

**AUDIT COMMITTEE PRE-APPROVAL POLICY**

**I. STATEMENT OF PRINCIPLES**

- A. It is the responsibility of the Audit Committee (the “Audit Committee”) of the Board of Directors of Nalco Finance Holdings, Inc. (the “Company”) to pre-approve the audit and non-audit services to be provided by the independent public accounting firm (“audit firm”) to ensure that the provision of such services does not impair the auditor’s independence. Unless a service to be provided by the independent auditors falls within a pre-approved type of service listed in the appendices to this policy, specific pre-approval by the Audit Committee will be required. Any proposed services falling within a pre-approved type of service but exceeding pre-approved fee levels for that type of service will also require specific pre-approval by the Audit Committee.
- B. Appendices A through D to this policy describe the audit, audit-related, tax, and all other services that have been pre-approved by the Audit Committee. The term of any general pre-approval is 12 months from the date of pre-approval, unless the Audit Committee considers a different period and states otherwise. The Audit Committee may revise the list of general pre-approved services from time to time.
- C. For both general and specific pre-approval, the Audit Committee will consider whether the proposed services are consistent with the rules of the Securities and Exchange Commission (the “SEC”) on auditor independence. The Audit Committee will also consider whether the independent auditor is best positioned and qualified to provide the most effective and efficient service, and whether the service would enhance the Company’s ability to manage or control risk or improve audit quality, or would otherwise be beneficial to the Company. The Audit Committee will also consider the relationship between fees from audit and non-audit services in deciding whether to pre-approve any such services. All such factors will be considered as a whole, and no one factor should necessarily be determinative.

**II. DELEGATION**

- A. The Audit Committee delegates pre-approval authority to its chairperson (the “Chairperson”) and may delegate pre-approval authority to one or more of its other members. The Chairperson and any other member or members to whom such authority is delegated will report any pre-approval decisions to the Audit Committee at its next scheduled meeting. The Audit Committee may not delegate to management its authority and responsibility to pre-approve services to be provided by the Company’s independent auditor.

**III. AUDIT SERVICES**

- A. The engagement terms, conditions, and fees for the audit of the Company’s annual financial statements and review of the Company’s quarterly financial statements will be subject to the specific pre-approval of the Audit Committee. The Audit Committee will also specifically pre-approve any necessary changes in such terms, conditions, or fees resulting from changes in audit scope, Company structure, or other matters.
- B. The Audit Committee may grant either general or specific pre-approval for any other audit services, which are those services that only the independent auditor reasonably can provide, such as comfort letters, statutory audits, attest services, consents, and assistance with and review of documents filed with the SEC, and any services performed to fulfill the auditor’s responsibility under generally accepted auditing standards (“GAAS”).
- C. The Audit Committee has pre-approved the audit services listed in Appendix A hereto. All other

audit services not listed in Appendix A must be specifically pre-approved by the Audit Committee.

#### **IV. AUDIT-RELATED SERVICES**

- A. Audit-related services are assurance and related services (other than the audit services referred to in Section III above) that are reasonably related to the performance of the audit or review of the Company's financial statements. Audit-related services may include, among other things, benefit plan audits, due diligence related to mergers and acquisitions, accounting consultations and audits in connection with acquisitions, internal control review, attest services that are not required by statute or regulation, and consultation concerning financial accounting and reporting standards that relate to the Company's financial statements.
- B. The Audit Committee believes that the provision of audit-related services does not impair the independence of the auditor, and has pre-approved the audit-related services listed in Appendix B hereto. All other audit-related services not listed in Appendix B must be specifically pre-approved by the Audit Committee.

#### **V. TAX SERVICES**

- A. The Audit Committee believes that the independent auditor can provide tax services to the Company such as tax compliance, tax planning, and tax advice without impairing the auditor's independence. Tax compliance generally involves preparation of original and amended tax returns, claims for refund, and tax payment-planning services. Tax planning and tax advice encompass a diverse range of services, including assistance with tax audits and appeals, tax advice related to mergers and acquisitions, benefit plans, and requests for rulings or technical advice from taxing authorities. The Audit Committee, however, will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, which is not supported in the Internal Revenue Code and related regulations.
- B. The Audit Committee has pre-approved the tax services listed in Appendix C hereto. All tax services not listed in Appendix C must be specifically pre-approved by the Audit Committee, and the independent auditor shall not provide tax services to the Companies' directors or officers.

