

Charter of the Audit Committee of the Board of Directors

As of December 1, 2016 (approved December 8, 2016)

I. Purpose

The Audit Committee shall provide assistance to the directors of the Company in fulfilling their responsibility to the shareholders relating to corporate accounting matters, the financial reporting practices of the Company, and the quality and integrity of the financial reports of the Company. The Audit Committee's purpose is to:

(1) Assist the Board's oversight of:

- The reliability and integrity of the Company's accounting policies and financial reporting and disclosure practices;
- The establishment and maintenance of processes to assure compliance with all relevant laws, regulations, and Company policy, including a process for receipt of complaints and concerns regarding management fraud and accounting, internal control or auditing matters;
- The independent auditor's qualifications and independence; and
- The performance of the Company's internal audit function and independent auditor.

(2) Prepare the report of the Audit Committee to be included in the Company's annual proxy statement.

II. Structure and Operations

Composition and Qualifications

The Audit Committee shall be comprised of three or more directors as determined by the Board (upon the recommendation of the Nominating and Governance Committee), each of whom shall be an "independent" director for purposes of Audit Committee membership in accordance with Section 10A-3 of the Securities and Exchange Act, and the rules of the New York Stock Exchange and/or NASDAQ, and any other applicable legal or regulatory requirement.. No director may serve as a member of the Audit Committee if such director serves on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to serve effectively on the Audit Committee, and such determination is disclosed in the Company's proxy statement.

All members of the Audit Committee shall, in the judgment of the Board, be financially literate, which at a minimum means possessing a working familiarity with basic finance and accounting practices, and at least one member of the Audit Committee shall, in the judgment of the Board, have accounting or related financial management expertise. The Audit Committee shall also disclose, in accordance with applicable regulatory requirements, whether any member of the Audit Committee is a "financial expert," as defined by the Securities and Exchange Commission.

Appointment and Removal

The members of the Audit Committee shall be designated by the Board annually and shall serve until such member's successor is duly designated or until such member's earlier resignation or removal. Any member of the Audit Committee may be removed, with or without cause, by a majority vote of the Board. Unless a Chair is designated by the full Board, the members of the Audit Committee shall designate a Chair by majority vote of the full Audit Committee membership. The Chair will chair all regular sessions of the Audit Committee and set the agenda for Audit Committee meetings.

Delegation to Subcommittees

In fulfilling its responsibilities, the Audit Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Audit Committee and, to the extent not expressly reserved to the Audit Committee by the Board or by applicable law, rule or regulation, to any other committee of directors of the Company appointed by it, which may or may not be composed of members of the Audit Committee.

III. Meetings

The Audit Committee shall ordinarily meet at least four times annually, or more frequently as circumstances dictate. Any member of the Audit Committee may call meetings of the Audit Committee. The Audit Committee shall meet periodically with each of management and the independent auditor, separately, to discuss any matters that the Audit Committee or these activities believe should be discussed privately. In addition, the Audit Committee (or at minimum its Chair) should receive quarterly communications from the independent auditor and management regarding financial results, consistent with Section IV below, and communications on at least an annual basis from management on the results of the reporting system and any material issues regarding compliance with laws or Company policy.

Any director of the Company who is not a member of the Audit Committee may attend meetings of the Audit Committee; provided, however, that any director who is not a member of the Audit Committee may not vote on any matter coming before the Audit Committee for a vote. The Audit Committee also may invite to its meetings any member of management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Audit Committee may meet in executive session, as the Audit Committee deems necessary or appropriate.

IV. Responsibilities and Duties

The following functions shall be common recurring activities of the Audit Committee in carrying out its purpose set forth in Section I of this Charter. These functions should serve as a guide with the understanding that the Audit Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.

The Audit Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern within the purpose of the Audit Committee that the Audit Committee deems appropriate or necessary and shall have the sole authority to retain and terminate outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention.

To fulfill its responsibilities and duties, the Audit Committee shall:

SEC Filings/Interim Financial Reports/Other Documents Review

- (1) Review and discuss with management and the independent auditor the annual and quarterly financial statements prior to filing with the SEC, including the Company's disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and a discussion with the independent auditor of the matters required to be communicated by applicable Statements of Auditing Standards.
- (2) Discuss generally the Company's philosophy and processes associated with earnings press releases and financial information and earnings guidance provided to analysts and rating agencies.
- (3) Review with the independent auditor all critical accounting policies and practices to be used; all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- (4) Review interim financial statements and related internal financial reporting analytics.
- (5) Meeting privately in separate executive sessions periodically with management, the internal audit function leadership and the independent public accounting firm.

Independent Registered Public Accounting Firm

- (6) Have the sole authority and responsibility to select (subject to shareholder ratification), evaluate, determine the fees of and, where appropriate, replace the independent registered public accounting firm. The Audit Committee shall review the qualifications and performance of the independent accounting firm periodically and make determinations regarding the appointment or termination of the independent accounting firm. The independent accounting firm reports directly to the Audit Committee and it is responsible to the Audit Committee for such firm's review of the financial statements and controls of the Company. On an annual basis, the Audit Committee will review and discuss with the independent accounting firm all significant relationships the auditor has with the Company to evaluate the firm's independence.
- (7) The Audit Committee must pre-approve all audit and permitted non-audit services to be provided by the independent registered public accounting firm.
- (8) Meeting with the independent registered public accounting firm prior to the audit to review the scope and planning of the audit.
- (9) Reviewing the results of the annual audit examination
- (10) At least annually, obtain and review a report by the independent accounting firm describing: the independent firm's internal quality-control procedures; any 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 independent audits carried out by the firm, and any steps taken to deal with any such issues; and all relationships between the independent accounting firm and the Company.
- (11) Oversee the independence of the auditor by:
 - Receiving from the independent accounting firm, on a periodic basis, a formal written statement delineating all relationships between the independent accounting firm and the Company consistent with Independence Standards Board Standards and with all applicable laws, rules and regulations.
 - Reviewing, and actively discussing with the Board, if necessary, and the independent accounting firm, on a periodic basis, any disclosed relationships or services that may impact the objectivity and independence of the auditor and to pre-approve any non-audit engagement between the Company and the independent accounting firm consistent with regulatory requirements and disclose any such engagements in the periodic reports of the Company.
 - Developing clear hiring policies for partners/employees or former partners/employees of the independent auditor.

