all audit and permissible non-audit engagements and terms, including the funding thereof; and oversee, review and approve the performance of the independent auditor and take any appropriate actions, including discharge and replacement.

Peer Review. Ensure that the independent auditor meets the peer review requirements set forth in the applicable NASDAQ rules.

Independence of Auditor. Confirm the independence and objectivity of the independent auditor, including receiving from the accountants, on an annual basis, a formal written statement delineating all relationships between the independent auditor and the Company consistent with Independence Standards Board Standard Number 1; actively engage in discussions with the independent auditor regarding any disclosed relationships or services that may affect its objectivity and independence; take appropriate action to oversee the independence of the independent auditor; and ensure that appropriate audit personnel are rotated from the review and audit of the Company's financial statements as required by the applicable rules of the SEC.

Retention of Independent Auditor Personnel. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who were engaged on the Company's account, which comply with the applicable rules of the SEC.

Audit Scope and Plan. Meet and review with the independent auditor the audit scope and plan, and the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of audit resources.

Internal Controls. Meet and review with the independent auditor the adequacy and effectiveness of the Company's internal accounting and financial controls, including any related significant findings and recommendations of the independent auditor and management's responses thereto.

The Audit. Meet and review with management and the independent auditor the following:

1. The results of the audit of the Company's annual financial statements and the review of the Company's quarterly financial statements.
2. Any problems, difficulties or differences encountered in the course of audit work, including any disagreements with management or restrictions on the scope of activities or access to requested information and responses thereto.
3. Any changes required in the planned scope of the audit plan.
4. The independent auditor's judgments about the quality, not just the acceptability, of accounting principles as applied in the Company's financial reporting, including the consistency of the Company's accounting policies and their application and the clarity and completeness of the Company's financial statements and related disclosures.
5. The independent auditor's reasoning in determining the appropriateness of (i) changes in the Company's accounting practices or policies, (ii) Company estimates, judgments and uncertainties, (iii) unusual transactions and (iv) accounting policies relating to significant financial statement items.
6. Any other matters related to the conduct of the audit which are to be communicated to the Audit Committee under generally accepted auditing standards, particularly Statement of Auditing Standards (SAS) No. 61, as may be modified or supplemented, or the rules of the SEC.
7. Earnings press releases (paying particular attention to any use of pro forma information or non-GAAP financial measures), as well as financial information and earnings guidance (generally or on a case-by-case basis) provided to analysts and rating agencies.
8. Any accounting adjustments that were noted or proposed by the independent auditor but were passed (as immaterial or otherwise).

Significant Risks. Inquire of management and the independent auditor concerning significant financial risks or exposures and assess the steps management has taken to minimize such risks.

Private Meetings. Meet periodically with the independent auditor and the internal auditor in separate executive sessions to discuss any matters that the Audit Committee or these groups believe should be discussed privately with the Audit Committee.

Board Reports. Report periodically to the Board on its meetings and other activities.

Company Reporting. The Audit Committee shall do the following with respect to the Company's reporting obligations:

1. Advise financial management and the independent auditor that they are expected to provide a timely analysis of significant current financial reporting issues and practices.
2. Recommend to the Board whether the annual audited financial statements should be included in the annual report on Form 10-K for filing with the SEC.
3. Review and approve the Audit Committee's report that is made in periodic filings as required by the applicable NASDAQ and SEC rules, and take the appropriate steps to ensure that such report complies with applicable requirements, including compliance with the SEC requirement that this Charter be appended to the Company's proxy statement at least once every three years.
4. Confirm that the Company's quarterly financial statements have been reviewed by the Company's independent auditor, in accordance with SAS No. 71, as amended by SAS No. 90, prior to the filing with the SEC of each quarterly report on Form 10-Q.

Regulatory Matters. Inquire whether management has met the certification requirements of the applicable NASDAQ rules and review with general counsel any legal and regulatory matters or accounting initiatives that may have a material impact on the Company's financial statements, financial condition or results of operations.

Investigations. Conduct or authorize investigations into any matters within the Audit Committee's scope of responsibilities.

Whistleblower Complaints. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters in accordance with the applicable NASDAQ rules.

Second Opinions. Discuss with management any second opinions sought from an accounting firm other than the independent auditor, including the substance and reasons for seeking any such opinion.