

Audit Committee Charter

May 2017

SOUTHWIRE COMPANY AUDIT COMMITTEE CHARTER

Purpose

By maintaining free and open communication with the Board of Directors (the "Board"), independent auditors, internal auditor, and management of the company, the Audit Committee (the "Committee") shall:

- Assist the Board in fulfilling its responsibility to shareholders by providing oversight of the quality and integrity of the company's financial statements, reporting practices and, accounting policies; and
- Provide counsel to the Board and management on matters, events, policies and decisions having a material financial impact on the company and shareholders

Organization

The Audit Committee shall meet at least four times per year (once every fiscal quarter) and be comprised of at least three directors independent of management. All Audit Committee members will be financially literate. Committee members and the Committee Chair are appointed and removed by the Board.

Responsibilities

The Audit Committee should enact policies to assure the Board and shareholders that accounting and reporting practices of the company are in accordance with all requirements and are of the highest quality. Through open dialogue with management and appropriate meeting agenda topics, the Committee should ensure they acquire sufficient insight and information to provide advice and counsel to management and the Board on significant events and decisions impacting the company's financial results and condition as well as its reputation. The Audit Committee should discuss matters covered at Audit Committee meetings with the full Board and other Board committees, as needed. In carrying out its responsibilities, the Audit Committee will:

- Conduct a regular annual review of this Charter and make appropriate revisions.
- Select the independent auditors and review and approve details of their engagement, annual audit plan, and any non-audit services they provide. The Audit Committee shall ensure that the independent auditors have a clear understanding that they are ultimately accountable to the Board and the Audit Committee, as the shareholders' representatives, who have ultimate authority in deciding to engage, evaluate, and if appropriate, terminate their services.

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- Meet with the independent auditors and management of the company to review results of the annual audit, including recommendations of the independent auditors.
- Review with the independent auditors, the internal auditor and financial management the adequacy and effectiveness of financial controls, and elicit recommendations for the improvement of internal controls. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal, improper or may otherwise damage the reputation of the company.
- Review the effect of legal and regulatory matters on the financial statements; and take into consideration the impact of legal and regulatory matters on future decisions. Review the internal audit function including the independence and authority of its reporting. Approve the annual internal audit plan, review results of completed audits and provide guidance and direction as necessary.
- Provide oversight of and discuss with accounting management, senior management, the internal auditor, and the independent auditors significant risks or exposures, including risk assessment processes, risk management processes and risk mitigation processes.
- Review financial statements contained in the annual report to shareholders with management and the independent auditors to determine:
 - that the independent auditors are satisfied with both disclosure and content of the financial statements,
 - that in the judgment of both management and the independent auditors they are fully satisfied as to the quality, not just acceptability, of accounting principles and the clarity of financial disclosure practices used, and
 - that both management and independent auditors are in agreement with the degree of aggressiveness or conservatism of the company's accounting principles, underlying estimates, and other significant decisions made in preparing the financial statements.
- Meet with independent and internal auditors without members of management present. The meetings are open to all topics including the independent auditors' evaluation of the Company's financial, accounting, and auditing personnel, and the level of cooperation the independent and internal auditors received during the course of their work.
- Assess the adequacy of accounting and financial management staff to meet the needs of the organization.
- Report results of the annual audit to the full Board of Directors. If requested by the Board, invite the independent auditors to attend the full Board meeting to assist in reporting results of the annual audit or to answer other directors' questions.
- Investigate any matter brought to its attention with the power to retain outside counsel or other additional resources as needed.
- Review with the independent auditors the nature and scope of any disclosed relationships or professional services and take, or recommend the Board take, appropriate action to ensure the continuing independence of the auditors.
- On an annual and as needed basis meet with the heads of all financial departments including but not limited to Tax, Treasury, Corporate Accounting, Risk Management and Shared Financial Services.