

Silicon Catalyst Audit Committee Charter

Committee Role

The committee's role is to act on behalf of the governing board and oversee all material aspects of the organization's financial reporting, controls and review/audit functions, except for those specifically related to the responsibilities of another standing committee of the board. The role also includes coordination as required with other board committees and maintenance of strong, positive working relationships with management, external and internal auditors, counsel and other committee advisors.

Committee Membership

The committee shall consist of at least three, independent, non-executive board members. Committee members shall have: (1) knowledge of the primary activities of the organization; (2) the ability to read and understand fundamental financial statements and (3) the ability to understand key operational and financial risks. The committee shall have access to its own counsel and other advisors at the committee's sole discretion. The committee chairperson shall be selected by the committee members or by the nominating committee or the governing board.

Committee Operating Principles

The chair and others on the committee shall, to the extent appropriate, maintain an open avenue of contact throughout the year with senior management, other committee chairs and other key committee advisors as applicable, to strengthen the committee's knowledge of relevant current and prospective organizational issues.

The committee, with management, shall develop and participate in a process for review of important financial and operating topics that present potential significant risk to the organization. The committee will ensure that an annual financial audit should be performed by an independent financial auditor/reviewer, be reviewed by the audit committee, and submitted to the governing board. Additionally, individual committee members are encouraged to participate in relevant and appropriate education to ensure understanding of the organization's activities and risks.

Committee meeting agendas shall be the responsibility of the committee chair, with input from committee members. It is expected that the chair will also ask for management and key committee advisors, and perhaps others, to participate in this process.

The committee shall be authorized to access internal and external resources, as the committee requires, in carrying out its responsibilities.

The committee shall meet as required to review quarterly financials and once per year review relevant risks. Additional meetings shall be scheduled as considered necessary by the committee or chair.

The committee, through the committee chair, shall report periodically, as deemed necessary, but at least semiannually, to the full board.