

EXTREME NETWORKS, INC.

**CHARTER OF THE AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS**

I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Extreme Networks, Inc. (the "Company") and the manner in which those responsibilities shall be performed, including the structure, processes and membership requirements.

The primary functions of the Committee are to assist the Board in fulfilling its oversight responsibilities with respect to the Company. These functions include: (i) reviewing and reporting to the Board on financial reports and financial information to be disclosed by the Company and the Company's compliance with legal and regulatory requirements; (ii) reviewing the qualifications, independence and performance, and approving the terms of engagement, of the Company's independent auditors; and (iii) reviewing the performance of the Company's internal audit function. Consistent with this role, the Committee should encourage continuous improvement of, and should foster adherence to, the Company's financial policies, procedures and practices at all levels within the Company. In performing these functions, the Committee shall:

Retain the independent auditors of the Company, evaluate their independence, qualifications and performance, and approve the terms of engagement of the independent auditors for audit services and non-audit services. Regularly communicate with the independent auditors, financial and senior management of the Company and regularly report to the Board.

Establish and observe complaint procedures regarding accounting or internal auditing controls.

The Company shall provide appropriate funding as determined by the Committee to permit the Committee to perform its duties under this Charter and to compensate its advisors. The Committee, at its discretion, has the authority to initiate special investigations, and if appropriate, hire special legal, accounting or other outside advisors or experts to assist the Committee, to fulfill its duties under this Charter. The Committee may also perform any other activities consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three or more directors as determined by the Board, none of whom shall:

accept any consulting, advisory, or other compensatory fee, directly or indirectly, from the Company, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board, or

be an affiliated person of the Company or any subsidiary of the Company, or

have participated in the preparation of financial statements of the Company or any current subsidiary at any time during the past three (3) years.

Each member of the Committee shall meet the requirements of an "independent" director as set forth in the rules established by NASDAQ.

Each member of the Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement. In addition, at least one member shall have past employment experience in finance or public accounting, professional certification in accounting, or other comparable experience or background resulting in the individual's financial sophistication, including being or having been a chief executive, chief financial, or other senior officer with financial oversight responsibilities. No Committee member shall simultaneously serve on the audit committee of more than three public companies.

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors shall be duly elected and qualified or their earlier resignation or removal. Unless a chairman is elected by the full Board, the members of the Committee may designate a chairman by majority vote of the full Committee membership.

III. MEETINGS

The Committee shall meet as often as it determines, but not less frequently than quarterly. A majority of the members shall represent a quorum of the Committee, and if a quorum is present, any action approved by at least a majority of the members present shall represent the valid action of the Committee. The Committee may form and delegate authority to subcommittees when appropriate, or to one or more members of the Committee. The Committee shall meet with the independent auditors and management on a quarterly basis to review the Company's financial statements, financial reports and other public disclosure of the Company's financial condition and results of operations. The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will also present its summaries of recommendations to the Board to be incorporated as part of the minutes of the board meeting at which those recommendations are presented.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

A. Oversight of the Company's Independent Auditors

The Committee shall be directly and solely responsible for the engagement and oversight of any independent auditor employed by the Company for the purpose of preparing or issuing an audit report or related work. Each independent auditor shall report directly to the Committee. The Committee shall:

1. Obtain periodically from the independent auditor a formal written statement of the matters required to be discussed by Statement of Auditing Standards No. 61, as amended, and, in particular, describing all relationships between the auditor and the Company, and discuss with the auditor any disclosed relationships or services that may impact auditor objectivity and independence.
2. Adopt a policy assuring the rotation, as required by law, of the lead audit partner every five years, assess firm independence, and report to the Board on its conclusions.
3. Approve in advance the engagement of the independent auditor for all audit services and non-audit services, based on independence, qualifications and, if applicable, performance and approve the range of fees and other terms of any such engagement. The Committee may establish pre-approval policies and procedures for any engagement to render such services, if such policies and procedures: (a) are detailed as to particular services; (b) do not involve delegation to management of the Committee's responsibility hereunder; and (c) provide that, at its next scheduled meeting, the Committee is informed as to each such service for which the independent auditor is engaged pursuant to such policies and procedures. In addition, the Committee may delegate to one or more members of the Committee the authority to grant pre-approvals for such services, if: (x) the decisions of such member to grant any such pre-approval shall be presented to the Committee at its next scheduled meeting; and (y) the Committee has established policies and procedures

for such pre-approval of services consistent with the requirements of clauses (a) and (b) above.

4. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.
5. Approve as necessary the termination of the engagement of the independent auditors and select replacement independent auditors.
6. Establish policies for the hiring of employees or former employees of the independent auditor, taking into account the impact of such policies on auditor independence, regulations of the Securities and Exchange Commission and stock exchange listing standards.
7. Review any auditing or accounting issues presented by the independent auditor and any “management” or “internal control” letter or schedule of unadjusted differences issued, or proposed to be issued, by the audit firm to the Company.
8. Review with the independent auditors on a quarterly basis the critical accounting policies and practices used by the Company, all alternative treatments of financial information within generally accepted accounting principals that the independent auditors have discussed with management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors.
9. Discuss with the internal auditors and the independent auditors the overall scope and plans for their respective audits, including the adequacy of staffing and compensation. Discuss with management, the internal auditors, and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company’s polices and procedures to assess, monitor, and manage business risk and legal and ethical compliance programs.
10. Meet separately on a periodic basis with management, the internal auditors, and the independent auditors to discuss issues and concerns warranting the attention of the Committee. Provide sufficient opportunity for the internal auditors and independent auditors to meet privately with the members of the Committee. Review with the independent auditor any audit problems or difficulties and the response of management.

B. Review of Charter, Financial Reporting, Policies and Processes

To fulfill its responsibilities and duties the Committee shall, to the extent that it deems necessary or appropriate, and in addition to the items described above:

1. Review and reassess the Charter’s adequacy on an annual basis.
2. Review and discuss with management and the independent auditors the Company’s annual audited financial statements, any certification, report, opinion or review rendered by the independent auditors, and recommend to the Board whether the audited financial statements should be included in the Company’s annual report on Form 10-K.
3. Review and discuss earnings press releases and other information provided to analysts and rating agencies, including “pro forma” or adjusted financial information.
4. Review annually with management its assessment of the Company’s internal controls and procedures for financial reporting, with the independent auditors the attestation to and

report on, the assessment made by management of the effectiveness of the Company's internal control structure and procedures for financial reporting, each as required under the rules of the Securities and Exchange Commission, and consider whether any changes to the internal controls processes and procedures are appropriate based on management's assessment or the independent auditor's report.

5. Review and discuss with management and the independent auditors any off-balance sheet transactions or structures and their effect on the Company's financial results and operations.
6. Review with the independent auditor and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.
7. Report to the Board regarding any audit opinions that contain going concern qualifications.
8. Provide oversight and review of the Company's asset management policies, including a periodic review of the Company's investment policies and performance.

C. Risk Management, Related Party Transactions, Legal Compliance and Ethics

1. Review with the principal executive and financial officers of the Company any report on significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data, any material weaknesses in internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
2. Approve all related-party transactions after reviewing each such transaction for potential conflicts of interests and other improprieties.
3. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Adopt, as necessary, appropriate remedial measures or actions with respect to such complaints or concerns.
4. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies that raise material issues regarding the Company's financial statements or accounting policies.
5. Review management's monitoring of compliance with the Foreign Corrupt Practices Act.
6. Review, with the Company's legal counsel and accounting advisors, and report to the Board on legal compliance matters including corporate securities trading policies, and disclosure of insider and related-party transactions. Meet and discuss with the Company's legal counsel any report provided by such counsel concerning evidence of a material violation of securities laws or breach of fiduciary duty or similar violation by the Company or any agent, and adopt, as necessary, appropriate remedial measures.
7. Prepare the Committee's report required by the rules of the Securities Exchange Commission to be included in the Company's annual proxy statement.