

THE DEWEY ELECTRONICS CORPORATION
AUDIT COMMITTEE CHARTER

The Board of Directors of The Dewey Electronics Corporation (the "Company") has established an Audit Committee (the "Committee") with authority, responsibility and specific duties as described in this charter.

Purpose

The Committee assists the Board of Directors in fulfilling its fiduciary oversight responsibilities relating to:

- the Company's financial statements and the company's accounting and financial reporting process and financial statement audits
- the Company's compliance with legal and regulatory requirements
- the Company's systems of disclosure controls and procedures, internal controls over financial reporting and compliance with the Code of Business Conduct and Ethics adopted by the Company

The Committee is responsible for evaluating the quality, independence and objectivity of the independent auditors. It is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, and management of the Company. The opportunity for the independent auditors to meet with the entire Board of Directors is not to be restricted. The Committee is directly responsible for the appointment, compensation, retention and oversight of the independent auditor, which reports directly to the Committee.

The Committee shall be provided with resources it needs to fulfill its responsibilities, including outside consultants, as appropriate.

Membership

The Committee shall consist of two or more members of the Board of Directors. All Committee members must be independent of management and the Company and shall be financially literate in accordance with any applicable SEC regulations and policies. At least one member of the Committee shall, in the judgment of the Board, be an "audit committee financial expert" as the term as defined by the SEC. The Board of Directors shall appoint the Committee members (and may designate a Chair), who may be removed by the Board at any time, with or without cause.

Meetings

The Committee will meet at least four times each year, with additional meetings (which may be called by (i) the Chair at the request of any member or (ii) by any member if there is no Chair) as necessary to fulfill its responsibilities. Minutes shall be kept of all meetings. Each member of the Committee shall be furnished with a copy of all such minutes and Committee actions shall be by unanimous written consent. The Committee shall be governed by the same rules and procedures regarding meetings (e.g., by

teleconferencing, action without a meeting, notice, waiver and quorum) as are applicable to the Board of Directors.

Responsibilities

The following are the principal recurring duties of the Committee:

1. Appoint the independent auditors to be engaged by the Company, establish the audit fees of the auditors, pre-approve any non-audit services provided by the auditors, including tax services, before the services are rendered. Establish when the five-year limit for the current lead partner and seven year limit for any partner (other than the lead or concurring) will be reached.
2. Review the management the policy for employing firms other than the principal audit firm to perform nonaudit or other services the auditor cannot perform.
3. Discuss Company policies with respect to risk assessment and risk management, review contingent liabilities and risks that may be material to the Company, and assess the steps taken to minimize such risks. Review major legislative and regulatory developments which could materially impact the Company's contingent liabilities and risks.
4. Review and discuss with management and the independent auditors, the adequacy and effectiveness of the Company's internal accounting and financial controls (including disclosure controls and procedures), the quality of the financial and accounting personnel, and any relevant recommendations and management's responses thereto.
5. Review the interim financial statements with management and the independent auditors prior to the filing of the Company's Quarterly Report, including significant adjustments, management judgments and accounting estimates, significant new accounting policies, and disagreements with management.
6. Review with the independent auditor the audit scope and plan.
7. Review with management and the independent auditors:
 - the financial statements to be included in the Company's Annual Report, including significant adjustments, management judgments and accounting estimates,
 - significant new accounting policies, and disagreements with management.
 - review other relevant reports or financial information submitted by the company, including management certifications as required by the Sarbanes-Oxley Act of 2002
 - matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, related to the conduct of the audit

8. Recommend to the Board of Directors whether the audited financial statements are satisfactory to be included in the Company's Annual Report.
9. Review and reassess, at least annually, the adequacy of this charter and report its conclusion and any recommendations to the Board of Directors.
10. Perform such other functions as the Board may request.

*Approved by the Board of Directors
December 6, 2006*