

Audit Committee Charter

The Audit Committee has the authority to conduct or authorize an investigation into any matter within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting and/or auditing firm employed by the Company;
- Retain external counsel, accountants, or other consultants to advise the Committee or assist in the conduct of investigation;
- Seek any information it requires from employees of the Company – all of whom shall be directed to cooperate with the Committee – as well as duly authorized third parties; and
- Confer and consult with Company officers, external auditors, or outside counsel as it deems necessary.

A. Reliance on Functional Working Groups

In performing its oversight responsibilities, the Committee shall rely primarily on the: (1) Finance & Accounting Group for financial reporting and key financial decisions/transactions; (2) Internal Audit Group for the evaluation of internal control systems and internal audit tasks; and (3) Legal & Regulatory Group for compliance with statutory and other government requirements.

B. Member Qualifications

The Audit Committee is composed of at least three members of the Board who have accounting and finance backgrounds, at least one of whom is an independent director and another with audit experience. The chair of the Audit Committee should be an independent director.

C. Meetings

1. Regular meetings may be held at such time and place and upon such notice, if any, as the Committee may prescribe. Special meetings may be called by the Chairman of the Committee or by request of a majority of the Committee members with at least one day's notice of the time and place of the meeting

2. The Committee members are requested to attend every meeting. The Committee shall invite to the meetings members of management, selected representatives from internal and external auditors and/or other functional groups of the Company as may be necessary.

3. The meeting agenda shall be prepared and provided in advance to Committee members, along with appropriate briefing materials. The minutes of the meeting shall be prepared and routed promptly.

D. Functions

The Audit Committee has the following functions:

- (a) Assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process and monitoring of compliance with applicable laws, rules and regulations;
- (b) Provide oversight over the management's activities in managing credit, market, liquidity, operational, legal and other risks of the Company. This function shall include receiving from management of information on risk exposures and risk management activities;
- (c) Perform oversight functions over the Company's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions;
- (d) Review the annual internal audit plan to ensure its conformity with the objectives of the Company. The plan shall include the audit scope, resources and budget, necessary to implement it;
- (e) Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimized duplication of efforts;
- (f) Organize an internal audit department, and consider the appointment of an independent internal auditor and the terms and conditions of its engagement and removal;
- (g) Monitor and evaluate the adequacy and effectiveness of the Company's internal control system, including financial reporting control and information technology security;
- (h) Review the reports submitted by the internal and external auditors;
- (i) Review the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:
 - (i) Any changes in accounting policies and practices;

- (ii) Major judgmental areas;
 - (iii) Significant adjustments resulting from the audit;
 - (iv) Going concern assumptions;
 - (v) Compliance with accounting standards; and
 - (vi) Compliance with tax, legal and regulatory requirements.
- (j) Coordinate, monitor and facilitate compliance with laws, rules and regulations;
- (k) Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Company's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Company's annual report;
- (l) Establish and identify the reporting line of the internal auditor to enable him to properly fulfill his duties and responsibilities. He shall functionally report directly to the Audit Committee. The Audit Committee shall ensure that, in the performance of the work of the internal auditor, he shall be free from interference by outside parties.