

AUDIT and FINANCE COMMITTEE CHARTER



The Audit and Finance Committee of the Board of Directors (the “Audit and Finance Committee”) shall be composed of three or more independent directors and shall meet the requirements for Independence, financial literacy and financial expertise requirements of Section 10A of the Securities Exchange Act of 1934, the Nasdaq Stock Market and any other applicable regulatory requirements. The Audit and Finance Committee shall provide assistance to the Board of Directors in fulfilling its responsibility to stockholders, potential stockholders and the investment community with regard to accounting, reporting practices, and the quality and integrity of the Company’s financial statements. The Audit and Finance Committee shall maintain free and open communications with the Board of Directors, the independent auditors, any internal auditors and the executive officers of the Company.

The Audit and Finance Committee shall be responsible for the appointment of independent auditors, discussing the scope of the auditor’s examination, reviewing financial statements and consulting with the independent auditors on the adequacy of internal controls. The ultimate accountability of the independent auditors is to the Audit and Finance Committee and to the Board of Directors as representatives of the Company’s stockholders. The Audit and Finance Committee shall also be responsible for providing oversight with regard to the Company’s debt and credit arrangements, acquisitions, divestitures and proposals for changes in the Company’s capitalization and financing strategies. In fulfilling its duties, the Audit and Finance Committee shall have the authority, to the extent deemed necessary or appropriate, to retain outside legal, accounting or other advisors. The Company shall provide funding, as determined by the Audit and Finance Committee, for compensation payable to the independent auditors for the purpose of rendering or issuing an audit report, and to any advisors retained by the Audit and Finance Committee.

The Audit and Finance Committee shall meet at least four times during the year for the purposes of performing its duties. The Audit and Finance Committee shall meet in separate executive sessions with management, the internal auditors and the independent auditors as needed. The purpose and duties of the Audit and Finance Committee shall include, but not be limited to, the following:

- To have the sole authority and responsibility to select, appoint and dismiss the independent auditors;
- To establish, review and evaluate the activities of the independent auditors in light of applicable legal and regulatory requirements. The Audit and Finance Committee shall be directly responsible for the compensation and oversight of the work of the independent auditors (including the oversight of appropriate procedures as needed for the resolution of any material disagreements between management and the independent auditors regarding financial reporting);

- To oversee the accounting and financial reporting processes of the Company;
- To review the annual audited financial statements of the Company with management and the independent auditors, prior to publication, and recommend to the Board of Directors whether to include the audited financial statements in the Company's Annual Report on Form 10-K;
- To review the quarterly financial results of the Company with management and the independent auditors prior to the earnings release and filing of the Quarterly Report on Form 10-Q;
- To discuss with the independent auditors the matters required to be discussed by applicable PCAOB requirements and other applicable regulatory requirements;
- To review, discuss and confirm the independence of the independent auditors and the matters included in the written disclosures required by the PCAOB, and pre-approve all audit services and permitted non-audit services, including the fees and terms of such services;
- To evaluate the lead partner of the independent auditor, and ensure rotation of the lead partner;
- To oversee, review and evaluate the Company's internal audit function in light of applicable legal and regulatory requirements;
- To oversee, evaluate and monitor the effectiveness of the Company's internal control system, including information technology security and control.
- To oversee the internal and independent auditors' roles and responsibilities in maintaining, auditing and improving the Company's internal control over financial reporting, and to review appropriate, periodic audit reports, including significant findings and recommendations related thereto and managements' related responses;
- To review and approve the internal audit charter on an annual basis.
- To review the Company's internal audit plans and to monitor the internal audit team's execution of those plans;
- To review and discuss the Company's financial reporting, loss exposures and asset control with management and the independent auditors;
- To direct and supervise any special investigations the Committee deems necessary;
- To review the financial constraints within which the Company will operate, such as debt-equity ratio, coverage of fixed charges, and other financial ratios;
- To review Company debt and credit arrangements;
- To assist management with the development of appropriate financing strategies, including the review of proposals for obtaining additional capital funds or other changes in the capitalization of the Company;
- To review investment banker relationships and investor relations activities;

- To review and approve a report of the Audit and Finance Committee required by the rules of the Securities and Exchange Commission (SEC) to be included in the proxy statement for each annual meeting;
- To establish procedures for 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;
- To review and approve all related person transactions (as defined by SEC rules); and
- To review and assess the adequacy of and update, if necessary, this Audit and Finance Committee Charter annually.

The Vice President and Chief Financial Officer and the Company's Internal Auditor, each will have a dotted line reporting relationship to the Audit and Finance Committee and will be responsible for providing the Audit and Finance Committee with data, analysis, special reports and other forms of assistance as may be requested by the Audit and Finance Committee from time-to-time. The Audit and Finance Committee shall periodically report on its activities and make recommendations to the Board of Directors of the Company, as appropriate.

While the Audit and Finance Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit and Finance Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent accountants. Nor is it the duty of the Audit and Finance Committee to conduct investigations, or to assure compliance with laws and regulations and the Company's corporate policies.

The following individuals currently serve as members of the Audit and Finance Committee of the Company's Board of Directors:

Robert Sroka, Chairman
Sidney R. Petersen
William L. Healey
Gary L. Convis