

IVAX Diagnostics, Inc.

Audit Committee Charter

I. Purpose

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the quality and integrity of the Corporation's financial reports, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes generally. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation's financial reporting process and internal control system.
- Review and appraise the audit efforts of the Corporation's independent accountants and internal auditing function.
- Provide an open avenue of communication among the independent accountants, financial and senior management, the internal auditing function, and the Board of Directors.

The Audit Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section III of this Charter.

II. Composition

The Audit Committee shall be composed of at least two directors, each of whom shall be "independent," as defined by all applicable laws, rules and regulations. All members of the Audit Committee shall be "financially literate," as this qualification is interpreted by the Board of Directors, at the time of their appointment. At least one member of the Audit Committee shall be "financially sophisticated" based on the criteria established by the American Stock Exchange. The Board of Directors shall determine whether at least one member of the Audit Committee qualifies as an "audit committee financial expert" in compliance with the criteria established by the Securities and Exchange Commission and other relevant regulations.

III. Responsibilities and Duties

The primary responsibility of the Audit Committee is to oversee the Corporation's reporting processes on behalf of the Board of Directors and the stockholders and to report the results of its activities to the Board of Directors. While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Management is responsible for the preparation, presentation, and integrity of the Corporation's financial statements. The independent auditors are responsible for auditing the Corporation's financial statements and for reviewing the Corporation's unaudited interim financial statements. The Board of Directors

recognizes that the Audit Committee's functions are not intended to duplicate or certify the activities of management and the independent auditor, nor can the Audit Committee certify that the independent auditor is "independent" within the meaning of applicable rules and regulations.

In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible to enable the Audit Committee to react to changing conditions and circumstances. The processes set forth below are intended to serve as a guide with the understanding that the Audit Committee may supplement or diverge from them as appropriate.

A. Review Financial Reports

1. Review the following with management and the independent accountants:
 - a) the Corporation's annual financial statements, the accountants' report thereon and related disclosures contained in the Form 10-K, including the Corporation's disclosure under Management's Discussion and Analysis of Financial Condition and Results of Operations (including the quality of financial reporting decisions and judgments);
 - b) the audit of the annual financial statements and the independent accountants' report thereon;
 - c) any significant changes required in the independent accountants' audit plan;
 - d) any significant difficulties or disputes encountered during the audit; and
 - e) disclosure of critical accounting policies for inclusion in the Form 10-K.
2. Recommend to the Board of Directors that the audited annual financial statements be included in the Corporation's Form 10-K.
3. Review with management and the independent accountants the interim financial statements prior to filing the Corporation's Form 10-Q and publicly releasing quarterly earnings.

B. Independent Accountants

1. Appoint the independent accountants to audit the financial statements of the Corporation and its divisions and subsidiaries. Supervise the work of the independent accountants and resolve any disagreements between management and the independent accountants. Meet with the independent accountants and financial management of the Corporation to review the scope of the proposed audit for the current year and the audit procedures to be utilized, and at the conclusion thereof review such audit, including any comments or recommendations of the independent accountants. The independent auditors shall be ultimately accountable to the Audit Committee.
2. Approve, in advance, all audit and permissible non-audit services to be provided by the independent accountants. Determine the amount of compensation to be paid to the independent accountants for such services. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting.

3. Evaluate the performance of the independent accountants and, where appropriate, terminate the independent accountants.
4. On an annual basis, obtain from the Corporation's independent public accountants written disclosure delineating all relationships between such accountants and the Corporation and its affiliates, including the written disclosure and letter required by Independence Standards Board Standard No. 1.
5. Receive and review timely reports from the independent accountants regarding: (i) all critical accounting policies and practices to be used; (ii) all alternative accounting treatments of financial information within generally accepted accounting principles that have been discussed with management, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent accountants; and (iii) other material written communications between the independent accountants and the management, such as any management letter or schedule of unadjusted differences.
6. Periodically discuss with the independent accountants out of the presence of management the Corporation's internal controls, including their recommendations, if any, for improvements in the Corporation's internal controls and the implementation of such recommendations, the fullness and accuracy of the Corporation's financial statements and certain other matters required to be discussed by Statement on Auditing Standards No. 61.

C. Reviewing and Improving Process

1. Hold regular meetings on at least a quarterly basis and as otherwise may be necessary, and hold special meetings as may be called by the Chairman of the Audit Committee or at the request of the independent accountants.
2. As part of its job to foster open communication, the Audit Committee should meet at least annually with management, the persons responsible for the Corporation's internal audit function, and the independent accountants in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believes should be discussed confidentially.
3. In consultation with the independent accountants and the internal auditors, review the integrity and quality of the organization's financial reporting processes, both internal and external, and the independent accountant's perception of the Corporation's financial and accounting personnel.
4. On a quarterly basis, discuss the following with management and the independent accountants, if applicable:
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data and any material weaknesses in internal controls; and

- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls.
5. Consider the independent accountant's judgments about the quality and appropriateness of the Corporation's accounting principles as applied and significant judgments affecting its financial reporting.
 6. Consider and recommend to the Board of Directors, if appropriate, major changes to the Corporation's financial reporting, auditing and accounting principles and practices as suggested by the independent accountants, management, or the internal auditing function.
 7. Establish procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
 8. Hire independent advisors and counsel as the Audit Committee may, in its discretion, determine to be necessary to carry out its duties, and receive funding from the Corporation to do so.

D. Ethical and Legal Compliance

1. Review the adequacy and appropriateness of:
 - a) the Corporation's Senior Financial Officer Code of Ethics;
 - b) the Corporation's financial statements, reports and other financial information disseminated to the Securities and Exchange Commission and the public;
 - c) legal compliance matters, including the Corporation's securities trading policies and any legal matter that could have a significant impact on the Corporation's financial statements; and
 - d) policies with respect to risk assessment and risk management, including the Corporation's major financial and accounting risk exposures and the steps management has undertaken to control them.
2. Review and approve or ratify transactions between the Corporation and related persons, which would be required to be disclosed under the rules of the Securities and Exchange Commission.
3. Prepare a report of the Audit Committee for inclusion in the Corporation's annual proxy statement.
4. Review and reassess this Charter periodically, but at least annually, and recommend to the Board of Directors any amendments that the Audit Committee may deem necessary or advisable.