

**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 Outside Directors and shall meet the test 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 between 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 advisors employed by the Audit and Finance Committee.

The Chairman of the Audit and Finance Committee shall have demonstrated experience in accounting and/or financial management. 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 or replace the independent auditors;
- To establish, review and evaluate the activities of the independent auditors and the internal audit function. The Audit and Finance Committee shall be directly responsible for the compensation and oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting);

- 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 that the audited financial statements be included 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 Statement on Auditing Standards No. 61 relating to the conduct of the audit and quarterly reviews;
- To review recommendations of the independent auditors and responses of management;
- To review, discuss and confirm the independence of the independent auditors and the matters included in the written disclosures required by the Independence Standards Board, 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 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 to be included in the proxy statement for each annual meeting;
- To review and approve, every three years, the publication of the Audit and Finance Committee Charter as an attachment to the Company's proxy statement;
- 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 party transactions; 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 report the results of its deliberations, actions and observations to the Board of Directors of the Company.

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, to resolve disagreements, if any, between management and the independent accountants 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:

William G. Ferko, Chairman
Sidney R. Petersen
Robert Sroka