

## **REPRO MED SYSTEMS, INC.**

### **Audit Committee Charter**

The Audit Committee is a committee of the Board of Directors. Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to the shareholders and others, the systems of controls which management and the board of directors have established, and the audit process.

The membership of the Audit Committee shall consist of at least two independent members of the Board of Directors that must be “independent” under the rules of the applicable over-the-counter market or exchange upon which the Company's common stock is then listed, and -who shall serve at the pleasure of the Board. Audit committee members and the committee chairman shall be designated by the full Board. Minutes of the meetings will be maintained and presented to the Board of Directors.

In meeting its responsibilities, the Audit Committee is expected to:

1. Provide an open avenue of communication between the independent auditor and the Audit Committee.
2. Review and update the committee's charter annually.
3. Approve the independent auditors to be nominated, evaluate and pre-approve the audit scope and the compensation of the independent auditor, and review and approve the discharge of the independent auditors.
4. Confirm the independence of the independent auditor, including evaluation of the auditor's partner rotation and other policies.
5. Evaluate and pre-approve any non-audit services to be provided by the independent auditor, including evaluating the effect of such services on the auditor's independence.
6. Inquire of management and the independent auditor about significant risks or exposures and assess the steps management has taken to minimize such risk to the company.
7. Consider with management and the independent auditor the rationale for employing audit firms, if any, other than the principal independent auditor.
8. Consider and review with the independent auditor the adequacy of the company's internal controls including computerized information system controls and security.
9. Review and oversee procedures for receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions.

10. Preview financial statement filings, and related press releases, to be made with the Securities and Exchange Commission and recommend to the Board whether such statements should be filed with the Commission.
11. Review with management and the independent auditor at the completion of the annual examination:
  - a. The company's annual financial statements and related footnotes.
  - b. The independent auditor's audit of the financial statements and its report thereon.
  - c. Any significant changes required in the independent auditor's audit plan.
  - d. The accounting policies being followed and their appropriateness.
  - e. Review any matters raised in the independent auditor's letter of recommendations and discuss with management the disposition of such comments.
  - f. Any serious difficulties or disputes with management encountered during the course of the audit.
  - g. All adjustments, whether or not recorded, proposed by the independent auditors.
  - h. Other matters related to the conduct of the audit which are to be communicated to the committee under the standards promulgated by the Public Company Accounting Oversight Board.

On completion of such review, recommend to the Board the filing with the Securities and Exchange Commission.

12. Prepare the Audit Committee Report to be included in the Annual Proxy Statement of Form 10-K as required by Securities and Exchange Commission Regulation S-K 407(d).
13. Review policies and procedures with respect to the Chief Executive Officer's expense accounts and perquisites, including their use of corporate assets.
14. Review legal and regulatory matters that may have a material impact on the financial statements, related company compliance policies, and programs and reports received from regulators.
15. Meet at least once a year with the independent auditor and management in separate executive sessions to discuss any matters that the committee or these groups believe should be discussed privately with the audit committee.
16. The audit committee shall have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities. The committee shall be empowered to retain independent counsel, independent auditors, or others to assist it in the conduct of any investigation at the company's expense.

17. The committee shall meet at least four times per year or more frequently as circumstances require. The committee may ask members of management or others to attend the meeting and provide pertinent information as necessary.
18. The committee will perform such other functions as assigned by law, the company's charter or bylaws, or the board of directors.