

THE PRESIDIO TRUST

FINANCE AND AUDIT COMMITTEE CHARTER

The Finance and Audit Committee (“Committee”) of the Presidio Trust Board of Directors (“Board”) assists the Board in fulfilling its oversight responsibilities regarding the integrity of the financial statements, compliance with legal and regulatory requirements, the qualifications, independence, and performance of the independent auditor and of the internal audit function, and the performance of the independent auditor, and such other duties as directed by the Board.

The Committee is also charged with reviewing annual budgets proposed by management, financial planning documents prepared by management and management strategies relating to the financial security of the Presidio Trust (“Trust”) and the achievement of its goals. The Committee will provide guidance to management on these matters and will present recommendations to the full Board as to annual budgets and financial planning.

While the Committee has the responsibilities and power set forth in this Charter, management and the independent auditor are responsible to plan or conduct audits or to determine that the Trust’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations.

I. STRUCTURE AND ORGANIZATION

1. The Committee will be composed solely of Directors who have the necessary experience, are independent of the daily management of the Trust and are free of any relationship that may interfere with their exercise of independent judgment as a Committee member.
2. The Committee will consist of three members of the Board. Committee members and the Committee chairperson serve at the pleasure of the Board. All members must be or become financially literate. The Committee will use all diligent effort to gain access to necessary financial management expertise whether through its members or through other means.
3. The Committee is expected to maintain free and open communication with management, the chief internal auditor, and the independent auditor.
4. The Committee has the authority to investigate any matter brought to its attention and to retain independent legal, accounting or other advisors for this purpose if determined appropriate, in its sole judgment. The Trust will provide funding for that purpose as determined by the Committee.
5. The Committee shall keep minutes of its meetings and will make available minutes to the full Board.

6. The Committee may review and reassess the adequacy of this Charter annually and will propose to the Board any changes to the Charter.

II. AUDIT RESPONSIBILITIES

Responsibilities Related to the Independent Auditor

1. The Committee will retain, or where appropriate, terminate the independent auditor. On an annual basis, the Committee will approve the compensation to the independent auditor and will evaluate the independent auditor's performance. The independent auditor will report directly to the Committee.
2. The Committee will review with the independent auditor, the chief internal auditor and management the audit plans, will evaluate the qualifications, performance, and independence of the independent auditor and will evaluate and approve the audit services and related fees.
3. The Committee will review with the independent auditor the matters relating to the conduct of the audit, including any problems or 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.
4. The Committee will meet with the independent auditor, the chief internal auditor, and management in separate sessions to discuss any matters that the Committee or the above-named parties believe should be discussed privately with the Committee.
5. The Committee will provide for direct meetings of the auditors with the full Board as appropriate.

Responsibilities Related to the Chief Internal Auditor

1. The Committee will review and approve the appointment, replacement, reassignment, or dismissal of the Trust's chief internal auditor and the internal audit function.
2. The Committee will review at least annually the internal audit function of the Trust with management and the independent auditor, including a general review of the internal audit plan, the internal audit organization, staffing, budget, reporting structure, objectivity, and sufficiency.
3. The Committee will review the results of internal audits.

Responsibilities for Oversight of the Quality and Integrity of Accounting, Auditing and Reporting Practices of the Trust

1. The Committee will discuss the annual financial statements, including disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” with management and the independent auditor prior to issuing. These discussions should cover the quality (not just the acceptability) of the financial reporting, and such other matters, as the Committee deems appropriate.
2. The Committee will review with management and the independent auditor critical accounting policies, significant financial reporting issues and judgment made in connection with the preparation of the Trust’s financial statements, including any significant changes in the Trust’s selection or application of accounting principles.
3. As necessary, the Committee will discuss with management any significant financial risk exposure and the steps management has taken to monitor and control such exposures, including the Trust’s risk management policies, and legal and ethical compliance programs.
4. The Committee will review with management, the independent auditor, and the company’s chief internal auditor the adequacy and effectiveness of the Trust’s internal controls for financial reporting and computerized information systems controls.

III. BUDGET AND FINANCE RESPONSIBILITIES

1. The Committee will review annual budgets and performance plans proposed by management and make recommendations to management and the full Board regarding same.
2. The Committee will provide guidance to management in the development of longer-range financial plans and projections and will review with management proposed annual budgets in the context of management’s financial projections and the five-year strategic plan required by the Government Performance and Results Act.
3. The Committee will review quarterly budget reports presented to the Committee by management following the conclusion of each quarter of the fiscal year and the close of the fiscal year.

IV. PERIODIC RESPONSIBILITIES

1. The Committee will review with management any legal and regulatory matters that may have a material impact on the Trust’s financial statement, compliance policies, and compliance programs.

2. The Committee will oversee the Trust's compliance with applicable policies and regulations and periodically review and suggest to management any necessary improvements. The Committee will establish a procedure for (i) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters and other matters.
3. The Committee will review with management the Trust's risk posture and provide guidance on appropriate insurance coverage.
4. Annually, the Committee will assess its performance.

Nothing in this Charter shall be construed as inconsistent with the Presidio Trust Act.