

**O.I. CORPORATION**  
**AUDIT COMMITTEE CHARTER**

**Purpose**

The audit committee of the board of directors shall assist the board in overseeing (1) the financial statements and audits of the Company, (2) the Company's compliance with financial reporting requirements and (3) the independence and performance of the Company's internal and external auditors.

**Composition**

The membership of the audit committee shall consist of at least three members of the board of directors, who shall serve at the pleasure of the board of directors and be appointed by the full board of directors, and who shall meet the following criteria:

1. Each member of the audit committee must be an "independent director" within the meaning of applicable law and the applicable rules of The Nasdaq Stock Market, Inc., as then in effect, except under exceptional and limited circumstances as determined by the board of directors in accordance with applicable Nasdaq rules. No member of the audit committee may receive any consulting, advisory or other compensatory fee from the company other than for board service, and no member may be an affiliate of the company by stock ownership or otherwise.
2. Each member of the audit committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement, at the time the member joins the board of directors.
3. At least one member of the audit committee shall be considered by the board of directors to be an audit committee financial expert as defined under Item 401(h) of Regulation S-K, or shall otherwise have such additional financial expertise in accounting and auditing as are required under applicable law and applicable Nasdaq rules, as then in effect.

**Responsibilities**

In meeting its responsibilities, the audit committee has full authority and responsibility to:

1. Make regular reports to the board of directors.
2. Review and reassess the adequacy of the committee's charter annually, recommend any proposed changes to the board of directors for approval, and approve the audit committee charter in the form to be included as required in the Company's proxy statement.
3. Review the annual audited financial statements with management and the independent auditors, including major issues regarding accounting and auditing principles and practices as well as the Company's system of internal controls.
4. Determine whether to recommend to the board of directors that the annual audited financial statements be included in the Company's annual report on Form 10-K.
5. Review with management and the Company's independent auditors any significant financial reporting issues raised by management or the independent auditors in connection with the preparation of the Company's annual audited financial statements.

6. Review proposed major changes to the Company's auditing and accounting principles and practices that are brought to the attention of the audit committee by independent auditors, internal auditors or management.
7. Appoint the independent auditors, establish the audit fees, pre-approve any non-audit services, including tax services, before the services are rendered. Review and evaluate the performance of the independent auditors and review with the full board of directors any proposed discharge of the independent auditors.
8. Obtain from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Company, consistent with Independence Standards Board Standard 1.
9. Actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors.
10. Review any significant financial reports to management prepared by the internal auditing department, if any, and management's responses.
11. Approve (i) all audit services, including comfort letters, in advance or by approval of the scope of engagement of the independent auditors and (ii) all permissible non-audit services in advance.
12. Meet with the independent auditors to review the planning and staffing of the audit.
13. 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.
14. Review with the independent auditors any management letter provided by the auditors and management's response to that letter.
15. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
16. Review with counsel legal matters that are brought to the audit committee's attention and that may have a material impact on the financial statements, the Company's compliance policies and material reports or inquiries received from regulatory bodies.
17. Meet at least annually with the senior internal auditing executive, if any, and the independent auditor in separate executive sessions.
18. Review and approve all related party transactions.
19. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, as required by applicable law.

20. Review disclosures to the audit committee required under Section 302 and other provisions of the Sarbanes-Oxley Act.
21. Upon receiving a request from management for the independent auditors to perform any additional, audit, audit related, tax or other non-audit related services not previously approved by the Audit Committee, the request will be submitted at the next Audit Committee meeting for approval. If time is of the essence, the audit committee chairman may approve the performance of such services, or if the audit committee chairman is not available, then with all of the other members of the committee in agreement, they may approve the request.
22. The individual members will perform annual self-evaluations in order to evaluate their performance, and the Committee will review these evaluations on an annual basis and apply them to the Committee as a whole.

### **Powers**

The audit committee shall have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities. The committee shall be empowered to retain and determine the funding for independent counsel, accountants, or other advisors to the committee. The committee shall meet at least four times each year, either in person or teleconference, but no less than two meetings in person, and may ask members of management or others to attend its meetings and provide relevant information as necessary.

The audit committee is authorized to delegate to one or more of its members the authority to pre-approve auditing services and permitted non-audit services, provided that each pre-approval decision is presented to the full committee at a scheduled meeting.

The audit committee shall have such other functions as assigned by law, the Company's charter and bylaws, or the board of directors.

### **Relationship with Auditors and Board of Directors**

The Company's independent auditors are ultimately accountable to the board of directors of the Company and to the audit committee, as representatives of the stockholders of the Company. Although the audit committee has the responsibilities and powers set forth in this charter, it is not the duty of the audit 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 auditors. Nor is it the duty of the audit committee to assure compliance with laws and regulations and the Company's code of conduct.