

## **Lawson Software, Inc.**

### **Charter of the Audit Committee of the Board of Directors**

**July 7, 2009**

#### **I. Audit Committee Purpose**

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board") to assist the Board in fulfilling its oversight responsibilities. The Committee's primary duties and responsibilities are to:

- Monitor the integrity of the Company's financial statements, financial reporting processes and systems of internal controls regarding finance, accounting and legal compliance.
- Select and appoint the Company's independent auditors, pre-approve all audit and non-audit services to be provided, consistent with all applicable laws, to the Company by the Company's independent auditors, and establish the fees and other compensation to be paid to the independent auditors.
- Monitor the independence and performance of the Company's independent auditors and internal auditing function.
- Establish procedures for the receipt, retention, response to and treatment of complaints, including confidential, anonymous submissions by the Company's employees, regarding accounting, internal controls or auditing matters, and provide an avenue of communication among the independent auditors, management, the internal auditing function and the Board of Directors.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as officers and employees of the Company. The Committee has the authority to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties. The Company shall at all times make adequate provisions for the payment of all fees and other compensation, approved by the Committee, to the Company's independent auditors in connection with the issuance of its audit report, or to any consultants or experts employed by the Committee.

#### **II. Audit Committee Composition and Meetings**

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be independent, non-executive directors, free from any relationship that would interfere with the exercise of his or her independent judgment. Committee members shall meet the independence and experience requirements of the Securities and Exchange Commission and the Nasdaq National Market (as may be modified or supplemented). All members of the Committee shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements at the time of their appointment to the Committee, and

at least one member of the Committee shall have accounting or related financial management expertise and qualify as a “financial expert” in accordance with the requirements of the Securities and Exchange Commission and the Nasdaq National Market (as may be modified or supplemented). No member of the Committee shall have participated in the preparation of the Company’s financial statements for the three fiscal years prior to their appointment to the Committee.

Committee members shall be appointed by the Board. If a Committee Chair is not designated by the Board or present, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee Chair shall prepare and/or approve an agenda in advance of each meeting. At each quarterly meeting, and whenever requested by any member of the Committee, the Committee shall meet privately in executive session with management, the manager of internal auditing, the independent auditors, and as a committee to discuss any matters that the Committee or each of these groups believe should be discussed. In addition, the Committee, or at least its Chair, shall communicate with management and the independent auditors quarterly to review the Company’s financial statements and significant findings based upon the independent auditors’ review procedures.

### **III. Audit Committee Responsibilities and Duties**

#### *Review Procedures*

1. Review the Company’s annual audited financial statements and the disclosures under the caption “Management’s Discussion and Analysis of Financial Conditions and Results of Operation” (MD&A) prior to filing or release. Review should include discussion with management and the independent auditors of significant issues regarding critical accounting estimates, accounting principles, practices and judgments, including, without limitation, a review with the independent auditors of any auditor report to the Committee required under rules of the Securities and Exchange Commission (as may be modified or supplemented). Review should also include review of the independence of the independent auditors (see item 8 below) and a discussion with the independent auditors of the conduct of their audit (see item 9 below). Based on such review determine whether to recommend to the Board that the annual audited financial statements be included in the Company’s Annual Report filed under the rules of the Securities and Exchange Commission.
2. In consultation with management, the independent auditors and the internal auditors, consider the integrity of the Company’s financial reporting processes and controls and the assessments to be filed under Section 404 of the Sarbanes Oxley Act. Discuss significant financial risk exposures and potential deficiencies and weaknesses of internal controls, and the steps management has taken to monitor, control and report such matters. Review significant findings prepared by the independent auditors and the internal auditing department together with management’s responses. Review any significant changes to the Company’s auditing and accounting policies. Resolve disagreements, if any, between management and the independent auditors.

