

**CHARTER
OF THE
FINANCE COMMITTEE
OF THE LEGAL SERVICES CORPORATION**

(Adopted by the LSC Board of Directors on and effective as of April 26, 2008)

I. Purpose

The purpose of the Committee shall be to review and make recommendations to the Board on matters related to the Corporation's budget, financial affairs, and policies.

II. Membership

The Chairman of the Board ("Chairman") shall appoint at least three Directors to serve on the Committee and designate one to serve as its Chairman.

III. Meetings

The Committee:

- a. shall meet at least four times per calendar year, but may meet more frequently at the call of the Committee's Chairman or majority of the Committee's membership;
- b. may adopt procedural rules that are not inconsistent with this Charter, the Corporation's Bylaws, or the laws to which the Corporation is subject.

IV. Resources

All offices, divisions, and components of the Corporation, including the Office of Inspector General ("OIG"), shall cooperate with all requests made by the Committee for information and support. The Committee shall be given the resources necessary to carry out its responsibilities.

V. Authority

The Committee:

- (1) shall have unrestricted access to the Corporation's books, records, facilities, personnel, and outside consultant(s);
- (2) is authorized to carry out the duties and responsibilities described in this Charter, as well as any other activities reasonably related to the

Committee's purposes or as may be directed by the Board from time to time;

- (3) may delegate authority to one or more designated members of the Committee;
- (4) may rely on the expertise and knowledge of Management, the OIG, and such consultants and experts that the Board approves for carrying out its responsibilities;
- (5) may authorize to be conducted, or itself conduct, reviews into any matters within the scope of its responsibilities; and
- (6) may require any person, including outside consultants or any officer or employee of the Corporation, to attend Committee meetings or to meet with any member(s) of or advisor(s) to the Committee.

VII. Duties and Responsibilities

The Committee:

APPROPRIATIONS

- (1) shall review Management's recommendations for appropriations requests and recommend to the Board the amount of each appropriation request (and its individual components) made by the Corporation to Congress;
- (2) shall receive and review reports from Management and report to the Board the status of appropriation bills or other legislative proposals that may affect the finances of the Corporation;

BUDGET

- (3) shall review the proposed annual fiscal year operating budgets prepared by Management and the OIG, respectively, and recommend to the Board for approval a consolidated operating budget for the Corporation and the OIG, and advise the Board of any adjustments made to the proposed budgets prepared by Management or the OIG, respectively;
- (4) shall periodically receive and review financial statements consisting of the then current year-to-date statement of income and expenses, which shall be accompanied by a narrative from Management or the OIG highlighting any financial issues, including any variances from the approved budgets and responsive actions taken in relation thereto;

- (5) shall obtain assurances that financial disclosures made by Management reasonably portray the Corporation's financial condition, results of operations, plans, and long term commitments;
- (6) shall obtain assurances that financial disclosures made by the OIG reasonably portray the financial condition, results of operations, plans, and long term commitments of the OIG arm of the Corporation;
- (7) shall continually review and advise Management and the OIG of the form, content, and frequency of financial information necessary for the Committee to fulfill its responsibilities described in this Charter;
- (8) shall establish and oversee implementation of policies to ensure that Management employs personnel and systems capable of providing timely and accurate financial information to key decision-makers;

OTHER RESPONSIBILITIES

- (9) shall, in conjunction with the Board's Audit Committee, review, monitor, and evaluate the effectiveness and execution of the Corporation's policies and procedures with respect to identifying and managing financial and other risk exposures, and to assess the steps Management has taken to identify and control such risks to the Corporation;
- (10) shall receive and review reports from Management and report annually to the Board on the insurance and risk management programs of the Company;
- (11) shall regularly report Committee actions, and make recommendations the Committee deems appropriate, to the Board with respect to any matters the Committee deems necessary or appropriate;
- (12) shall report to the Board at least four times in a year and also when requested to do so by the Board;
- (13) shall perform such other duties and responsibilities, consistent with this Charter, delegated to the Committee by the Board;

SELF-EVALUATION

- (14) shall periodically assess the Committee's performance under the Charter, reassess the adequacy of the Charter, and report to the Board the results of the evaluation and any recommendations for proposed changes to the Charter.