

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Finance and Audit Committee Charter

1. Purpose

The Finance and Audit Committee (the Committee) is appointed to assist the Board of Directors of Citrus Research and Development Foundation, Inc. (the "Corporation") in fulfilling its oversight responsibilities. The Committee's audit duties and responsibilities are to:

Oversee the integrity of the Corporation's financial reporting, the systems of internal control, the independence and performance of the audit function and the compliance with legal and regulatory requirements. In so doing, it is the responsibility of the Committee to maintain free and open communication among the Committee, independent auditors, internal auditors and the management of the Corporation. The Committee has the authority to engage independent counsel or other advisors, as deemed necessary, to enable it to carry out its duties.

2. Functions of the Committee

- The Committee shall recommend to the Corporation's Board of Directors, no later than April 1 every year, the engagement of a firm of independent Certified Public Accountants (independent audit firm) for the performance of a financial audit, and the rendering of the associated management letter, for the fiscal year which ends on the following June 30th. In making its recommendation, the Committee may employ whatever selection criteria it deem most appropriate including, but not limited to, the reputation of the firm, the location of the main office which will conduct the audit, the financial responsibility of the firm and any existing relationship between the firm and this corporation. The Committee's recommendation shall also require a proposed engagement letter by the recommended firm that will set forth, among other things, the scope of the engagement and the fee, or the basis for fee, for their services to rendered.
- The independent audit firm is directly accountable to the Committee, and the Committee may recommend to the Board of Directors the discharge of the firm. The Committee shall also ensure proper rotation of the lead audit partner of the independent audit firm. The Committee shall receive directly from the internal auditors all reports on internal audit work and shall review and monitor implementation of management responses to such audit recommendations.
- The Committee shall review the annual audited financial statements and related reports from the independent auditors. The review shall include discussing with management and independent auditors all significant issues regarding accounting principles, practices, judgments and adjustments and ensuring that financial statements are understandable to the Committee and to others who will have a reason to rely on them. The Committee shall meet with the representatives of the auditing firm and the corporation's management to discuss any issues arising as a result of the audit report, the management letter, or the responses to the management letter from the corporation's management. The Committee shall discuss any matters required to be communicated to audit committee in accordance with applicable industry standards.

- In conclusion with management and independent auditors, the Committee shall consider the integrity of the Corporation's financial reporting process and controls. Further, the Committee shall discuss significant financial and compliance risk exposures and the steps management has taken to monitor, control, manage, and report such exposures. It shall also review significant findings reported by the independent auditors together with management's responses.
- On an annual basis, the Committee shall review and discuss with the independent auditors all significant relationships the auditors have with the Corporation that could impair the auditors' independence. The Committee shall approve specifically each non-audit service provided by the independent audit firm. The Committee may not approve, and the independent audit firm. The Committee may not approve, and the independent auditor is specifically prohibited from performing, the following services:

Bookkeeping

Financial information system design, implementation or operation

Appraisal or valuation services as well as actuarial services

Management functions or human resources services

Investment banking services

Legal services

Internal audit outsourcing services

- The Committee shall transmit the audit report, the management letter and the response of this corporation's management to the management letter to the Chairman of the Board of Directors within 30 days of receipt of the completed documents. The transmittal of the completed documents shall be accompanied by the comments of the Committee as to its assessment of the quality, efficiency, cost-effectiveness and other attributes of the auditing firm's services, recommendations as to its policies and procedures which should be considered by the Board of Directors as a result of the audit process and other information which the Committee deems relevant.
- The Committee shall establish, maintain and keep current adequate policies and guidelines for receiving and responsibility handing all complaints regarding accounting controls, compliance matters and reports of financial fraud. The Committee shall monitor the Corporation's principals of personnel conduct and fraud policy.
- The Committee shall oversee all tax compliance functions of the Corporation.
- The Committee shall periodically review and update this charter.

3. Composition

In accordance with the Corporation' Bylaws, the Board of Directors appoints the members of the Committee. Members should possess financial literacy and should have familiarity with financial management and accounting practices, and at least one member should be a financial expert.

Financial literacy is defined as the ability to read and understand fundamental financial statements. Financial expert means a person who has one or more of the following: experience applying such principles; experience preparing or auditing financial statements; experience with internal controls; education and experience with internal controls; education and experience in the management of companies or entities involved in the same industry as the affiliate; and an understanding of audit committee functions.

4. Meetings

The Committee shall meet at least twice a year, including a meeting to review the results of the independent audit. The Committee shall also meet as necessary to review matters relating to the Committee's other functions and shall maintain minutes and other records of its meeting and activities.

5. Independence

Each member of the Committee must be free from any financial, family, or other personnel relationship that would interfere with the exercise of his or her independent judgment in carrying out the member's duties. Members of the Committee may not accept directly or indirectly any consulting, advisory, or other compensation fee from the Corporation.