

TECHTEAM GLOBAL, INC.  
AUDIT COMMITTEE CHARTER  
AMENDED MARCH 11, 2003

*ORGANIZATION*

This charter governs the operations of the Audit Committee (the "Committee"). The Committee shall review and reassess this charter at least annually and obtain the approval of the Board of Directors for any modifications. The Committee shall be appointed by the Board of Directors and shall be comprised of at least three directors, each of whom are independent. Members of the Committee shall be considered independent only if they do not receive any remuneration from the Company, except in their role as members of the Board of Directors, and they have no relationship that may interfere with the exercise of their independence from management and the Company. All Committee members shall be financially literate, and, at least one member shall have accounting or related financial management expertise to qualified as an "Audit Committee Financial Expert" as defined by the Securities and Exchange Commission.

*STATEMENT OF POLICY*

The Committee shall provide assistance to the Board of Directors in fulfilling their oversight responsibility of the Company's financial statements, the financial reporting process, the systems of internal accounting and financial controls, disclosure controls, the annual independent audit of the Company's financial statements, and legal compliance and ethics programs as established by management and the Board. The Committee shall maintain free and open communication regarding these issues with the independent auditors and management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention within its purview. The Committee shall have full access to all books, records, facilities, and personnel of the Company necessary to conduct the investigation. The Committee is authorized to retain outside experts to assist in the investigation or to provide counsel, provided a majority of the Committee approves.

*RESPONSIBILITIES AND PROCESSES*

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of their activities to the Board. Management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing the Company's financial statements. The Committee should take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk management practices, and ethical behavior.

While the Committee should remain flexible in order to best react to changing conditions

and circumstances, the following shall be the principal recurring processes of the Committee in carrying out its oversight responsibilities.

- **COMPANY'S RELATIONSHIP WITH INDEPENDENT AUDITORS.** The Committee, the Board and Management understand that the independent auditor for the Company is ultimately accountable to the Board of Directors and the Committee, as representatives of the shareholders. Accordingly, the Committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, replace the independent auditors. Moreover, the Committee is directly responsible for the compensation and oversight of the Company's independent auditors. The Committee shall discuss with the auditors their independence from management and the Company, and the matters included in required written disclosures. The Audit Committee must expressly approve any use of the independent auditors for non-audit related services. Annually, the Committee shall review the independent auditor's performance, and advise the Board regarding the selection of the Company's independent auditors, subject to shareholders' approval.
- **REVIEW AND EVALUATION OF AUDIT PROCEDURES.** Early each fiscal year, the Committee shall discuss with management and the independent auditors the overall scope and plans for their respective audits, including the adequacy of staffing and the amount of compensation. Also, the Committee shall discuss with management and the independent auditors the adequacy and effectiveness of the internal accounting and financial controls, including the Company's system to monitor and manage business risks, and legal and ethical compliance programs. Further, the Committee shall meet separately with the independent auditors, with and without management present, to discuss the results of their examinations.
- **REVIEW OF INTERIM FINANCIALS AND QUARTERLY EARNINGS PRESS RELEASES.** The Committee shall review and approve the Company's quarterly earnings press release prior to its release, and it shall review and approve the Quarterly Report on Form 10-Q, including the interim financial statements with management prior to their filing with the SEC. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- **REVIEW OF 10K AND ANNUAL EARNINGS PRESS RELEASE.** The Committee shall review and approve with management and the independent auditors the Company's annual earnings press releases prior to their release. The Committee shall also review and approve with management and the independent auditors the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of Form 10-K), including their judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.

#### APPROVAL OF RELATED PARTY TRANSACTIONS.

There may be no related party transactions between the Company and any Director or Officer unless specifically approved by the Committee.

#### *COMPLAINT PROCEDURES.*

The Committee shall establish and maintain a process for the receipt of complaints from employees and other stakeholders relating to the Company's financial reporting, internal controls, disclosure controls, and accounting and auditing practices and procedures.

#### *COMMITTEE REPORTS.*

The Committee shall produce the following and provide them to the Board: 1) any report or other disclosure, including any recommendation of the Audit Committee, required by the rules of the SEC to be included in the Company's annual proxy statement; 2) an annual performance evaluation of the Committee, which evaluation must 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 should also recommend to the Board any improvements to this charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner, as the Committee deems appropriate; and 3) minutes for each committee meeting.

#### *RESOURCES AND AUTHORITY OF THE COMMITTEE*

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel and other experts or consultants as it deems appropriate, without seeking approval of the Board or management.

The Committee will review and evaluate this Charter annually, and it will make recommendations to the Board on any proposed changes.