

VOLTARI



AUDIT COMMITTEE CHARTER

This document amends and restates as of August 12, 2016 the Voltari Corporation Charter of the Audit Committee of the Board of Directors adopted on May 20, 2010.

I. PURPOSE

There shall be a committee of the Board of Directors (the “Board”) of Voltari Corporation (the “Company”) to be known as the Audit Committee (the “Committee”). The purpose of the Committee is to:

- i. Assist the Board in overseeing (i) the quality and integrity of the Company's financial statements, (ii) the Company's accounting and reporting policies and procedures, (iii) the Company's compliance with legal and regulatory requirements that may have a material impact on the Company's financial statements, (iv) the independent auditor's qualifications, independence and performance, (v) the Company's disclosure controls and procedures, and (vi) the Company's internal control over financial reporting;
- ii. Provide the Board with the results of the Committee's monitoring and recommendations derived therefrom; and
- iii. Provide to the Board such additional information and materials as it may deem necessary to make the Board aware of significant financial matters that require the attention of the Board.

In addition, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

The Committee represents and assists the Board in its general oversight of the Company's accounting and financial reporting processes, audits of the financial statements, and internal control and audit functions. Notwithstanding the responsibilities and powers of the Committee set forth in this charter, the Committee does not have the responsibility to plan or conduct audits or determine whether or not the Company's financial statements are complete, accurate and in accordance with generally accepted accounting principles (“GAAP”). Management is responsible for (i) the preparation, presentation and integrity of the Company's financial statements; (ii) accounting and financial reporting principles; and (iii) the Company's internal controls and procedures designed to promote compliance with accounting standards and applicable laws and regulations. The Company's independent auditor is responsible for performing an independent audit of the Company's financial statements in accordance with generally accepted auditing standards. Nothing in this charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by members of the Committee on reports or other information provided by others.

II. MEMBERSHIP AND ORGANIZATION

The Committee shall be composed of at least three (3) directors, consisting entirely of “independent” directors, each of whom is appointed annually by the Board upon the recommendation of the Governance and Nominating Committee. For purposes hereof, “independent” will mean a director who meets both (a) the applicable director independence standards included in the Nasdaq listing requirements (or the listing

requirements for any other exchange or trading system that is the primary exchange or system for trading of the Company's listed common stock) (as applicable, the "Listing Requirements"), and any other requirements of applicable laws and regulations, and (b) the applicable heightened independence requirements for members of an audit committee contained in Rule 10A-3(b) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), all as determined by the Board. Each member of the Committee must not have participated in the preparation of the financial statements of the Company at any time during the past three years and must be able to read and understand fundamental financial statements, as interpreted by the Board in its business judgment. In addition, the Committee shall have at least one member who qualifies as an "audit committee financial expert" ("Financial Expert") as that term is defined in Item 407(d)(5)(ii) of Regulation S-K, as promulgated by the Securities and Exchange Commission (the "SEC"). The designation of Financial Expert shall be made by the Board in its business judgment at least annually.

Members will serve for one year and until their successors are elected and qualified, or until their earlier death, resignation or removal. Members may be removed from the Committee, with or without cause, by a majority vote of the Board. Subject to applicable law, regulations and the Listing Requirements, the Board will have the power at any time to increase the size or change the membership of the Committee and to fill any vacancy on the Committee by a majority vote of the Board, provided that any new member satisfies the requirements of this charter. The members of the Committee will elect a chairman by majority vote. The rules and procedures of the Committee will be governed by this charter, any guidelines adopted by the Board from time to time, the Company's bylaws and applicable law.

III. OPERATIONS

The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but at least four times each year. Any member of the Committee may call meetings of the Committee. The chairman of the Committee shall preside over all sessions of the Committee and develop the agenda for each Committee meeting. Meetings may be held in person or by telephone or video conference call. The Committee may elect a secretary. Either the chairman or the secretary of the Committee shall give notice personally or by mail, telephone, facsimile, or electronically to each member of the Committee of all meetings, not later than forty-eight (48) hours before the meeting, unless all of the members of the Committee waive notice thereof at or before the meeting, in which case the meeting may be held without the aforesaid advance notice. Any such notice shall include a brief description, in reasonable detail, of the matters to be discussed at such meeting and any documents to be approved at such meeting. The majority of the members of the Committee shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee. Any action that may be taken at a meeting of the Committee may be taken without a meeting if a consent in writing setting forth the action to be taken, shall be signed by all of the members of the Committee in counterpart or otherwise and filed with the corporate minutes of the Company. Such consent shall have the same force and effect as a unanimous vote of the Committee. The Committee may, in its discretion, delegate authority to subcommittees, when and as it deems appropriate. The Committee may delegate to one or more designated members of the Committee the authority to grant pre-approvals of audit and non-audit services pursuant to Section 10A(i)(3) of the Exchange Act and any related rules promulgated thereunder by the SEC, which pre-approvals shall be presented to the full Committee at the next scheduled meeting.

