

THERMADYNE HOLDINGS CORPORATION

AUDIT COMMITTEE CHARTER

I. PURPOSE

The primary purpose of the Audit Committee (the “Committee”) is to assist the Board of Directors (the “Board”) in fulfilling its responsibility to oversee management regarding: (i) the conduct of the Company’s financial reporting process, including by overseeing the integrity of the financial reports and other financial information provided by the Company to any governmental or regulatory body, the public or other users thereof, (ii) the performance of the Company’s systems of internal accounting, financial controls and audit function, (iii) the performance of the Company’s independent auditors, including their qualifications and independence, and the annual independent audit of the Company’s financial statements, (iv) the preparation of the audit committee report required by SEC rules to be included in the Company’s annual proxy statement, (v) the Company’s legal and regulatory compliance, and (vi) the Company’s code of ethics as established by management and the Board.

The Committee shall review the adequacy of this Charter periodically.

II. COMMITTEE MEMBERSHIP

The Committee shall be comprised of not less than three members of the Board, all of whom shall be independent, and the Committee’s composition will meet all the guidelines of the Audit Committee Policy of the Nasdaq National Market, and any requirements of the Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley”) or rules adopted by the SEC relating to audit committees.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors shall be duly elected and qualified. Unless a chair of the Committee is elected by the full Board, the members of the Committee may designate a chair by majority vote of the full Committee membership. Any member of the Committee may be removed, with or without cause, by the Board at any time.

III. COMMITTEE MEETINGS

The Committee shall meet as often as it deems necessary or appropriate, generally at least four times annually, or more frequently as circumstances dictate. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. As part of its role to foster open

communication and to discharge its oversight role, the Committee or its chairperson should meet periodically with management, and the outside auditor and the Committee should meet in separate executive sessions to discuss any matters the Committee believes should be discussed privately.

IV. KEY RESPONSIBILITIES

The Committee's role is one of oversight and it recognizes the Company's management is responsible for preparing the Company's financial statements and the outside auditors are responsible for auditing those financial statements. Additionally, the Committee recognizes that financial management including the internal audit staff, as well as the outside auditors, have more time, knowledge and more detailed information on the Company than do Committee members; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the outside auditor's work. In discharging its oversight role, the Committee may investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company. The Committee has the power to retain outside counsel, auditors or other experts for this purpose and will receive funding from the Company to engage such advisors. The outside auditor is ultimately accountable to the Committee.

The following functions and responsibilities are set forth as a guide with the understanding that the Committee may diverge from this guide as appropriate given the circumstances.

To fulfill its role, the Committee shall:

A. Continuous Activities – General

1. Have the direct responsibility for the appointment, evaluation, compensation and oversight of the work of the outside auditor and, where appropriate the dismissal of the outside auditor. The outside auditor shall report directly to the Committee, and the Committee's responsibility includes the resolution of disagreements between management and the outside auditor regarding financial reporting.
2. Report its findings regularly to the Board, including any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the outside auditors or the performance of the internal audit function.
3. Consider and pre-approve all auditing services provided by the Company's outside auditors. All non-audit services permitted pursuant to law to be

provided by the auditor must also be considered and pre-approved by the Committee and such approvals must be disclosed in the Company's periodic public filings. The Committee may delegate the authority to grant pre-approvals to one or more members of the Committee, whose decisions must be presented to the full Committee at its scheduled meetings.

4. Consider and review with the outside auditors and management: (i) the adequacy of the Company's disclosure controls and procedures and internal controls; (ii) all significant deficiencies in the design or operation of the Company's internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data; (iii) any material fraud against the Company involving any employee, (iv) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls; and , (v) the related findings and recommendations of the outside auditors together with management's responses.
5. Consider and review with management, the Chief Financial Officer or Controller and the outside auditor: (i) significant findings during the year, including the status of previous audit recommendations; (ii) any audit problems or difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information; (iii) any changes required in the planned scope of the audit plan; (iv) the audit budget and staffing; and (v) the coordination of audit efforts in order to monitor completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
6. Inquire of management, the outside auditor, and the Chief Financial Officer or Controller about significant risks or exposures and assess the steps management has taken to minimize such risks. Discuss with management, the outside auditor, and the Chief Financial Officer or Controller and oversee the Company's underlying policies with respect to risk assessment and risk management.
7. Establish and maintain procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters.