#### **VI. ALL OTHER SERVICES**

- A. The Audit Committee may grant pre-approval to those permissible non-audit services classified as "other" services that it believes are routine and recurring services, and would not impair the independence of the auditor. In determining whether to grant pre-approval of any such other non-audit service, the Audit Committee will consider the four basic guidelines set forth in the Preliminary Note to Rule 2-01 of Regulation S-X:
  - 1. whether the service creates a mutual or conflicting interest between the auditor and the Company;
  - 2. whether the service places the auditor in the position of auditing his or her own work;
  - 3. whether the service results in the auditor acting as management or an employee of the Company; and
  - 4. whether the service places the auditor in a position of being an advocate for the Company.
- B. The Audit Committee has pre-approved the other services listed in Appendix D hereto. Permissible "other" services not listed in Appendix D must be specifically pre-approved by the Audit Committee.

## **VII. PROHIBITED NON-AUDIT SERVICES**

The Audit Committee will not grant approval for any services prohibited by applicable law or by any rule or regulation of any regulatory body or self-regulatory body applicable to the Company. A list of the SEC's prohibited non-audit services is set forth in the Charter of the Company's Audit Committee. The SEC's rules and relevant guidance should be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

## **VIII. PRE-APPROVAL FEE LEVELS**

Pre-approval fee levels for all services to be provided by the independent auditor will be established periodically by the Audit Committee. Any proposed services exceeding these levels will require specific pre-approval by the Audit Committee.

## **IX. SUPPORT**

With respect to each proposed pre-approved service, the independent auditor will provide back-up support, which will be provided to the Audit Committee, regarding the specific services to be provided.

## **X. PROCEDURES**

- A. All requests or applications for services to be provided by the independent auditor that do not require specific approval by the Audit Committee will be submitted to the Company's chief financial officer (the "CFO") and must include a detailed description of the services to be rendered and the related fees. The CFO will determine whether such services and fees are included within the list of services and fees that have received the general pre-approval of the Audit Committee as set forth in Appendices A through D hereto. The Audit Committee will be informed on a timely basis, and in any event by the next scheduled meeting, of any such services rendered by the independent auditor and the related fees.
- B. Requests or applications to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by the CFO and must include a joint statement as to whether, in the view of the CFO and the independent auditor, the request or application is consistent with the SEC's rules on auditor independence.
- C. The CFO will immediately report to the Chairperson any breach of this policy that comes to the attention of the CFO or any member of management.

**APPENDIX A**

**PRE-APPROVED AUDIT SERVICES**

**January 1, 2009 – December 31, 2009**

<b><u>Service</u></b>	<b><u>Annual Fee Limit</u></b>
Statutory audits or financial audits for subsidiaries or affiliates of the Company	\$400,000
Attestation of management reports on internal controls (Sarbanes-Oxley Act Section 404)	\$100,000
Consultation by the Companies' management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards, or interpretations by the SEC, FASB, or other regulatory or standard-setting bodies	\$25,000

**APPENDIX B**

**PRE-APPROVED AUDIT-RELATED SERVICES**

**January 1, 2009 – December 31, 2009**

<b><u>Service</u></b>	<b><u>Annual Fee Limit</u></b>
Agreed-upon or expanded audit procedures related to accounting activity required to respond to or comply with financial, accounting or regulatory reporting matters	\$25,000
General assistance with implementation of the requirements of SEC rules or listing standards promulgated pursuant to the Sarbanes-Oxley Act (Section 404)	\$100,000

**APPENDIX C**

**PRE-APPROVED TAX SERVICES**

**January 1, 2009 – December 31, 2009**

<b><u>Service</u></b>	<b><u>Annual Fee Limit</u></b>
International tax compliance	\$25,000
Domestic and foreign tax planning and advice	\$50,000
Assistance with tax audits and appeals before the IRS and similar state, local and foreign agencies	\$25,000

**APPENDIX D**

**PRE-APPROVED ALL OTHER SERVICES**

**January 1, 2009 – December 31, 2009**

<b>Service</b>	<b><u>Annual Fee Limit</u></b>
On-line research tool	\$7,500
Training	\$5,000