

**AMENDED AND RESTATED CHARTER OF THE  
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS  
OF  
OVERHILL FARMS, INC.**

As Amended and Restated August 5, 2004

**Purpose**

The purpose of the Audit Committee (the “Audit Committee”) of Overhill Farms, Inc. (the “Corporation”) is to assist the Board of Directors of the Corporation in fulfilling its oversight responsibilities by:

- Serving as an independent and objective party to monitor the Corporation’s financial reporting process and internal control system.
- Reviewing and appraising the audit efforts of the Corporation’s independent accountants.
- Providing an open avenue of communication among the independent accountants, financial and senior management and the Board of Directors.

**Composition**

The Audit Committee shall consist of three or more directors as determined by the Board of Directors, each of whom shall be independent as and to the extent required by federal securities laws and applicable requirements of the American Stock Exchange or the principal exchange or system on which the Corporation’s common stock is traded, and free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee. In determining whether any director is independent, the Board of Directors shall take into consideration, among other things, the requirements of the principal exchange or system on which the Corporation’s common stock is traded and applicable requirements under the federal securities laws. Directors who are affiliates of the Corporation, or are officers or employees of the Corporation or of its subsidiaries, will not be considered independent.

All members of the Audit Committee must be able to read and understand fundamental financial statements, including a corporation’s balance sheet, income statement, and cash flow statement, at least one member of the Audit Committee is to have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the member’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities, and at least one member of the Audit Committee shall qualify as an “audit committee financial expert” as defined by the Securities and Exchange Commission pursuant to Section 407 of the Sarbanes-Oxley Act of 2002.

The members of the Audit Committee are to be elected by the Board of Directors and shall serve until their successors are duly elected and qualified. Unless a Chairman of the Audit

Committee is elected by the full Board of Directors, the members of the Audit Committee may designate a Chairman by majority vote of the full Audit Committee membership.

### **Meetings**

The Audit Committee shall meet on at least a quarterly basis and shall hold regular meetings as may be necessary and special meetings as may be called by the Chairman of the Audit Committee. As part of its job to foster open communication, the Audit Committee should meet at least annually with management and the independent accountants in separate executive sessions to discuss any matters that the Audit Committee or either of these groups believe should be discussed privately. The Audit Committee should meet with the independent accountants and management quarterly to review the Corporation's financial statements.

### **Relationship with Independent Accountants**

The Corporation's independent accountants are to be ultimately accountable to the Audit Committee, and the Audit Committee shall have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent accountants (or nominate the outside auditor to be proposed for stockholder approval in any proxy statement).

### **Responsibilities and Duties**

To fulfill its responsibilities and duties the Audit Committee shall:

#### Documents/Reports Review

1. Review and assess the adequacy of this Charter at least annually, and otherwise as conditions dictate.
2. Review the Corporation's annual financial statements and any reports or other financial information submitted to the Securities and Exchange Commission or the public, including any certification, report, opinion, or review rendered by the independent accountants.
3. Review with financial management and the independent accountants the Corporation's filings with the Securities and Exchange Commission on Form 10-Q prior to their filing and prior to the release of earnings.
4. Review and discuss with management and the independent accountants any material financial or non-financial arrangements of the Corporation that do not appear on the financial statements of the Corporation.

#### Independent Accountants

5. Select the independent accountants, considering their independence and effectiveness, and approve the fees and other compensation to be paid to the independent accountants.

6. At least annually, basis, obtain from the independent accountants, and review and discuss with the independent accountants, a formal written statement delineating all relationships the independent accountants and their related entities have with the Corporation and its related entities, consistent with Independence Standards Board Standard No. 1 (or any successor thereto), and actively engage in a dialogue with the independent accountants with respect to any disclosed relationships or services that in the independent accountants' professional judgment may reasonably be thought to bear on the objectivity and independence of the independent accountants.
7. At least annually, obtain written confirmation from the independent accountants that, in the independent accountants' professional judgment, the independent accountants are "independent" of the Corporation within the meaning of the federal securities laws.
8. Take or recommend that the Board of Directors take, any appropriate action to oversee the independence of the independent accountants.
9. Review the performance of the independent accountants and approve any proposed discharge of the independent accountants when circumstances warrant.
10. Periodically consult with the independent accountants out of the presence of management about internal controls and the fullness and accuracy of the Corporation's financial statements.
11. Pre-approve all auditing services to be provided by the independent accountants to the Corporation (including comfort letters in connection with securities underwritings).
12. Pre-approve all non-audit services to be provided by the independent accountants to the Corporation unless: (a) the aggregate amount of all such non-audit services constitutes not more than 5% of the total amount of revenues paid by the Corporation to its independent accountants during the fiscal year in which the non-audit services are provided; (b) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and (c) such services are promptly brought to the attention of the Audit Committee and approved prior to completion of the audit by the Audit Committee or by one or more members of the Audit Committee to whom authority to grant such approvals has been delegated by the Audit Committee.
13. The Audit Committee shall have the authority to delegate to one or more designated members of the Audit Committee the authority to grant pre-approvals of audit and non-audit services. The decisions of any such member to pre-approve such services shall be presented to the full Audit Committee at its scheduled meetings.
14. Discuss with any registered public accounting firm that performs an audit for the Corporation (1) all critical accounting policies and practices to be used, (2) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the registered public accounting firm; and (3) other material

written communications between the registered public accounting firm and the management of the Corporation, such as any management letter or schedule of unadjusted differences.

### Financial Reporting Processes

15. In consultation with the independent accountants, review the integrity of the organization's financial reporting processes, both internal and external.
16. Consider the independent accountant's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
17. Consider and approve, if appropriate, major changes to the Corporation's auditing and accounting principles and practices as suggested by the independent accountants or management.
18. Establish regular and separate reporting to the Audit Committee by each of management and the independent accountants regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.
19. Following completion of the annual audit, review separately with each of management and the independent accountants any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
20. Review and resolve any significant disagreement among management and the independent accountants in connection with the preparation of the financial statements.
21. Review with the independent accountants and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented.
22. Prior to the filing of any periodic report of the Corporation under the Securities Exchange Act of 1934, receive confirmation from the Corporation's principal executive and principal accounting officers that they have disclosed to the Corporation's independent accountants and the Audit Committee: (1) all significant deficiencies in the design or operation of internal controls that are reasonably likely to adversely affect the Corporation's ability to record, process, summarize, and report financial information; (2) any material weaknesses in internal controls; and (3) any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal control over financing reporting.
23. Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

24. Establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Ethical and Legal Compliance

25. Review and approve all related-party transactions after reviewing each such transaction for potential conflicts of interest and other improprieties.
26. The Audit Committee shall have the authority to retain and compensate such independent counsel, experts, and other advisors as it determines necessary to carry out its duties.
27. The Audit Committee shall have the authority to conduct or authorize investigations into any matters within its scope of responsibilities and shall have the authority to retain outside advisors to assist it in the conduct of any investigation.
28. Establish, review and update periodically a Code of Conduct and ensure that management has established a system to enforce this Code.
29. Review, with the Corporation's counsel, any legal matter that could have a significant impact on the Corporation's financial statements.
30. Perform any other activities consistent with this Charter, the Corporation's bylaws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.