

Wayside Technology Group, Inc.

Audit Committee Charter

(Revised August 3, 2020)

PURPOSE

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (“Board”) of Wayside Technology Group, Inc. (the “Company”) is to oversee the Company's accounting and financial reporting processes and the audit of the Company's financial statements. The Committee shall assist the Board in the oversight of the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the independent registered public accounting firm's qualifications and independence and the performance of the Company's internal audit function and independent registered public accounting firm. The Committee shall also prepare the Audit Committee Report required by the Securities and Exchange Commission (the “SEC”) to be included in the Company's annual proxy statement.

The Committee shall fulfill its oversight responsibilities by reviewing the following: the financial reports and other financial information provided by the Company to its shareholders, the SEC and others; the Company's systems of internal controls regarding finance, accounting, legal compliance and business conduct that Company management (“Management”) and the Board have established; and the Company's auditing, accounting and financial processes generally. Consistent with this function, the Committee should encourage continuous improvement of and adherence to these processes and systems. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting process, internal control systems and internal audit processes;
- review and appraise the audit efforts of the Company's independent registered public accounting firm and exercise ultimate authority over the relationship between the Company and its independent registered public accounting firm; and
- provide an open avenue of communication among the independent registered public accounting firm, financial and senior Management and the Board.

In the exercise of its oversight responsibilities, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements fairly present the Company's financial position and results of operation and are in accordance with generally accepted accounting principles. Instead, such duties remain the responsibility of Management and the outside independent registered public accounting firm.

COMPOSITION OF THE AUDIT COMMITTEE

The Committee shall consist of three or more members of the Board. The members of the Committee shall be appointed by the Board and shall serve at the discretion of the Board. The Board shall designate one member of the Committee to serve as its chair. Each member of the Committee must satisfy the requirements for “independence” imposed by The NASDAQ Stock Market, Section 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and all rules and regulations promulgated thereunder by the SEC. Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. At least one member of the Committee must meet the criteria of “audit committee financial expert” as prescribed by SEC rules. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication. If a Committee member simultaneously serves on the audit committee of more than three public companies, the Board must determine that such simultaneous service does not impair the ability of such member to serve effectively on the Committee and must disclose such determination in the annual proxy statement.

The Committee shall be designated and its membership appointed in accordance with and subject to the Company’s bylaws.

MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee should meet with Management, the independent registered public accounting firm and the internal auditors, if any, in separate executive sessions as the Committee deems appropriate to discuss any matters that the Committee believes should be discussed privately. In addition, the Committee, or at least its Chair, should meet with the independent registered public accounting firm and Management quarterly in advance of any earnings press release to review the Company’s financials consistent with its responsibilities and duties.

The Committee shall report to the Board at each regularly scheduled Board meeting on significant results of its activities.

The Committee shall have the authority to establish its own rules and procedures consistent with the bylaws of the Company for notice and conduct of its meetings, should the Committee, in its discretion, deem it desirable to do so.

The Committee may, in its discretion, utilize the services of the Company’s regular corporate legal counsel with respect to legal matters or, at its discretion, retain other legal, accounting or other advisors. The Committee shall have sole authority to approve all fees and terms of engagement of such advisors, and the Company shall provide sufficient funding for the payment of any such advisors retained by the Committee.

RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- Discuss with Management and the independent registered public accounting firm the Company's annual and interim financial statements, earnings press releases, earnings guidance and any reports or other financial information submitted to the shareholders, the SEC, analysts, rating agencies and others, including any certification, report, opinion or review rendered by the independent accountants. The Committee shall make a recommendation to the Board as to whether the annual audited financial statements should be included in the Company's Annual Report on Form 10-K.
- Review the regular internal reports to Management prepared by the internal auditors (including third party professionals hired to perform such function), if any, and Management's response.
- Discuss with Management and the independent registered public accounting firm the Quarterly Reports on Form 10-Q, the Annual Reports on Form 10-K, including the Company's disclosures under "Management's Discussion and Analysis of Financial Conditions and Results of Operations," and any related public disclosure prior to its filing.

