

**CCUR HOLDINGS, INC.**  
**AUDIT COMMITTEE CHARTER**

**(As adopted by the Board of Directors on August 20, 2003, amended August 25, 2010 and February 8, 2018)**

The Board of Directors (the “Board”) of CCUR Holdings, Inc. (the “Company”) has previously constituted and established an Audit Committee (the “Committee”) with the authority, responsibility and specific duties as described herein. This Charter and the composition of the Committee are intended to comply with applicable law, including the federal securities laws, and the rules of The Nasdaq Stock Market, Inc. (“Nasdaq”). This document replaces and supersedes in its entirety the previous Charter of the Committee adopted by the Board on August 25, 2010.

**Purpose**

The primary purpose of the Committee is to oversee the Company’s accounting and financial reporting processes and the audits of the Company’s financial statements. The Committee’s primary duties and responsibilities in this regard are to assist the Board in its oversight of:

- the integrity of the Company’s financial statements;
- the Company’s compliance with legal and regulatory requirements;
- the Company’s outside independent auditor’s (the “Independent Accountants”) qualifications and independence; and
- the performance of the Company’s internal audit function and Independent Accountants.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company. The Committee shall have the power to retain outside counsel, auditors or other experts for this purpose and shall approve all fees paid to such advisors. The Committee may request any officer or employee of the Company or the Company’s outside counsel or the Independent Accountants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

**Composition**

The Committee shall be comprised of not less than three members of the Board as determined by the Board, and the Committee’s composition will meet the requirements of the listing standards of Nasdaq (the “Listing Standards”), the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (the “Commission”). Accordingly, all of the members of the Committee will be Independent Directors within the meaning of the Listing Standards, the Exchange Act and the rules and regulations of the Commission, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the

Committee. The Board shall affirmatively conclude that the members of the Committee are independent, as required.

In addition, each member of the Committee will be financially literate and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement, at the time of appointment to the Committee. At least one member of the Committee shall have accounting or related financial management expertise, and unless the Board determines otherwise, at least one member must be an "audit committee financial expert" as such term is defined by the rules and regulations of the Commission.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and shall serve until their successors shall be duly elected and qualified. Any vacancies on the Committee occurring prior to the annual organizational meeting shall be filled by the Board. Unless a Chairperson is elected by the full Board, the members of the Committee may designate a Chairperson by majority vote of the full Committee membership.

### **Meetings**

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee shall maintain minutes or other records of meetings and activities of the Committee. As part of its job to foster open communication, the Committee should meet at least annually with management (in particular the Company's senior financial officer) and the Independent Accountants separately and privately to discuss any matters that the Committee or each of these groups believes should be discussed privately. In addition, the Committee should meet with the Independent Accountants and management quarterly to review the Company's financial statements.

### **Responsibilities and Duties**

The Committee's job is one of oversight of the Independent Accountants, the Company's internal accounting controls and auditing functions, and the financial reporting process. The Committee recognizes that management is responsible for preparing the Company's financial statements and that the Independent Accountants are responsible for auditing those financial statements. Additionally, the Committee recognizes that management, as well as the Independent Accountants, 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 Independent Accountant's work.

To fulfill its responsibilities and duties, the following functions shall be the common recurring activities of the Committee in its oversight function. These functions are set forth as a guide with the understanding that the Committee may diverge from this guide as appropriate given the circumstances and in compliance with the Listing Standards, the Exchange Act and the rules and regulations of the Commission. The Committee shall:

## **1. Review Documents and Reports**

- Review with management and the Independent Accountants the Company's interim financial statements and disclosures set forth in Management's Discussion and Analysis in the Company's Quarterly Reports on Form 10-Q prior to filing or prior to the release of earnings, including a discussion with the Independent Accountants of the matters to be discussed by Statement of Auditing Standards No. 100.
- Review with management and the Independent Accountants the Company's annual audited financial statements and disclosures set forth in Management's Discussion and Analysis to be included in the Company's Annual Report on Form 10-K (or the Annual Report to Shareholders if distributed prior to the filing of the Form 10-K) including (a) their judgment about the quality of the Company's accounting principles as applied in its financial reporting, (b) the reasonableness of significant judgments, and (c) the clarity of the disclosures in the financial statements. Recommend, based on its review and discussion, that the audited financial statements be included in the Company's Form 10-K for filing with the Commission.
- Obtain and review a report made to the Committee by the Chief Executive Officer and Chief Financial Officer of the Company during their certification processes for the Form 10-K and each Form 10-Q which describes, if any, (a) 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 and report financial data, and (b) any fraud (whether or not material) involving management or other employees who have a significant role in the Company's internal controls.
- Review and reassess, at least annually, the adequacy of this Charter. Make recommendations to the Board, as conditions dictate, to update this Charter.
- Request that the Company file this Charter as an appendix to the Company's proxy statement at least once every three years and maintain a copy on the Company's website.