- Recommending, if necessary, that the Board take certain action to satisfy itself of the firm's independence.
- Ensuring that the lead audit partner, the concurring review partner, the client service partner and other partners directly involved in the performance of the audit, of the independent accounting firm are rotated at least every five years.

Internal Audit Oversight

- (12) The Audit Committee shall review the qualifications and performance of the internal audit function, including determination of outsourcing the function to an independent accounting firm. If the Audit Committee does approve outsourcing the internal audit function, it is required for the outsourced firm to be different than its independent accounting firm for overall audit services.

Financial Reporting Process

- (13) In consultation with the independent auditor and management, review the integrity of the financial reporting processes, both internal and external.
- (14) Review, with management: (i) the Company's disclosure controls and procedures; (ii) any significant deficiencies in the design or operation of internal controls of the Company which could adversely affect the Company's ability to record, process, summarize and report financial data; and (iii) any fraud, material or otherwise, that involves management or other employees who have a significant role in the Company's internal controls.
- (15) Consider and approve, if appropriate, major changes to auditing and accounting principles and practices as suggested by the independent auditor or management.
- (16) Establish regular systems for review with the Audit Committee by finance management and the independent auditor reports regarding any significant judgments made, or significant disagreements, in management's preparation of the financial statements. As a part thereof, the Audit Committee shall review any problems or difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to required information and management's response.

Legal Compliance/Regulatory/Ethical Business Practices

- (17) Review, with management and general counsel, any legal or regulatory matter that could have a significant impact on the financial statements.

- (18) Review, with management and general counsel, any fraud involving management or other employees who have a significant role in the internal controls; compliance policies; and any material reports or inquiries received that raise material issues regarding the financial statements and accounting or compliance policies.
- (19) Establish procedures for the receipt, retention and treatment of complaints and concerns (including a procedure for submitting such complaints and concerns on a confidential and anonymous basis) received by the Company regarding management fraud and accounting, internal accounting controls, or auditing or related matters.
- (20) Establish a code of ethics for the senior financial personnel of the Company in accordance with applicable law, rules and regulations.
- (21) Perform any other activities consistent with this Charter, the By-Laws of the Company, NASDAQ or the New York Stock Exchange rules and any other applicable law, rules or regulations as the Audit Committee or the Board deems necessary or appropriate.
- (22) Exercise reasonable oversight with respect to the implementation and effectiveness of the Company's compliance and ethics program, including being knowledgeable about the content and operation of such compliance and ethics program.

Internal Controls

- (23) Ensure management has a proper review system in place to ensure that financial statements, reports, and other financial information disseminated to governmental organizations and the public satisfy legal requirements.
- (24) Review, at least annually, policies with respect to risk assessment and risk management.
- (25) Review and discuss with management and the independent auditor: (a) the adequacy and effectiveness of the Company's internal controls over financial reporting (including any significant deficiencies or material weaknesses therein and any significant or material changes thereto); (b) management's assessment of the effectiveness of its internal controls and the basis therefor; (c) the independent auditor's attestation of management's assessment, and its audit of the Company's internal controls over financial reporting; (d) the Company's internal audit function and procedures; and (e) the adequacy and effectiveness of the Company's disclosure controls and procedures, and management's evaluation thereof.
- (26) Exercise reasonable oversight with respect to the implementation and effectiveness of the Company's compliance and ethics program, including being knowledgeable about the content and operation of such compliance and ethics program.

Review of Chief Financial Officer and Other Key Accounting and Finance Personnel

- (27) Review activities, organization structure, and qualifications of the Chief Financial officer, and participate in the appointment, dismissal, evaluation and the determination of the compensation of any candidate.
- (28) Review activities, organization structure, and qualifications of other key accounting and finance personnel, such as the Controller and Chief Accounting Officer, and participate in the appointment, dismissal, evaluation and the determination of the compensation of any internal or outside accountant.

Audit Committee Reports

- (29) Report regularly to the Board (i) following meetings of the Audit Committee, (ii) with respect to such other matters as are relevant to the Audit Committee's discharge of its responsibilities, (iii) with respect to such recommendations as the Audit Committee may deem appropriate, and (iv) the Audit Committee's conclusions with respect to the independent auditor. The report to the Board may take the form of an oral report by the Chair or any other member of the Audit Committee designated by the Audit Committee to make such report.
- (30) Prepare and publish an annual report of the Audit Committee to be included in the Company's Proxy Statement.
- (31) Maintain minutes and other records of meetings and activities of the Audit Committee, as appropriate under Minnesota law.

V. Annual Performance Evaluation

The Audit Committee shall perform a review and evaluation, at least annually, of the performance of the Audit Committee and its members, including a review of adherence of the Audit Committee to this Charter. In addition, the Audit Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Nominating and Governance Committee any improvements to this Charter that the Audit Committee considers necessary or appropriate. The Audit Committee shall conduct such evaluation and reviews in such manner as it deems appropriate.