



Audit Committee Charter

Purpose

The Audit Committee is appointed by the Board of Directors of the Company to assist the Board in fulfilling its oversight responsibilities for the Company's accounting and financial reporting processes and audits of the financial statements of the Company, by monitoring:

- The integrity of the Company's financial statements;
- The independence and qualifications of its independent auditor;
- The Company's system of internal controls;
- The performance of the Company's internal audit function and independent auditor;
- The effectiveness of management's enterprise risk management process that monitors and manages key business risks facing the Company; and
- The Company's compliance with legal and regulatory requirements.

The Committee shall also prepare the disclosure required by Item 407(d)(3)(i) of Regulation S-K.

Authority

The Committee has authority to conduct or authorize examinations into any matters within its scope of responsibility. It has sole authority to:

- Appoint, compensate, retain, evaluate, terminate and directly oversee the work of the Company's independent auditor (subject to shareholder ratification if applicable). The independent auditor will report directly to the Audit Committee;
- Resolve any disagreements between management and the auditor regarding financial reporting; and
- Pre-approve all audit services and permitted non-audit services provided to the Company by its independent auditor to the extent required by and in a manner consistent with applicable law.

It also has authority to:

- Retain outside advisors, including counsel, as it determines necessary to carry out its duties;
- 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, independent auditor, or outside counsel, as necessary;
- Form and delegate to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit services and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting; and
- Establish detailed pre-approval policies for permitted non-audit services.

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any registered public accounting firm engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Company and to any advisors employed by the Committee.

Composition

The Committee will consist of at least three members of the Board of Directors. The Board will appoint Committee members and the Committee Chair after taking into consideration the recommendation of the Company's Corporate Governance and Nominating Committee. Committee members may be replaced by the Board of Directors.

Each Committee member shall meet the independence and experience requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 ("Exchange Act"), Rule 10A-3 thereunder, and the other rules and regulations of the Securities and Exchange Commission ("SEC"). At least one member shall satisfy the definition

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of, and be designated as, a “financial expert”, as defined by the SEC; provided, however, that if no member of the Committee satisfies such definition, the Committee shall direct the Company to include appropriate disclosures in SEC filings as required by SEC rules and regulations then in effect. No Committee member shall serve simultaneously on the Audit Committees, of more than two other public companies without the approval of the Board. Any such approval will be disclosed in the proxy statement or on the Company’s website.

Meetings

The Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All Committee members are expected to attend each meeting, in person or via tele- or videoconference. The Committee periodically will hold private meetings with management, the chief audit executive and the independent auditor. The Committee may invite any officer or employee of the Company, the independent auditor, counsel or others to attend meetings and provide pertinent information. Meeting agendas will be prepared by the chief audit executive in consultation with or approval of the Chairman of the Committee and provided in advance to members, along with appropriate briefing materials.

Responsibilities

The Committee will carry out the following responsibilities:

Financial Statements

- Meet to review and discuss with management and the independent auditor significant accounting and financial reporting issues, including complex or unusual transactions and judgments concerning significant estimates or significant changes in the Company’s selection or application of accounting principles, and recent professional, accounting and regulatory pronouncements and initiatives, and understand their impact on the Company’s financial statements.
- Meet to review and discuss with management and the independent auditor the results of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.
- Meet to review and discuss with management and the independent auditor the annual audited consolidated financial statements, including reviewing the Company’s specific disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operation,” and recommend to the Board of Directors whether they should be included in the Company’s Form 10-K.
- Meet to review and discuss with management and the independent auditor the disclosure required by the SEC to be included in the Company’s proxy statement with respect to the independent auditor’s fees.
- Meet to review and discuss with management and the independent auditor interim financial statements, including the results of the independent auditor’s review of the quarterly financial statements and including reviewing the Company’s specific disclosures under “Managements Discussion and Analysis of Financial Condition and Results of Operations”, before filing the Company’s Form 10-Q with the SEC.
- Review disclosures made to the Committee by the Company’s CEO and CFO during their certification process for the Form 10-K and Forms 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company’s internal controls.
- At least annually prior to the filing of the Company’s Form 10-K with the SEC (and more frequently if appropriate), meet to review and discuss written and verbal reports from the independent auditor on: (1) all critical accounting policies and practices to be used; (2) all alternative treatments within generally accepted accounting principles that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (3) other material written communications between the external auditor and management, such as any management letter or schedules of unadjusted differences.
- Meet to review with management and the independent auditor all matters required to be communicated by the independent auditor to the Committee under generally accepted auditing standards, including matters required to be discussed by Auditing Standard No. 16, as adopted by the Public Company Accounting Oversight Board.
- Discuss with management the Company’s earnings press releases, including the use of any non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).

