

R&B, Inc.

Amended and Restated Audit Committee Charter

Status

The Audit Committee is a committee of the Board of Directors.

Membership

The Audit Committee shall consist of three or more directors all of whom, in the judgment of the Board of Directors, shall be independent in accordance with the rules and regulations of the Securities and Exchange Commission and the NASDAQ. Each member shall, in the judgment of the Board of Directors, be financially literate and have the ability to read and understand the Company's basic financial statements or shall at the time of appointment undertake training for that purpose. As the Board of Directors decides, from time to time, one or more members of the Audit Committee may be designated as a financial expert in accordance with the rules and regulations of the Securities and Exchange Commission.

Purpose

The Audit Committee will assist the Board of Directors with the oversight of (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the independent auditor's qualifications and independence, and (d) the performance of the Company's independent auditors.

Responsibilities

1. Appoint the public accounting firm (independent auditor, outside auditor) for the purpose of preparing or issuing an audit report or to perform related work and set their compensation. The appointed public accounting firm reports directly to the Audit Committee. The Audit Committee may also reappoint or terminate the services of the public accounting firm.
2. Pre-approve all audit and permitted non-audit services to be performed by the public accounting firm; or delegate the authority to pre-approve such services to one or more members of the Audit Committee, who shall report any decision to pre-approve any services to the full Audit Committee at its regularly scheduled meetings.
3. Report the pre-approval of any permitted non-audit services to management for disclosure in the Company's periodic reports.
4. Review with members of the appointed public accounting firm the scope of the prospective audit, the estimated fees therefore and such other matters pertaining to such audit as the Audit Committee may deem appropriate.

5. Receive and review:
 - (a) a report by the outside auditor describing (i) the outside auditor's internal quality-control procedures; (ii) any material issues raised by the most recent 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 audits carried out by the firm, and any steps taken to deal with any such issues; and (iii) in the effort to assess the auditor's independence, all relationships between the auditors and the Company;
 - (b) all other reports from the outside auditors, including the annual comments from them on accounting procedures and systems of internal control;
6. Review and consider whether the provision by the outside auditors of any permitted non-audit services is compatible with maintaining their independence; review and approve the non-audit fees of the outside auditors; review with them any questions, comments or suggestions they may have relating to the internal controls, accounting practices or procedures of the Company or its subsidiaries, and any accounting disagreements or audit problems or difficulties and management's response; review alternative treatment of financial information, in accordance with GAAP, discussed with management; and other relevant communications between the outside auditors and management.
7. Make or cause to be made, from time to time, such other examinations or reviews as the Audit Committee may deem advisable with respect to the adequacy of the systems of internal controls and accounting practices of the Company and its subsidiaries and with respect to current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.
8. Review with management and the public accounting firm selected as outside auditors for the Company the annual and quarterly financial statements of the Company, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", critical accounting principles and practices of the Company, and any material changes in accounting principles or practices used in preparing the statements prior to the filing of a report on Form 10-K or 10-Q with the Securities and Exchange Commission. Such review will include the items required by SAS 61 as in effect at that time in the case of the annual statements and SAS 100 as in effect at that time in the case of the quarterly statements. During such review, or otherwise, the Audit Committee shall work to resolve any disagreements between management and the outside auditors regarding financial reporting. At year-end the Audit Committee will discuss with the outside auditors the quality of the accounting principles and the underlying estimates used in the audited financial statements.
9. Review earnings press releases, as well as financial information and earnings guidance provided to analysts, and discuss Company policies with respect to risk assessment and risk management.
10. Review and approve related party transactions.

11. Receive from the outside auditors the report required by Independence Standards Board Standard No. 1 as in effect at that time and discuss it with the outside auditors.
12. Review the status of compliance with laws, regulations and internal procedures, contingent liabilities and risks that may be material to the Company, the scope and status of systems designed to assure Company compliance with laws, regulations and internal procedures, through receiving reports from management, legal counsel and other third parties as determined by the Audit Committee on such matters, as well as major legislative and regulatory developments which could materially impact the Company's contingent liabilities and risks.
13. Establish and maintain procedures for the confidential and anonymous receipt, retention and treatment of complaints regarding the Company's accounting, internal controls or auditing matters, and establish clear hiring policies for employees or former employees of the Company's outside auditor.
14. Obtain the advice and assistance, as appropriate, of independent counsel and other advisors as necessary to fulfill the responsibilities of the Audit Committee. Funding shall be provided by the Company.
15. Review the Audit Committee Charter annually.

Meetings

The Audit Committee shall meet at least four times each year and at such other times as it deems necessary to fulfill its responsibilities. A quorum of the Committee shall be declared when a majority of the members are in attendance in person or by telephone. The Audit Committee shall meet regularly in executive session without management present. The audit Committee shall also meet with the Company's outside auditors in executive session to discuss any matters the Committee or the outside auditors believe should be discussed privately.

Limitations

The Audit Committee is responsible for the duties set forth in this Charter but is not responsible for either the preparation of the financial statements or the auditing of the financial statements. Management has the responsibility for preparing the financial statements and implementing internal controls, and independent auditors have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls. The review of the financial statements by the Audit Committee is not intended to be at the same scope, level or quality as the audit performed by the independent auditors. In carrying out its responsibilities, the Audit Committee will keep its policies and procedures flexible to best react to a changing environment.