

Effective Date: February 3, 2014

Finance and Audit Committee Practices

The Finance and Audit Committee (Committee) has adopted the following key practices to assist it in undertaking the functions and responsibilities set forth in its charter:

Review of Financial Statements. The Committee will meet with the Company's Chief Financial Officer and independent registered public accounting firm to review the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q prior to filing. Based on its review and discussions of the audited financial statements, the matters required to be communicated by the independent registered public accounting firm to the Committee under generally accepted auditing standards, and the independence of the independent registered public accounting firm, the Committee will advise the Board of Directors (Board) whether it recommends that the audited financial statements be included in the 10-K.

Review of Internal Controls. The Committee will, at least annually, and more frequently as the Committee deems necessary, review with management and the independent registered public accounting firm the adequacy and effectiveness of the Company's system of internal controls, including any material weaknesses or significant deficiencies noted and any significant changes.

Review of Accounting Principles. The Committee will, at least annually, and more frequently as the Committee deems appropriate in connection with its review of the Company's financial statements, review with management and the independent registered public accounting firm the Company's accounting policies and principles, including significant changes in accounting practices, key accounting decisions affecting the Company's financial statements, and current accounting trends and developments applicable to the Company's business.

Approval of Audit and Non-Audit Services. In addition to approving the engagement of the independent registered public accounting firm, the Committee will approve in advance all audit, audit-related, tax and other permitted non-audit services to be performed by the independent registered public accounting firm to ensure that such services do not impair the firm's independence from the Company. Such services may be pre-approved in each specific instance or receive standing pre-approval, in each case in accordance with the guidelines discussed in this section.

The Committee will not approve the engagement of the independent registered public accounting firm to perform any services that the firm would be prohibited from providing under applicable securities laws, NASDAQ requirements or Public Company Accounting Oversight Board (PCAOB) rules. A list of prohibited non-audit services is attached as Exhibit 1. In assessing whether to approve use of the independent registered public accounting firm for permitted non-audit services, the Committee will try to minimize relationships that could appear to impair the objectivity of the firm. The Committee will approve permitted non-audit services by the independent registered public accounting firm only when it will be more effective or economical to have such services provided by the firm.

All requests for the Committee to pre-approve services shall be submitted jointly by the independent registered public accounting firm and the Chief Accounting Officer or the Chief Financial Officer, and shall include:

- a reasonably detailed description of the services to be performed;
- fee levels or budgeted amounts for such services, to the extent reasonably determinable;
- a discussion of the potential effects of the service on the independent registered public accounting firm's independence;
- the reasons for selecting the independent registered public accounting firm to provide the services; and
- with respect to tax services, a description of any compensation arrangement (including a referral agreement, referral fee or fee-sharing arrangement) between the firm or any of its affiliates and any third-party regarding the promotion, marketing or recommending of a transaction covered by the tax services.

At least annually, the Committee will review and pre-approve any services expected or permitted to be performed during the year. The Committee will be furnished with periodic reports identifying all services performed and actual fees incurred by category in comparison to the pre-approved budget.

Subsequent to the annual pre-approval by the Committee, any proposed services exceeding the pre-approved fee levels or budgeted amounts for such services as well as any services not previously approved by the Committee will require separate pre-approval by the Committee (or the Chair pursuant to the authority delegated to the Chair described below). All requests for the independent registered public accounting firm to provide services will be submitted to the Chief Accounting Officer or Chief Financial Officer and must include a detailed description of the services to be rendered. The Chief Accounting Officer or Chief Financial Officer will determine whether such services have received the Committee's (or Chair's) pre-approval, and, together with the independent registered public accounting firm, will oversee the preparation of a written request for pre-approval by the Committee (or Chair) of any proposed services that have not been previously pre-approved .

The Committee will not delegate its responsibilities to pre-approve services performed by the independent registered public accounting firm to management. The Committee has delegated to the Chair of the Committee the authority to pre-approve use of the independent registered public accounting firm for services within the guidelines discussed in this section. The Chair will inform the Committee, for informational purposes only, of each pre-approval decision at the next regularly scheduled Committee meeting.

