CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

I. Purpose

The Audit Committee (the "Committee") shall provide assistance to the directors in fulfilling their oversight responsibility to the shareholders relating to JDS Uniphase Corporation's (the "Company's") financial statements, the financial reporting practices of the Company, the systems of internal accounting and financial controls, the internal audit function, the annual independent audit of the Company's financial statements, and the legal compliance and ethics programs as established by management and the Board of Directors (the "Board").

In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, the independent auditors, the internal auditors, and the management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and the power to retain outside counsel, accounting or other advisors for this purpose. In addition, the Company shall provide appropriate funding, as determined by the Committee, for compensation to the independent auditor and to any advisors that the Committee chooses to engage.

II. Membership and Organization

The members of the Committee (the "Members" or, individually, each a "Member") shall be appointed by the Board and shall serve at the discretion of the Board. The Committee shall consist of not fewer than three (3) Members and not more than five (5) Members, each of which shall be a member of the Board. The Board shall designate the Committee's Chairperson, and all Members shall serve at the discretion of the Board.

The following membership requirements shall also apply:

(i) each Member must be "independent" as defined by the requirements of The Nasdaq Stock Market, Inc. ("Nasdaq"), the Securities and Exchange Act of 1934 (the "Act"), and other applicable law;

(ii) each Member must not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years;

(iii) each Member must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement; and

(iv) at least one (1) Member must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in such Member's financial sophistication,

including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

If a current Member of the Committee ceases to be independent under the requirements of subparagraph (i) above for reasons outside the Member's reasonable control, the affected Member may remain on the Committee until the earlier of the Company's next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with those requirements; provided, however, that when relying on the exception set forth in this sentence the Committee shall cause the Company to provide notice to Nasdaq immediately upon learning of the event or circumstance that caused the non-compliance. Further, if the Committee fails to comply with the requirements set forth in this "Committee Membership" section of the Charter due to one vacancy on the Committee, and the cure period set forth in the preceding sentence is not otherwise being relied upon for another Member, the Company will have until the earlier of its next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with the requirements to rectify such non-compliance; provided, however, that when relying on the exception set forth in this sentence the Committee shall cause the Company to provide notice to Nasdaq immediately upon learning of the event or circumstance that caused the non-compliance.

The Committee shall have the authority, to retain, engage and obtain advice or assistance from consultants, legal counsel, accounting or other advisors as appropriate to perform its duties hereunder and to determine the terms, costs and fees for such engagements. The fees and costs of any consultant or advisor engaged by the Committee to assist in performance of its duties hereunder shall be borne by the Company.

III. Meetings

The Committee shall meet as often as it determines to be necessary and appropriate, but not less than quarterly each year. The chairperson of the Committee or a majority of the Members may call special meetings of the Committee upon notice as is required for special meetings of the Board in accordance with the Company's bylaws. A majority of the appointed Members, but not less than two (2) Members, shall constitute a quorum for the transaction of business. Members may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee may meet with any person or entity in executive session as desired by the Committee. The Committee shall meet with the Company's independent auditors, at such times as the Committee deems appropriate, to review the independent auditor's examination and management report.

Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all Members consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the Committee. The Committee may form and delegate authority to subcommittees when

appropriate. The Committee may delegate its authority to the Chairperson or other Member, when appropriate.

IV. Responsibilities

The primary responsibility of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- The integrity of the Company's financial statements and other financial information provided by the Company to its stockholders, the public and others.
- The Company's systems of disclosure controls and internal controls regarding finance, accounting, legal compliance and ethical behavior.
- The Company's auditing, accounting and financial reporting processes generally.
- The appointment, qualifications and performance of the Company's internal audit function and independent auditors.
- Pre-approval of services (both audit and non-audit) to be provided by the independent auditors.
- Review and approval of all related party transactions.

While the Committee has the responsibilities and powers set forth in this Charter, its role is that of oversight. Accordingly, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements or disclosures are complete or accurate or are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of Company management and the independent auditors.

Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the Members to rely, in discharging their duties and responsibilities, on the records of the Company and on other information presented to the Committee, Board or Company by its officers or employees or by outside experts and advisers such as the Company's independent auditor.

