

LECROY CORPORATION
AUDIT COMMITTEE CHARTER
EFFECTIVE FEBRUARY 11, 2004

PURPOSE

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board"), to represent and assist the Board in its oversight of: (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the Company's independent registered public accounting firm's (referred to herein as the "independent auditor") qualifications and independence and (iv) the performance of the Company's independent auditors.

COMMITTEE STRUCTURE

The Committee shall consist of at least three directors. Each member of the Committee shall meet the independence and experience requirements of the NASDAQ Stock Market, Section 10A(m) (3) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations of the Securities and Exchange Commission.

The Board shall designate one member of the Committee as Chairperson. The Board may, at any time and in its complete discretion, replace a Committee member.

MEETINGS

The Committee shall meet at least quarterly or more frequently as circumstances require. The Committee shall meet periodically with management and the independent auditor in separate sessions. Minutes shall be kept of each meeting of the Committee, and the Committee shall regularly provide reports of its actions to the Board.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Committee shall directly appoint, retain, compensate, evaluate and if necessary replace the Company's independent auditor. The Committee shall be directly responsible for overseeing the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The Company's independent auditor shall report directly to the Committee.

The Committee has the sole authority to approve all audit engagement fees and terms. The Committee must pre-approve all auditing and permissible non-auditing services of the independent auditor, subject to de minimus exceptions for other than audit, review, or attest services that are approved by the Committee prior to completion of the audit. The Committee shall have the authority to engage, without Board approval, independent legal, accounting, and other advisors as it deems necessary to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, to compensate the independent auditor, outside legal counsel, or any other advisors employed by the Committee, and to pay ordinary Committee administrative expenses that are necessary and appropriate in carrying out its duties.

The Committee has the powers and responsibilities delineated in this Charter. It is not, however, the Committee's responsibility to prepare and certify the Company's financial statements, to guarantee the independent auditor's report, or to guarantee other disclosures by the Company. These are the fundamental responsibilities of management and the independent auditor. Committee members are not full-time Company employees and are not performing the functions of auditors or accountants.

The Committee shall review and reassess the adequacy of this Charter on an annual basis and submit proposed changes to the Board for approval.

OVERSIGHT OF COMPANY'S INDEPENDENT AUDITOR

The Committee shall discuss the scope of the annual audit with management and the independent auditors.

The Committee shall assure the regular rotation of the lead audit partner as required by Section 10A(j) of the Exchange Act.

The Committee shall set clear hiring policies for employees or former employees of the independent auditor that are consistent with Section 10A(l) of the Exchange Act.

DISCLOSURE AND FINANCIAL STATEMENTS

The Committee shall obtain, review and discuss reports from the independent auditor regarding: (i) all critical accounting policies and practices to be used; (ii) all alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management, including the ramifications of the use of these alternative disclosures and treatments, and the treatment preferred by the independent auditor, and (iii) other material written communications between the independent auditor and Company management, such as any management letter or schedule of unadjusted differences.

The Committee shall discuss with the independent auditor and then disclose the matters required to be discussed and disclosed by Statement on Auditing Standards No. 61, as amended, including any difficulties the independent auditor encountered in the course of the audit work, any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management.

The Committee shall discuss with management and the independent auditor the audited financial statements and quarterly financial statements, including matters required to be reviewed under legal, regulatory or NASDAQ requirements.

The Committee shall discuss with management and the independent auditor, as appropriate, earnings press releases and financial information and earnings guidance provided to analysts and to rating agencies.

The Committee shall review the CEO and CFO's disclosure and certifications under Sections 302 and 906 of the Sarbanes-Oxley Act.

The Committee shall review with management and the independent auditors the adequacy of the Company's internal controls, disclosure processes and management's responses with respect to recommendations for internal control improvements.

COMPLIANCE AND REGULATORY OVERSIGHT RESPONSIBILITIES

The Committee shall review and pre-approve all related party transactions.

The Committee shall 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 concerns regarding questionable accounting or auditing matters.

The Committee shall ascertain annually from the independent auditor whether the Company has issues under Section 10A(b) of the Exchange Act.

The Committee shall review with management and the independent auditor any correspondence with regulators and any published reports that raise material issues regarding the Company's accounting policies.