



Audit and Corporate Responsibility Committee Charter

Organization

There shall be a Committee of the Board of Directors to be known as the Audit and Corporate Responsibility Committee. The Committee shall review and reassess the charter at least annually and obtain approval of the Board of Directors. The Committee, including the Chair thereof, shall be appointed by the Board of Directors and shall comprise at least three directors, all of whom are independent of the management of the Company, are independent as defined in the Corporate Governance Policies of the Company and are free of any relationship that, in the opinion of the Board of Directors, would interfere with his/her exercise of independent judgement as a Committee Member. In accordance with the New York Stock Exchange Rules, Section 10A(m)(3) of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission, Audit Committee Members shall be considered independent provided that they shall only receive directors' fees (including equity-based compensation) as compensation from the Company; they shall not accept, directly or indirectly, consulting, advisory or other compensatory fees from the Company or any subsidiary of the Company other than directors' fees; and they shall not be an affiliated person of the Company or any subsidiary of the Company. All Committee members shall be financially literate, and at least one member shall be a financial expert as determined by the Board in accordance with rules and regulation of the Securities and Exchange Commission. If a Committee member serves on the audit committees of more than three (3) public companies, then the Board shall determine that such simultaneous service would not impair the ability of such Audit Committee member to serve on the Committee. The Board will disclose such determination in the Company's Annual Proxy Statement or Annual Report filed on Form 10-K with the Securities and Exchange Commission.

It is the responsibility of executive management of the Company to prepare financial statements in accordance with generally accepted accounting principles ("GAAP") and of the Company's independent auditor to audit those financial statements. The Audit Committee's responsibility is one of oversight and in carrying out its responsibility the Audit Committee is not providing any expert or other special assurance as to the Company's financial statements.

Meetings

Subject to the Company's by-laws and resolutions of the Board, the Audit Committee shall meet at least four times annually at such times as the Chair of the Committee shall designate. A majority of the members of the Committee then in office shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Committee. Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting, if prior to such action all members of the Committee consented thereto in writing and the writing is filed with the minutes of proceedings of the Committee. The Committee shall keep a record of its actions and proceedings, and the Chair of the Committee shall make a report thereof from time to time to the Board.

Statement of Policy

The Audit Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility to the shareholders, potential shareholders and investment community relating to the Company's financial statements and the financial reporting practices of the Company, and the quality and integrity of the financial reports of the Company. In so doing, it is the responsibility of the Audit Committee to maintain free and open means of communication among the directors, the independent auditor, the internal auditor, and the financial management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the power to retain outside counsel, or other experts for this purpose.

Responsibilities and Processes

In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and to ensure to the directors and shareholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality.

In carrying out these responsibilities, the Audit Committee will:

Independent Auditor Responsibilities

- 1. Appoint the independent auditor to audit the financial statements of the Company and its divisions and subsidiaries. The Committee shall have a clear understanding with management and the independent auditor that the independent auditor is ultimately accountable to the Audit Committee, as representatives of the Company's shareholders, and has authority to terminate the independent auditor. The Committee shall determine the compensation of the independent auditor and oversee all work by the independent auditor. The independent auditor shall report directly to the Committee.*
- 2. Pre-approve all audit and permitted non-audit services provided by the independent auditor (including the fees and terms thereof) in accordance with the Policy for Pre-Approval of Audit and Non-Audit Services adopted by the Committee and applicable legal and regulatory requirements.*
- 3. Ensure the rotation of the independent auditor's lead partner having primary responsibility for the audit and the independent auditor's partner responsible for reviewing the audit as required by law.*
- 4. Assist the Board with oversight of the qualifications and independence of the independent auditor and review the performance of the independent auditor, which shall include obtaining and reviewing, at least annually, a report by the independent auditor describing: the internal quality control procedures of the independent auditor's firm; any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor's*

firm; inquiry or investigation by the government or professional authorities within the past five (5) years respecting one (1) or more independent audits carried out by the independent auditor's firm and any steps taken to deal with such issues; and all relationships between the independent auditor and the Company.