3. Prior to filing or release, review with financial management and the independent auditors: (i) the Company's quarterly financial statements and MD&A and (ii) earnings press releases, financial information and earnings guidance provided to analysts, provided that such review may be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made). The Committee may designate a member of the Committee to represent the entire Committee for purposes of this review.
4. Obtain and periodically review a report from the independent auditors, describing (i) all critical accounting policies and practices to be used in the financial statements; (ii) 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 auditors; and (iii) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences. Review any reports on such topics or similar topics prepared by management, including any significant financial reporting issues and judgments made in connection with the preparation of the financial statements. Discuss with the independent auditors any material issues raised in such reports.
5. Review and reassess the adequacy of this Charter at least annually. Submit the Charter to the Board of Directors for approval and cause the Charter to be approved at least once every three years in accordance with the regulations of the Securities and Exchange Commission and the Nasdaq National Market (as may be modified or supplemented).

#### *Independent Auditors*

6. The Company's independent auditors are directly accountable to the Committee and the Board of Directors. The Committee shall review the independence and performance of the independent auditors, annually appoint the independent auditors and approve any discharge of auditors when circumstances warrant.
7. Approve the fees and other significant compensation to be paid to the independent auditors.
8. Approve the independent auditors' annual audit plan, including scope, staffing, locations and reliance upon management and internal audit department.
9. On a quarterly basis, review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence. Annually, such review should include receipt and review of a report from the independent auditors regarding their independence consistent with Independence Standards Board Standard I (as may be modified or supplemented). All engagements for non-audit services by the independent auditors must be approved by the Committee prior to the commencement of services. The Committee may designate a member of the Committee to represent the entire Committee for purposes of approval of non-audit services, subject to review by the full Committee at the next regularly scheduled meeting.

The Company's independent auditors may not be engaged to perform prohibited activities under the Sarbanes-Oxley Act of 2002 or the rules of the Public Company Accounting Oversight Board or the Securities and Exchange Commission.

10. Prior to filing or releasing annual financial statements, discuss the results of the audit with the independent auditors, including a discussion of the matters required to be communicated to audit committees in accordance with applicable accounting standards.
11. Discuss with the independent auditors the matters required to be discussed pursuant to the Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended and then currently in effect, including any audit problems or difficulties encountered in performing the audit and management's response, and disagreements with management.
12. Obtain from the independent auditors assurance that Section 10A of the Securities and Exchange Act has not been implicated.
13. Consider the independent auditors' judgment about the quality and appropriateness of the Company's accounting principles and critical accounting estimates as applied in its financial reporting.

#### *Internal Audit Function*

14. Review the budget, plan, changes in plan, activities, organization structure and qualifications of the Company's internal audit department, as needed.
15. Approve the appointment, performance and replacement of the internal audit manager or approve the retention of, and engagement terms for, any third party provider of internal audit services.
16. Review significant reports prepared by the internal audit department together with management's response and follow-up to these reports.
17. Discuss the adequacy of the Company's internal controls with the head of the Company's internal audit department.

#### *Risk Management and Compliance*

18. Discuss policies and procedures with respect to risk assessment and risk management regarding the risk of material misstatement of the Company's financial statements, including the Company's major risk exposures and the steps management has taken to monitor and mitigate such exposures.
19. Review the effectiveness of the system for monitoring compliance with laws, regulations and the Company's business conduct policies and the results of management's investigation and follow-up on any fraudulent acts or accounting irregularities.

20. Periodically obtain reports from management regarding compliance, including without limitation, compliance with the U.S. Foreign Corrupt Practices Act.
21. Review with management and the independent auditors the effect of regulatory and accounting initiatives on the Company's financial statements,
22. Review with the Company's counsel legal matters that may have a material impact on the consolidated financial statements and any material reports or inquiries received from regulators or governmental agencies regarding compliance.
23. Establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters. Review periodically with management and the head of the internal audit department these procedures and any significant complaints received.

*Other Audit Committee Responsibilities*

24. Annually prepare the report to shareholders as required by the roles of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
25. Review and approve all related-party transactions.
26. Review and approve any exceptions to the Company's Investment Policy. If it is not practical to convene a meeting of the Committee, the Chair of the Committee may review and approve an exception to the Company's Investment Policy.
27. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.
28. Maintain minutes of meetings and periodically report to the Board of Directors on significant results of the foregoing activities.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles, which is the responsibility of management and the independent auditors. It is also the responsibility of management to assure compliance with laws and regulations and the Company's corporate policies with oversight by the Committee in the areas covered by this Charter.