The Committee will cause to be kept adequate minutes of all its proceedings. Such minutes shall be distributed to each Committee member for such member's approval and, upon such approval, made available to the members of the Board. At each Board meeting, the chairman of the Committee or a Committee member designated by the chairman, will make a report to the Board of the Committee's meetings, actions taken at any meetings or by consent and recommendations made since the most recent Board meeting, in each case except to the extent such matters have been addressed in an interim report circulated by the Committee.

The Committee may invite such members of management and other persons to its meetings as it may deem desirable and appropriate. More specifically, the Committee may request (a) any officer or employee of the Company, (b) the Company's outside counsel, (c) the Company's independent auditor, or (d) any other person as the Committee deems to be appropriate, to attend any meeting (or portions thereof) of the Committee, or to meet with any members of or consultants to the Committee, and to provide such information as the Committee deems necessary or desirable. The Committee will meet separately with the principal executive officer (“PEO”) and separately with the principal financial officer (“PFO”) of the Company at such times as the Committee deems to be appropriate to review the matters within the scope of the Committee's responsibilities. The Committee will meet separately with the independent auditor of the Company, at such times as it deems appropriate, to fulfill the responsibilities of the Committee under this charter.

IV. OUTSIDE ADVISORS AND COMMITTEE EXPENSES

The Committee shall have the resources, authority, and funding (which shall be provided by the Company) necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees, costs and other retention terms of outside counsel, accountants, experts, and other professional advisors, as it deems appropriate to assist it in the performance of its functions, as determined by the Committee, without seeking approval from the Board or management. Subject to applicable law and regulations, any outside counsel, accountants, experts, and other professional advisors retained by the Committee may, but need not be, in the case of the outside accountants, the same accounting firm employed by the Company for the purpose of rendering or issuing the audit report on the Company's financial statements, or in the case of outside counsel, experts or other professional advisors, otherwise engaged by the Company for any purpose. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered confidential and privileged communications of the Company, and the Committee will take all necessary steps to preserve the confidential and privileged nature of those communications. The Company shall pay ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

V. RESPONSIBILITIES

The Committee's primary responsibilities include, but are not limited to:

Engagement and Oversight of Independent Auditor

- Be directly responsible for appointing, compensating (including all audit engagement fees and terms), retaining and overseeing the work of the independent auditor (including resolving disagreements between management and the independent auditor regarding financial reporting). In this regard, the Committee shall appoint and retain, subject to ratification by the Company's stockholders, compensate (at the Company's expense), evaluate, and terminate, when appropriate, the independent auditor. The independent auditor shall report directly to the Committee.
- Establish policies and procedures for the engagement of the independent auditor to provide audit and permissible non-audit services, which shall include pre-approval of all permissible non-audit services to be provided by the independent auditor (and subsequent approval of non-audit services in those circumstances where it is necessary and permissible). The Committee shall have the responsibility and authority to approve, in advance of the provision thereof, all audit services and, subject to the *de minimis* exception of Section 10A(i) of the Exchange Act and the SEC rules promulgated thereunder, all permitted non-audit services, to be provided to the Company by the independent auditor. By approving the audit engagement, an audit service within the scope of engagement shall be deemed to have been pre-approved. The Committee shall have the sole authority to approve any compensation payable by the Company for any approved audit or non-audit services to the independent auditor, including the fees, terms and conditions for the performance of such services, which amounts shall be paid by the Company.

- At least annually:
 - i. review with the independent auditor the written statement required by the Independence Standards Board Standard No. 1, as amended, concerning any relationships between the auditor and the Company, or any other disclosed relationships or services that may adversely impact the objectivity and independence of the auditor, and based on such review, assess the independence of the auditor;
 - ii. review and evaluate the performance of the independent auditor to include the performance of the lead partner and other audit partners and assess whether lead partner, other audit partners or independent auditor rotation is required by SEC rules;
 - iii. obtain and review a report from the independent auditor regarding (a) the independent auditor's internal quality control procedures, (b) 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 (5) years respecting one or more independent audits carried out by the firm, and (c) any steps taken to deal with any such issues;
 - iv. evaluate the qualifications and performance of the independent auditor, including considering whether the auditor's quality controls are adequate; and
 - v. promptly present its conclusions with respect to the independent auditor to the Board after such review.

- Periodically monitor and investigate, as appropriate, any existing relationships between the Company and the independent auditor, including by actively engaging in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity or independence of the independent auditor.

- Review and provide guidance with respect to the external audit by (i) reviewing the independent auditor's proposed audit plan to include the audit scope, approach, and procedures, (ii) discussing with the Company's independent auditor the financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies and disagreements with management and any other matters required to be communicated to audit committees in accordance with AICPA Statement on Auditing Standards No. 114, as may be amended or supplemented from time to time, and (iii) reviewing reports submitted to the Committee by the independent auditor.