The Chief Accounting Officer or Chief Financial Officer may approve up to an additional \$50,000 in the aggregate per calendar year for categories of services that the Committee (or the Chair) has pre-approved.

Oversight of Company Hiring Practices Relating to Professionals of Independent Registered Public Accounting Firm. The Committee has adopted the following practices regarding the hiring by the Company of any accountant or other professional who worked for the Company's independent registered public accounting firm. The practices are intended to safeguard the independence of the independent registered public accounting firm in performing audits of the Company's financial statements.

- The Company should not proactively initiate any discussions regarding a position at the Company with an accountant or other professional working for the Company's independent registered public accounting firm who is currently assigned to the Company's audit engagement team.
- The Company should not hire any accountant or other professional who during the past three (3) years (36 months measured from the proposed date of hire) was employed by the independent registered public accounting firm and during that period of time worked on the Company's audit engagement team.
- The Company should use reasonable efforts to ensure that any job candidate who is an accountant or other professional with the independent registered public accounting firm is not hired into a position in the Finance department that gives such person the authority to engage or recommend that the Committee engage the independent registered public accounting firm for any audit services or permitted non-audit services.
- The Company should use reasonable efforts to ensure that any job candidate who is an accountant or other professional with the independent registered public accounting firm abides by the firm's internal policy on staff recruitment by clients. Specifically, the candidate must notify the engagement partner (audit or tax) of potential employment with the Company concurrent with the commencement of discussions.
- Prior to beginning the new position with the Company, the Company should use reasonable efforts to ensure that a job candidate who is or was an accountant or other professional with the independent registered public accounting firm no longer has a financial relationship with the firm other than one providing for the regular payment of a fixed dollar amount pursuant to a fully funded retirement plan (or a similar vehicle not dependent on the revenues, profits or earnings of the accounting firm).

- If a job candidate does not satisfy all of the previous guidelines, the candidate must be reviewed and approved by the Committee prior to the Company making an offer of employment to the candidate.

Process for Handling Complaints about Accounting Matters. The Committee has established the following procedures for submission and handling of complaints or concerns about the Company's accounting, internal accounting controls or other financial or auditing matters:

- The Company has established on its external website contact information by which anyone with information regarding accounting, internal controls or other financial or auditing matters or other compliance concerns or concerns about the Company's conduct can submit complaints to the Board. All complaints related to accounting, internal accounting controls or other financial or auditing matters will be automatically sent to the Chair of the Committee. Reports may be submitted anonymously.
- The Company's Code of Business Conduct (Values in Action) also provides contact information for complaints about possible violations, including information regarding the Company's corporate compliance help-line and internal electronic submission system for confidential and anonymous complaints by employees regarding any violation or suspected violation of the Company's Code of Business Conduct.
- All complaints received by any of the means described above will be processed and handled by the Company's legal, compliance and finance staffs unless the Committee or its Chair directs the Company to retain outside counsel or other advisors.
- The Committee will review, as frequently as the Committee may determine, the status of compliance activities, including investigations related to the Company's accounting, internal accounting controls or other financial or auditing matters.
- The Company's Code of Business Conduct prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve any compliance concern.

Review of Performance of Independent Registered Public Accounting Firm. The Committee will review, at least annually, the performance of the Company's independent registered public accounting firm, including the lead partner, and will confirm that the process for determining audit partner compensation is consistent with applicable legal, regulatory, NASDAQ and PCAOB requirements.

Audit Partner Rotation. The Committee will ensure that the lead audit partners assigned to the Company by the Company's independent registered public accounting firm will be changed at least every five years.

Review of Performance of the Company's Internal Audit Function. The Committee will review, at least annually, the performance of the Company's internal audit function, including the evaluation and compensation of the Chief Audit Executive.