## **2. Review Performance and Independence of the Independent Accountants**

- The Committee has the sole authority and responsibility for the appointment, compensation, oversight (including the resolution of disagreements between management and the Independent Accountants regarding financial reporting), and, where appropriate, the termination and replacement of the Company's Independent Accountants. The Independent Accountants are ultimately accountable to the Committee and shall report directly to the Committee.
- Pre-approve all audit services and all permissible non-audit services to be performed for the Company by its Independent Accountants, as contemplated by Section 10A(i) of the Exchange Act. The Committee may delegate to one or more of its

members the authority to pre-approve audit services and permissible non-audit services; provided, however, that all pre-approved services must be disclosed by such delegate to the full Committee at its next scheduled meeting.

- Evaluate the Independent Accountants, including the Independent Accountants' qualifications, performance and independence, the competence, experience and qualifications of the lead partner and senior members of the Independent Accountants' team, and the quality control procedures of the Independent Accountants. The Committee also shall ensure the rotation of the audit partners as required by law.
- Discuss with the Independent Accountants the overall scope and plans for their audits, including the adequacy of staffing.
- Obtain and review an annual report from the Independent Accountants which describes (a) all critical accounting policies and practices to be used by the Company and (b) all alternative treatments of financial information that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Accountants.
- At least annually, obtain and review a report from the Independent Accountants which describes (a) the audit firm's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities, within the last five years, respecting one or more independent audits carried out by the audit firm, and any steps taken to address any such issues, and (c) all relationships between the Independent Accountants and the Company.
- Discuss with the Independent Accountants the matters required to be discussed by Statement of Auditing Standards No. 61 (AICPA, Professional Standards, Vol. 1, AU § 380) relating to the conduct of the audit.
- Receive from the Independent Accountants, on a periodic basis, a formal written statement delineating all relationships between the Independent Accountants and the Company consistent with the requirements of the Public Company Accounting Oversight Board.
- Obtain from the Independent Accountants assurance that Section 10A(b) of the Exchange Act (generally relating to the auditors' identification of illegal acts and related party transactions) has not been implicated.
- Establish clear policies and guidelines for the Company's hiring of employees or former employees of the Independent Accountants.

- Recommend, if so determined by the Committee, that the Board take certain action to satisfy itself of the Independent Accountants' independence.

### **3. Review the Financial Reporting Process**

- In conjunction with the Independent Accountants and management, review the integrity and reliability of the Company's financial reporting processes, including major issues regarding accounting and auditing principles and practices as well as the adequacy of controls that could significantly affect the Company's financial statements, both internal and external.
- Consider and approve, if appropriate, major changes to the Company's auditing and accounting principles and practices as suggested by the Independent Accountants or management.
- Review with management and the Independent Accountants the effect of regulatory and accounting initiatives as well as any off-balance sheet structures on the Company's financial statements.
- Establish regular systems of reporting to the Committee by both management and the Independent Accountants regarding any significant judgments made in management's preparation of the financial statements.
- Review any significant disagreement among management and the Independent Accountants in connection with the preparation of the financial statements.
- Review policies with respect to risk assessment and risk management. Meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- Review with the Independent Accountants any problems or difficulties encountered during a quarterly review or annual audit of the Company's financial statements and review any management letter provided by the Independent Accountants and management's response to that letter. Such review should include:
  - Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information;
  - Any changes required in the planned scope of the internal audit; and
  - The responsibilities, budget and staffing of the Company's Accounting Department.

- Discuss generally, in terms of types of information to be disclosed and the type of presentation to be made, the Company's earnings press releases as well as financial information and earnings guidance provided to analysts and rating agencies.

#### **4. Ethical/Legal Compliance and Other Review Procedures**

- Establish procedures for the receipt, retention and treatment of complaints regarding the Company's accounting, internal accounting controls or auditing matters and confidential, anonymous submission by employees of concerns regarding accounting questions or auditing matters.
- Periodically review the Company's Code of Conduct and its Code of Ethics for Senior Executive Officers and Financial Officers.
- Review the programs and policies of the Company designed to ensure compliance with applicable laws and regulations and monitoring the results of those compliance efforts.
- Review with the Company's executive officer with oversight of legal matters of the Company any legal matters that could have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from governmental agencies or regulators.
- Review and, as required by the Listing Standards, approve all related-party transactions.
- Review all potential conflicts of interest, including any potential or actual conflicts of interest between Board members and between the Company and other companies on which a Board member of the Company may serve.

#### **5. General**

- Review with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.
- Annually prepare the report required by the rules of the Commission to be included in the Company's annual proxy statement.
- Report periodically to the Board, which report may include issues that arise with respect to (a) the quality and integrity of the Company's financial statements, (b) the Company's compliance with legal or regulatory requirements, (c) the performance and independence of the Company's independent auditors or (d) the performance of the internal audit function.
- Conduct an annual performance evaluation of the Committee.

- Maintain minutes or other records of meetings and activities of the Committee.