- Report the results of the annual audit to the Board. If requested by the Board, invite the independent auditor to attend the full Board meeting to assist in reporting the results of the annual audit or to answer questions (alternatively, directors and particularly the other independent directors may be invited to attend the Committee meeting during which results of the annual audit are reviewed).

- Periodically meet with the independent auditor and the internal auditor, separately, without members of management present. Discussions with the independent auditor shall include the independent auditor's evaluation of the Company's financial, accounting, and internal auditing personnel and performance and the cooperation that the independent auditor received during the course of the audit.

Accounting and Financial Reporting

- Review and discuss reports from the independent auditor on (i) all critical accounting policies and practices used by the Company, (ii) alternative accounting treatments within GAAP related to material items that have been discussed with management, including the ramifications of the use of the alternative treatments and the treatment preferred by the independent auditor, (iii) management letters or internal control reports prepared by the independent auditor and any related management responses, (iv) any significant difficulties encountered during the course of the audit, including any restrictions on the scope

of the independent auditor's activities or on access to requested information, and any significant disagreements with management, (v) material written communications between the independent auditor and management, and (vi) other matters required to be discussed with the Committee under generally accepted auditing standards, applicable laws, rules, listing standards and any requirements of or policies adopted by the Public Company Accounting Oversight Board ("PCAOB").

- Annually obtain from the independent auditor a report on compliance with Section 10A of the Exchange Act.
- Review and discuss with management and the independent auditor the annual audited financial statements and quarterly unaudited financial statements to be included in the Company's Annual Report on Form 10-K or Quarterly Reports on Form 10-Q, as appropriate, and receive reports from the independent auditor in connection therewith as required by applicable SEC rules and professional standards.
- Recommend to the Board, based on the foregoing review and discussion, whether the annual audited financial statements should be included in the Company's Annual Report on Form 10-K.
- Periodically review the significant accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations in accordance with GAAP.
- Review and discuss with management, if appropriate, material changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, the internal auditor, or management.
- Periodically discuss with management, the internal auditor and the independent auditor the effect (or anticipated effect) of new and proposed regulatory and accounting policies and initiatives.
- Periodically review reports from inside and outside legal counsel and others regarding any legal, regulatory and other matters that may have a material effect on the Company's financial statements.
- Review all significant reports to management prepared by internal audit personnel, and management's responses to such reports.
- Prepare any reports that are required to be included in the Company's proxy statement, and review any disclosures to be made by the Company regarding audit and non-audit services provided by the independent auditor.
- Conduct a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditor.

Internal Control

- Review on a continuing basis (i) the adequacy and effectiveness of the Company's system of internal control over financial reporting (including any material weaknesses and significant deficiencies) and (ii) any significant changes in such internal control over financial reporting that is reported to the Committee by the independent auditor, the internal auditor or management. Such review shall include meeting periodically with the Company's management, the internal auditor, and the independent auditor to review their respective assessment of the adequacy of such internal controls.

- Review any reports by management or the internal auditor regarding the effectiveness of, or any deficiencies in, the design or operation of the Company's internal control over financial reporting and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control.
- Review and discuss disclosures made by the PEO and PFO in connection with the certification of the Company's annual and quarterly reports and the matters covered by such disclosures.
- Institute special investigations with full access to all books, records, facilities and personnel of the Company, when the Committee, in its discretion deems such an investigation is necessary.

Internal Audit Function

- Periodically review the internal audit function of the Company, including the independence of its reporting obligations and the adequacy of the internal audit budget and staffing.
- Review the appointment and termination of senior internal audit personnel, review and approve the proposed internal audit plan, and review all significant reports to management prepared by internal audit personnel, and management's responses thereto.

Risk Assessment and Management

- Periodically review and discuss with management the Company's major risk exposures with respect to the Company's accounting and financial reporting policies and procedures and the measures management has taken to monitor, measure and control such exposures and elicit recommendations for the improvement of the Company's risk assessment and mitigation procedures. The Committee shall promptly report to the full Board any risk that is reasonably likely to be material to the Company.

Related Person Transaction

- Review and approve in advance any proposed related party transactions, including without limitation, all transactions that would be required to be disclosed pursuant to Item 404 of Regulation S-K, as promulgated by the SEC, and establish policies and procedures for the review and approval of such related party transactions.

Earnings and Other Information

- Review and discuss with management and the independent auditors, as appropriate, earnings press releases and other financial information, including particularly any “pro-forma” information or other non-GAAP financial measures, and any earnings guidance to be disseminated to the public, communicated to ratings agencies, included in any Current Report on Form 8-K or otherwise properly used in any other public presentation.

Receipt of Complaints

- Establish and maintain procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Employment of Former Audit Staff

- Establish and periodically review the Company's hiring policies for any employees or former employees of the independent auditor.

Miscellaneous

- Undertake and review with the Board an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairman of the Committee or any other member of the Committee designated by the Committee to make this report.
- In coordination with the Governance and Nominating Committee, annually review and make recommendations to the Board about changes to the charter of the Committee.
- Assume such other duties as the Board may from time to time delegate to the Committee.