B. *Continuous Activities – Specific Reporting Policies and Scheduled Activities*

1. Review and discuss with management and the outside auditor the accounting policies that may be viewed as critical, and review and discuss any significant changes in the accounting policies of the Company and any accounting and financial reporting proposals that may have a significant

impact on the Company's financial reports. Inquire as to the outside auditor's views about whether management's choices of accounting principles are conservative, moderate, or aggressive from the perspective of income, asset, and liability recognition, and whether those principles are common practices or are minority practices.

2. Review and discuss with management and the outside auditor any material financial or non-financial arrangements of the Company that do not appear on the financial statements of the Company. The Committee shall review, discuss with management and the outside auditor and approve any transactions or courses of dealing with related parties (e.g., including significant shareholders of the Company, directors, corporate officers or other members of senior management or their family members) that are significant in size or involve terms or other aspects that differ from those that would likely be negotiated with independent parties.
3. Review with the independent auditor (i) all of its significant findings during the year, including the status of previous audit recommendations, (ii) any accounting adjustments that were noted or proposed by the auditors but were "passed" (as immaterial or otherwise), (iii) any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement and (iv) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company.
4. Review the Company's financial statements, including (i) prior to public release, reviewing with management and the independent auditor the Company's annual and quarterly financial statements to be filed with the SEC, including (A) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," (B) any certifications regarding the financial statements or the Company's internal accounting and financial controls and procedures and disclosure controls or procedures filed with SEC by the Company's senior executive and financial officers and (C) discussing with the independent auditors the matters required to be discussed by Statement of Auditing Standards No. 61 or No. 71; (ii) with respect to the independent auditor's annual audit report and certification, before release of the annual audited financial statements, meeting separately with the independent auditor without any management member present and discussing the adequacy of the Company's system of internal accounting and financial controls and the appropriateness of the accounting principles used in and the judgments made in the preparation of the Company's audited financial statements and the quality of the Company's financial reports; (iii) making a recommendation to the Board regarding the inclusion of the audited annual financial statements in the Company's Annual Report on Form 10-K to be filed with the SEC; and (iv) prior to submission to any governmental

authority of any financial statements of the Company that differ from the financial statements filed by the Company with the SEC, reviewing such financial statements and any report, certification or opinion thereon provided by the independent auditor;

5. At least annually, obtain and review a report by the outside auditor describing: (i) the firm's internal quality-control procedures; (ii) any material issues raised by the most recent internal 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, regarding one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (iii) all relationships between the outside auditor and the Company (to be set out in the formal written statement described below).
6. On an annual basis, request from the outside auditor a formal written statement delineating all relationships between the outside auditor and the Company, consistent with Independence Standards Board Standard No. 1. The Committee shall actively engage in a dialogue with the outside auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the outside auditor and take appropriate action in response to the outside auditor's report to satisfy itself of the auditor's independence. The Committee shall also (i) consider whether, in the interest of assuring continuing independence of the outside auditor, the Company should regularly rotate its outside auditor; and (ii) set clear hiring policies for employees or former employees of the outside auditors.
7. Prepare a report to be included in the Company's annual proxy statement stating whether or not the Committee (i) has reviewed and discussed the audited financial statements with management; (ii) has discussed with the outside auditors the matters required to be discussed by SAS No. 61 and 90; (iii) has received the written disclosure and letter from the outside accountants (delineating all relationships they have with the Company) and has discussed with them their independence; and (iv) based on the review and discussions referred to above, the members of the Committee recommended to the Board that the audited financials be included in the Company's Annual Report on Form 10-K for filing with the Securities and Exchange Commission.
8. Conduct periodic self-evaluations of the performance of the Committee, including its effectiveness and compliance with the Charter of the Committee.

C. *“When Necessary” Activities*

1. Review and concur in the appointment, replacement, reassignment, or dismissal of the Chief Financial Officer or Controller.
2. Have direct responsibility for the appointment, evaluation, compensation and oversight of the work of the external auditor and, where appropriate, the dismissal of the external auditor.
3. Review periodically with General Counsel legal and regulatory matters that may have a material impact on the Company’s financial statement compliance policies and programs.
4. Inquire as to the view of the outside auditors of the accounting treatment related to significant new transactions or other significant matters or events not in the ordinary course of business.
5. Review periodically with senior management the provisions of the Company’s code of business conduct and ethics (including the Company’s policies and procedures with regard to trading by Company personnel in securities of the Company and use in trading of proprietary or confidential information) as adopted by the Board or senior management, including any waivers provided under such code since the last annual review; provided that any such waiver shall be reported by the Committee to the Board and approval of the Board shall also be required for any such waiver applicable to any officer who is a member of the Board.

June 13, 2003