5. *Ensure that the independent auditor submits annually a formal written statement delineating all relationships between the auditor and the Company. The Committee is responsible for engaging in a dialogue with the independent auditor with respect to any disclosed circumstances that may impact the objectivity and independence of the independent auditor and for recommending that the Board of Directors take action as necessary in response to the independent auditor's report to satisfy itself of the independent auditor's independence.*
6. *Establish hiring policies for employees or former employees of the independent auditor.*

Financial Statements and Disclosure Responsibilities

7. *Review and discuss with management and the independent auditor the financial statements contained in the Annual Report on Form 10-K (or the Annual Report to shareholders, if distributed prior to the filing of Form 10-K) and the interim financial statements contained in the Quarterly Report on Form 10-Q, including the Company's disclosures under "Management's Discussion and Analysis of Financial Conditions and Results of Operations", to determine that the independent auditor is satisfied with the disclosure and content of the financial statements to be presented to the shareholders, including its judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. Any changes in accounting principles should be reviewed. Discuss with the independent auditor the matters required by Statement on Auditing Standards No. 61 and based upon the reviews and discussion issue its report for inclusion in the Company's proxy statement.*
8. *Prepare the Audit Committee report that Securities and Exchange Commission's rules require be included in the Company's Annual Proxy Statement or Annual Report on Form 10-K.*
9. *Discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion shall include a review of the types of information to be disclosed and the types of presentations to be made, paying particular attention to any use of "pro forma" or "adjusted" non-GAAP information.*
10. *Review disclosures made to the Committee by the Company's CEO and CFO during the certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of disclosure controls and procedures and any fraud involving management or other employees who have a significant role in the Company's internal controls.*

11. *Review and discuss reports from the independent auditor on (i) all critical accounting policies and practices to be used; (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramification of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (iii) other material written communications between the independent auditor and management, such as any management letter.*
12. *Meet with the independent auditor and financial management of the Company to review the scope of the proposed audit for the current year and the audit procedures to be utilized and at the conclusion thereof to review such audit, including any comments or recommendations of the independent auditor.*
13. *Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.*
14. *Discuss with management and the independent auditor the effect on the Company's financial statement of significant regulatory and accounting initiatives as well as off-balance sheet structures.*
15. *Review with the independent auditor, the Company's internal auditor and financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls of the Company, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis should be given to the adequacy of such internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper. Furthermore, the Committee annually will review with Internal Audit the Company's policy statements as they relate to the Company's Code of Ethics and Business Conduct.*
16. *Provide sufficient opportunity for the internal auditor and independent auditor to meet with the members of the Audit Committee without members of management present. Among the items to be discussed in these meetings are the independent auditor's evaluation of the Company's financial, accounting and auditing personnel, the level of cooperation that the independent auditor received during the course of the audit, and any audit problems or difficulties encountered by the independent auditor in the course of its audit work and management's response.*
17. *Discuss policies with respect to risk assessment and risk management.*

Internal Audit Responsibilities

18. *Review the internal audit function of the Company, including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the independent auditor.*

19. *Receive prior to each meeting a summary of findings from completed internal audits and a progress report on the proposed internal audit plan, together with explanations for any deviations from the original plan.*
20. *Review the appointment, performance and replacement of the senior internal auditor; review the activities and organizational structure of Internal Audit and the significant reports to management prepared by Internal Audit and management's response; and discuss with the independent auditor and management Internal Audit responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit department.*

Compliance Oversight Responsibilities

21. *Ensure that a Written Affirmation is filed with the New York Stock Exchange annually in accordance with the rules and regulations of the New York Stock Exchange.*
22. *Obtain assurance from the independent auditor that Section 10A(b) of the Securities Exchange Act of 1934 has not been implicated.*
23. *Discuss with management and the independent auditor any correspondence from regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.*
24. *Assist the Board of Directors with oversight of the Company's compliance with legal and regulatory requirements and performance of the Company's internal audit function and independent auditor.*
25. *Obtain reports from management and the Company's senior internal auditor that the Company is in conformity with applicable legal requirements and the Company's Code of Ethics and Business Conduct.*
26. *Review and approve the Company Code of Ethics and Business Conduct as well as the Code of Ethics for the CEO and senior financial officers of the Company.*
27. *Establish procedures for the receipt, retention and treatment of complaints received by the Company's employees regarding accounting, internal accounting controls or auditing matters, as well as confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.*

Other Responsibilities

28. *Meet separately, periodically, with management, internal auditors and independent auditors.*
29. *Receive appropriate funding, as determined by the Committee, from the Company for payment of compensation to the independent auditor, independent legal counsel and other advisors, and ordinary administrative expenses that are necessary and appropriate in carrying out its duties.*

- 30. Engage independent legal counsel and other advisors as it determines necessary to carry out its duties.*
- 31. Review the Committee Charter annually and recommend any proposed changes to the Board for approval.*
- 32. Report regularly to the Board of Directors.*
- 33. Conduct an annual performance evaluation of the Committee.*

Adopted by the Board on October 29, 2003.