Related Party Transactions. The Committee will review all proposed transactions, contributions or course of dealings between the Company and parties related to the Company (including all transactions involving amounts in excess of \$120,000 that are required to be disclosed as related party transactions in the Company's proxy statement). In determining whether to approve or ratify a related party transaction, among the factors the Committee may consider (as applicable) are:

- the business reasons for the Company to enter into the transaction;
- the size of the transaction and the nature of the related party's interest in the transaction;
- whether the transaction terms are as favorable to the Company as they would be to an unaffiliated third party;
- whether the transaction terms are more favorable to the related party than they would be to an unaffiliated third party;
- the availability of alternative sources for comparable products, services or other benefits;
- whether the transaction would impair the independence or judgment of the related party in the performance of their duties to the Company;
- for non-employee directors, whether the transaction would be consistent with NASDAQ's requirements for independent directors, which generally preclude a finding of independence for any director who is, or who has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more;
- whether the transaction is consistent with the Company's conflict of interest policy which prohibits related parties and others from having a financial interest in any competitor, customer, vendor or supplier of the Company (for a public company, a financial interest means owning more than 1% of that company's stock or having more than 5% of the value of one's portfolio in that company's stock);
- the related party's role in arranging the transaction;
- the potential for the transaction to be viewed as representing or leading to an actual or apparent conflict of interest; and
- any other factors that the Committee deems appropriate.

Stockholder Ratification. Although the Committee has the sole authority to appoint the independent registered public accounting firm, the Committee will ask the stockholders each year to ratify the selection. If the stockholders do not ratify the Committee's selection, the Committee will reconsider its choice.

Meeting with Counsel. The Committee will meet periodically with the chief legal officer and outside counsel when appropriate to review legal and regulatory matters, including (i) any matters that may have material impact on the financial statements of the Company, (ii) adherence to standards of business conduct as required in the policies of the Company and (iii) any matters involving potential or ongoing material violations of law or breach of fiduciary duty by the Company or any of its directors, officers, employees or agents. The Committee will perform such additional activities and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.

Exhibit 1 – Prohibited Non-Audit Services

- Bookkeeping or other services related to the accounting records or financial statements of the audit client.
- Financial information systems design and implementation.
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports.
- Actuarial services.
- Internal audit outsourcing services.
- Management functions.
- Human resources services.
- Broker-dealer, investment adviser or investment banking services.
- Legal services.
- Expert services unrelated to the audit.
- Services provided for a contingent fee or commission.
- Services related to marketing, planning or opining in favor of the tax treatment of (i) a confidential transaction, or (ii) an aggressive tax position transaction that was initially recommended, directly or indirectly, by the independent auditor.
- Any tax service to a person in a financial reporting oversight role or to an immediate family member (spouse, spousal equivalent or dependents), no matter who pays for such service, as described in PCAOB Rule 3523.
- Any other service that the SEC or the PCAOB determines, by regulation, is impermissible.

Definitions:

1. "Aggressive tax position transaction" means a transaction that has tax avoidance as a significant purpose, unless the proposed tax treatment is at least more likely than not to be allowable under applicable tax laws, and includes without limitation a "listed transaction" as identified by the Internal Revenue Service under applicable Treasury regulations.
2. "Confidential transaction" means a transaction for which the Company pays an advisor a fee and in which the advisor places a limitation on disclosure by the Company of the tax treatment or tax structure of the transaction and the limitation on disclosure protects the confidentiality of the advisor's tax strategies.
3. "Contingent fee" means any fee established for the sale of a product or the performance of any service pursuant to an arrangement in which no fee will be charged unless a specified finding or result is attained, or in which the amount of the fee is otherwise dependent upon the finding or result of such product or service; provided, however, that a fee is not a "contingent fee" if the amount is fixed by courts or other public authorities and not dependent on a finding or result.

In addition, the rules of the SEC and the PCAOB and relevant guidance should be consulted to determine the precise scope of these prohibited services and the applicability of any exceptions.