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Internal Controls and Risk Management

- Consider the effectiveness of the Company's internal control systems, including information technology security and control.
- Through regular, coordinated communication with the TSYS Technology Committee of the Board of Directors, discuss and consider the effectiveness of the Company's guidelines and policies for Technology risk assessment and risk management. (For purposes of this charter, the term "Technology" shall have same meaning assigned to it in the Technology Committee charter).
- Meet with management to review the Company's major financial risk and enterprise risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- Understand the scope of Internal Audit's and the independent auditor's reviews of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- Review the independent auditor's process to examine and assess management's assessment and report on internal controls over financial reporting.

Internal Audit

- Review with management, the independent auditor and the chief audit executive the plans, activities, staffing and organizational structure of the Internal Audit function, and any recommended changes thereto, as well as staff qualifications.
- Review significant reports to management prepared by Internal Audit and management's responses.
- Ensure there are no unjustified restrictions or limitations on the chief audit executive's scope of activities or access to information, and review and concur in the appointment, replacement, or dismissal of the chief audit executive.
- 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.
- Have the chief audit executive report to the Committee.

External Audit

- Have the independent auditor report directly to the Committee.
- Meet with the independent auditor to discuss the independent auditor's proposed audit planning, scope, staffing and approach, including coordination of its effort with Internal Audit. This discussion shall include a review of, and concurrence by the Committee with, the appointment by the independent auditor of the lead (or coordinating) audit partner having primary responsibility for the Company's audit.
- Obtain and review annually a report from the independent auditor regarding its quality control procedures, and material issues raised by the most recent internal quality control review, or peer review, of the firm or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more of the independent audits carried out by the firm, and any steps taken to deal with any such issues (to assess the auditor's independence) and all relationships between the independent auditor and the Company.
- Evaluate, and present to the Board of Directors its conclusions regarding, the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and permitted non-audit services are compatible with maintaining the auditor's independence, and taking into account the opinions of management and the Internal Auditors.
- Ensure the rotation of the audit partners as required by law and consider whether in order to assure continuing auditor independence it is appropriate to adopt a policy of rotating the external audit firm on a regular basis.
- Establish policies concerning the Company's hiring of employees or former employees of the independent auditor, as required by law and by NYSE listing standards.
- On a regular basis, meet separately with the independent auditor to discuss any matters that the Committee or independent auditor believes should be discussed privately.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations. The results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance should also be reviewed.

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- Obtain from the independent auditor any information with respect to illegal acts in accordance with Section 10A(b) of the Exchange Act.
- Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Meet to review and discuss with management and the independent auditor any correspondence with or the findings of any examinations by, regulatory agencies and any published reports or auditor observations that raise significant issues regarding the Company's financial statements or accounting policies.
- Obtain regular updates from management and Company counsel regarding compliance matters and legal matters that may have a significant impact on the financial statements and related disclosures or the Company's compliance policies.

Reporting Responsibilities

- Regularly report to the Board of Directors about Committee activities, issues and related recommendations.
- Regularly receive a report from the TSYS Technology Committee of the Board of Directors about its activities, issues and related recommendations.
- Provide an open avenue of communication between Internal Audit, the independent auditor and the Board of Directors.
- Review any other reports the Company issues that relate to Committee responsibilities.

Other Responsibilities

- Perform other activities related to this charter as requested by the Board of Directors.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee charter annually, request Board approval for proposed changes and ensure appropriate disclosure as may be required by law or regulation.
- Annually review the Committee's own performance, including a review of the compliance of the Committee with this charter.