

▶ SONICWALL CORPORATE GOVERNANCE:
**CHARTER FOR THE AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS OF SonicWALL, Inc.**

As restated and adopted by the Board of Directors on April 6, 2004

PURPOSE:

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of SonicWALL, Inc., a California corporation (the "**Company**") is to:

- Oversee the accounting and financial reporting processes of the Company and external audits of the financial statements of the Company;
- Assist the Board in oversight and monitoring of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the qualifications, independence and performance, and approving the terms of engagement of the Company's independent auditors, and (iv) the Company's internal accounting and financial controls and improvements made or to be made in such controls.
- Prepare the report of the Committee that the rules of the Securities and Exchange Commission (the "**SEC**") require be included in the Company's annual proxy statement;
- Appoint the independent auditors, determine and approve the auditing fees, approve the terms of engagement of the independent auditors for audit services and non-audit services and oversee the work of the independent auditors;
- Review the organization and performance of the Company's internal audit function or the outside internal audit function ("internal auditors");
- Provide the Board with the results of its monitoring and recommendations derived therefrom; and
- Regularly communicate with the independent auditors, financial and senior management of the Company and regularly report to the Board such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require the attention of the Board.

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 to select, retain, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other experts and advisors, as it deems necessary or appropriate, without seeking approval of the Board or the Company.

In addition, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

MEMBERSHIP:

The Committee members will be appointed by, and will serve at the discretion of, the Board. The Committee will consist of at least three members of the Board. Members of the Committee must meet the following criteria (as well as any criteria promulgated by the SEC now or in the future):

- Each member will be independent (i) as defined under Rule 4200 promulgated by the National Association

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of Securities Dealers, Inc. (“**NASD**”) and (ii) pursuant to the criteria provided in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended, and under any other applicable rule or regulation prescribed by the SEC or Nasdaq, as in effect from time to time.

- Each member will be able to read and understand fundamental financial statements, in accordance with the audit committee requirements promulgated by Nasdaq, as in effect from time to time; and
- At least one member will (i) have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background, including a current or past position as a principal financial officer or other senior officer with financial oversight responsibilities in accordance with the audit committee requirements promulgated by Nasdaq, as in effect from time to time.

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

RESPONSIBILITIES:

The responsibilities of the Committee shall include:

- Reviewing on a continuing basis the adequacy of the Company’s system of internal controls, including meeting periodically with the Company’s management and the independent auditors to review the adequacy of such controls and to review the disclosure regarding such system of internal controls required under SEC rules to be contained in the Company’s periodic filings and the attestations or reports by the independent auditors relating to such disclosure;
- Inquiring of the Chief Executive Officer and the Chief Financial Officer of the Company as to the existence of any significant deficiencies or material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the ability of the Company to record, process, summarize and report financial information, and as to the existence of any fraud, whether or not material, that involves management or other employees of the Company who have a significant role in the Company’s internal control over financial reporting;
- Appointing, compensating and overseeing the work of the independent auditors (including resolving disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
- Pre-approving and negotiating the engagement of the independent auditors, including the overall scope, extent, procedures and focus of the annual, and if applicable interim, audit. The foregoing shall also include the scope and level of involvement with unaudited quarterly or other interim-period information as well as the compensation to be paid to the external auditors in connection with their engagement. The Committee shall pre-approve and negotiate the engagement of independent auditors, including the overall scope, extent, procedures and focus of non-audit services;
- Reviewing and providing guidance with respect to the external audit and the Company’s relationship with its independent auditors by (i) reviewing the independent auditors’ proposed audit scope, approach and independence; (ii) obtaining on a periodic basis a statement from the independent auditors regarding relationships and services with the Company which may impact independence and presenting this statement to the Board, and to the extent there are relationships, monitoring and investigating them; (iii) reviewing the independent auditors’ peer review; (iv) discussing with the Company’s independent auditors the financial statements and audit findings, including any significant adjustments, management

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judgments and accounting estimates, significant new accounting policies and disagreements with management and any other matters described in SAS No. 61, as it may be modified or supplemented; and (v) reviewing reports submitted to the Committee by the independent auditors in accordance with the applicable SEC requirements;

- Reviewing and discussing with management and the independent auditors the annual audited financial statements and quarterly unaudited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," in connection with filing the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, respectively, with the SEC;
- Establishing hiring policies for employees or former employees of the independent auditors;
- Directing the Company's independent auditors to review before filing with the SEC the Company's interim financial statements included in Quarterly Reports on Form 10-Q, using professional standards and procedures for conducting such reviews;
- Meeting separately on a periodic basis with 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 the independent auditors to each meet privately with the members of the Committee. Review with the internal auditor and the independent auditor any audit problems or difficulties and the response of management.
- Conducting a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditors;
- Reviewing the unaudited quarterly operating results in the Company's quarterly earnings release;
- Overseeing compliance with the requirements of the SEC for disclosure of auditor's services and audit committee members, member qualifications and activities;
- Reviewing, approving and monitoring the Company's code of ethics for its senior executive and financial officers, in accordance with applicable law;
- Reviewing management's monitoring of compliance with the Company's Code of Conduct and with the Foreign Corrupt Practices Act;
- Reviewing and discussing, in conjunction with counsel, any legal matters that could have a significant impact on the Company's financial statements, including, without limitation, any reports concerning material violations submitted to the Committee by company counsel or outside counsel pursuant to their professional responsibility rules;
- Providing oversight and review at least annually of the Company's risk management policies, including its investment policies;
- Reviewing the performance of the independent auditors and ensuring that the independent auditors are accountable directly to the Committee including the adoption of a policy assuring the rotation, as required by law, of the lead audit partner every five years;
- Ensuring receipt from the independent auditors of a formal written statement delineating between the auditor and the Company, consistent with Independence Standards Board Standard 1, as well as actively engaging in a dialog with the independent auditors with respect to any disclosed relationships or services that may affect the objectivity and independence of the independent auditor;

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- Overseeing and reviewing the Company's policies regarding information technology and management information systems;
- Reviewing and approving in advance any proposed related party transactions;
- Reviewing its own charter, structure, processes and membership requirements at least annually to determine whether the Committee is functioning effectively;
- Providing a report in the Company's proxy statement in accordance with the rules and regulations of the SEC; and
- Establishing procedures for receiving, retaining and treating complaints and concerns received by the Company regarding accounting, internal accounting controls or auditing matters and procedures in accordance with SEC rules and regulations.

MEETINGS:

The Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee may form and delegate authority to subcommittees when appropriate, or to one or more members of the Committee. The Committee will meet separately with the Chief Executive Officer and separately with the Chief Financial Officer of the Company at such times as are appropriate to review the financial affairs of the Company. The Committee will meet separately with the independent auditors of the Company, at such times as it deems appropriate, to review the independent auditor's examination and management report and to otherwise fulfill the responsibilities of the Committee under this charter.

MINUTES:

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

REPORTS:

In addition to preparing the report in the Company's proxy statement in accordance with the rules and regulations of the SEC, the Committee will summarize its examinations and recommendations to the Board as may be appropriate, consistent with the Committee's charter.

COMPENSATION:

Members of the Committee shall receive such fees, if any, for their service as Committee members, as may be determined by the Board in its sole discretion. Such fees may include retainers and per meeting fees. Fees may be paid in such form of consideration as is determined by the Board.

Members of the Committee may not receive any consulting, advisory or other compensatory fee from the Company except the fees that they receive for service as a member of the Board or any committee thereof.