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The following shall be the principal recurring responsibilities and processes of the Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may amend, or vary from, them as appropriate, while always remaining compliant with applicable law.

With respect to the independent auditors, the Committee shall:

- Be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing its audit report or related work.

- Review and pre-approve all audit services and permissible non-audit services (including the fees and terms thereof) to be performed by the Company's independent auditor, with exceptions provided for de minimis amounts under certain circumstances as permitted by law; provided, however, that: (a) the Committee may delegate to one (1) or more Members the authority to grant such pre-approvals if the pre-approval decisions of any such delegate Member(s) are presented to the Committee at its next-scheduled meeting; and (b) all approvals of non-audit services to be performed by the independent auditor must be disclosed in the Company's applicable periodic reports.

- Review the experience, qualifications and overall performance of the Company's independent audit team annually, and ensure that all partner rotation requirements, as promulgated by applicable rules and regulations, have been met.

- On an annual basis, review, evaluate and determine the independent auditors' continued independence.

- On an annual basis, obtain and review a report from the independent auditors describing:

    - The independent auditors' internal quality control procedures and review;
    - Any material issues raised by the most recent internal quality control review, or peer review, or by any inquiry or investigation by governmental or professional authorities, of the independent auditors;
    - Any steps taken to deal with any such issues; and
    - All relationships between the independent auditors and the Company.

- Review all reports required to be submitted by the independent auditors to the Committee under Section 10A of the Securities Exchange Act of 1934.

- Review and approve, based upon the recommendation of the independent auditors and internal audit, the scope and plan of the work to be done by the independent auditors for each fiscal year.

With respect to periodic and annual reports, the Committee shall:

- Review the draft press release regarding the quarterly and/or annual financial results (including supporting internal Company financial information and associated

schedules), with the independent auditors and management of the Company, prior to its release to the public. Review the financial statements (audited or otherwise) to be included in other SEC filings (e.g. Form S3), as required. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under applicable auditing standards.

- Review the annual audited financial statements to be included in the Company's Annual Reports on Form 10-K with the independent auditors and management of the Company, prior to its submission to directors for review and signature. The Committee shall also discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under applicable auditing standards.

- Upon completion of their review, recommend to the Board that the Company's annual audited financial statements be included in the Company's annual report on Form 10-K for filing with the SEC.

- Prepare the Committee report required by the SEC to be included in the Company's annual proxy statement and any other Committee reports required by applicable securities laws or stock exchange listing requirements or rules.

With respect to the internal audit function, the Company's disclosure controls and internal controls, the Committee shall:

- Review and concur with management's appointment, termination or replacement of the Director of Internal Audit.

- Discuss with internal audit, the independent auditors and management personnel, the adequacy and effectiveness of the disclosure controls and internal controls of the Company. Particular emphasis should be given to the adequacy of internal controls to prevent or detect any payments, transactions or procedures that might be deemed illegal or otherwise improper.

- Review the internal audit function of the Company including its independence from management, reporting obligations to the Committee, and the coordination of its plans with the independent auditors. Approve the proposed internal audit plans for the coming year.

- Inquire of management, internal audit and the independent auditors about significant risks or exposures, assess the steps management has taken to minimize such risks to the Company and discuss policies with respect to risk assessment and risk management.

- Receive from time-to-time a summary of findings from completed internal audits, and a progress report on the proposed internal audit plan, with explanations for any deviations from the original plan.

- Meet separately with internal audit, the independent auditors, and management personnel, as appropriate, on a periodic basis.

In addition, the Committee shall:

- Establish procedures for and ensure the Company adopts policies, in accordance with the whistleblower provisions of the Sarbanes-Oxley Act of 2002, that support:

    - The receipt, retention and appropriate treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
    - The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

- Review and approve any related party transactions.

- Submit the minutes of all meetings of the Committee to, and report on the matters discussed at each Committee meeting with, the Board, as appropriate.

- Review and reassess the adequacy of this Charter annually and recommend to the Board any changes the Committee deems appropriate.

- Review and evaluate the Committee's performance at least annually against the requirements of this Charter.

- Perform any other activities consistent with this Charter, the Company's by-laws and governing law as the Committee or the Board deems necessary or appropriate.