

Creative Commons Audit Committee Charter

Adopted by resolution on June 27, 2005

PURPOSE

To assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct. Take committee shall take appropriate actions to establish a corporate environment that promotes quality financial reporting and ethical behavior.

AUTHORITY

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all auditing and non-audit services.
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.
- Seek any information it requires from employees—all of whom are directed to cooperate with the committee's requests—or external parties.
- Meet with company officers, external auditors, or outside counsel, as necessary.
- Supplement these responsibilities as it deems appropriate.

This charter shall be approved by the Board and reviewed and reassessed at least every third year.

COMPOSITION

The Board of Directors shall aspire to appoint an audit committee that will consist of at least three and no more than six Directors. The Board or its nominating committee will appoint committee members and the committee chair. It shall be a goal of the Board to appoint committee members who are both independent and financially literate, at least one of which shall qualify as a "financial expert," as defined by applicable legislation and regulation. To be considered independent, members may not, other than in a capacity as a member of the audit committee (i) accept any consulting, advisory or other compensatory fee from the Corporation or (ii) be an affiliated person of the Corporation or any subsidiary thereof.

MEETINGS

The committee will meet at least twice a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via email, tele- or video-conference. The committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors (see below) and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

The committee may designate one of its members to represent the entire committee for purposes of meeting its review or reporting obligations.

RESPONSIBILITIES

The committee will carry out the following responsibilities:

Financial Statements

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with management and the external auditors the results of the audit, including any difficulties encountered.
3. Review the annual and interim financial statements prior to filing any of the corporation's financial and tax reports, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
4. Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
5. Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.

Internal Control

6. Consider the effectiveness of the company's internal control system, including information technology security and control.
7. Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
8. Adopt procedures for (A) the receipt, retention and treatment of complaints received by the corporation regarding accounting, internal accounting controls, or auditing matters; and (B) the confidential, anonymous submission by employees of the corporation of concerns regarding questionable accounting or auditing matters.

Internal Audit, If Applicable

9. Review with management and the chief audit executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.
10. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the chief audit executive.
11. Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing.
12. On a regular basis, meet separately with the chief audit executive to discuss any matters that the committee or internal audit believes should be discussed privately.

External Audit

13. Make it clear to management and to independent auditors that the independent auditors report directly to the Audit Committee and are accountable to the Board.
14. Review the external auditors' proposed audit scope and approach, (including coordination of audit effort with internal audit, if applicable) and the adequacy of staffing and compensation...
15. Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors.
16. Review and confirm the independence of the external auditors by obtaining written statements from the auditors on relationships between the auditors and

the company, including non-audit services, and discussing the relationships with the auditors.

17. On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance with Financial Regulations

18. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
19. Review the findings of any examinations by regulatory agencies, and any auditor observations.
20. Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith.
21. Obtain regular updates from management and company legal counsel regarding compliance matters.

Reporting Responsibilities

22. Regularly report to the board of directors about committee activities, issues, and related recommendations.
23. Provide an open avenue of communication between internal audit, the external auditors, and the board of directors.
24. Report annually to the shareholders, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
25. Review any other reports the company issues that relate to committee responsibilities.

Other Responsibilities

26. Perform other activities related to this charter as requested by the board of directors.
27. Institute and oversee special investigations as needed.
28. Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
29. Confirm annually that all responsibilities outlined in this charter have been carried out.
30. Evaluate the committee's and individual members' performance on a regular basis.