Independent Registered Public Accounting Firm

- Have sole authority for the appointment, compensation, retention, oversight, termination and replacement of the Company's independent registered public accounting firm to act as the Company's independent auditors. Such appointment shall satisfy Sections 10A(j) and (l) of the Exchange Act and any rules promulgated thereunder with respect to audit partner rotation and conflict of interest, respectively. The independent registered public accounting firm shall report directly to the Committee. The Company shall provide sufficient funding for the payment of the independent registered public accounting firm.
- Pursuant to Section 10A(i)(1) of the Exchange Act, pre-approve all auditing services and all non-audit services to be provided by the independent registered public accounting firm, provided that the Committee shall not approve any prohibited non-audit services set forth in Section 10A(g) of the Exchange Act.
- Periodically, the Committee should review and discuss with the independent registered public accounting firm all significant relationships such firm has with the Company which might affect its independence. In connection with this review, the independent registered public accounting firm shall provide the Committee with a written statement delineating all relationships between the independent registered public accounting firm and the Company.
- Review the performance of the independent registered public accounting firm with both Management and the independent registered public accounting firm.

- Subject to the overall direction of the Committee, the internal audit function will be managed on a day-to-day operational basis by the Chief Financial Officer.
- Periodically meet with the independent registered public accounting firm separately and privately to hear its views on the adequacy of the Company's internal control over financial reporting, any special audit steps adopted in light of material control deficiencies and the qualitative aspects of the Company's financial reporting, including the quality and consistency of both accounting policies and the underlying judgments, or any other matters raised by it.
- Obtain and review a report from the independent registered public accounting firm at least annually regarding (a) the independent registered public accounting firm's internal quality-control procedures, (b) any material issues raised by the most recent quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent registered public accounting firm and its related entities and the Company and its related entities.

Financial Reporting Processes

- Review and discuss with the independent registered public accounting firm (1) the independent registered public accounting firm's responsibilities under generally accepted auditing standards and the responsibilities of Management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the independent registered public accounting firm's risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit.
- Review and discuss with the independent registered public accounting firm (1) all critical accounting policies and practices to be used in the audit; (2) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with Management, the ramifications of the use of such alternative treatments and the treatment preferred by the independent registered public accounting firm; and (3) other material written communications between the independent registered public accounting firm and management.
- Review with financial Management and the independent registered public accounting firm: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; the quality and consistency, not just the acceptability, of the judgments and appropriateness of the accounting principles and financial disclosure practices used by the Company, including an analysis of the effects of any alternative GAAP methods on the financial statements; and the effect of regulatory and accounting initiatives and any off-balance sheet structures on the Company's financial statements. This discussion shall cover

the degree of aggressiveness or conservatism of both the accounting principles employed and the underlying judgments.

- Approve any significant changes to the Company's auditing and accounting principles and practices after considering the advice of the independent registered public accounting firm and Management.
- Focus on the reasonableness of control processes for identifying and managing key business, financial and regulatory reporting risks.
- Discuss with Management the Company's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- Periodically meet with appropriate representatives of Management and the internal auditors, if any, separately and privately to consider any matters raised by them, including any audit problems or difficulties and Management's response.
- Periodically review the effect of regulatory and accounting initiatives, as well as any off-balance sheet structures, on the financial statements of the Company.

Process Improvement and Internal Audit

- Review and approve the internal audit plan, including estimated hours and fees of outside professionals.
- Review significant reports prepared by the internal auditors (or outside consultants retained to perform such function).
- Following the completion of the annual audit, review separately with Management and the independent registered public accounting firm any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- Periodically review processes and policies for communicating with investors and analysts.
- Review and resolve any disagreement between Management and the independent registered public accounting firm in connection with the annual audit or the preparation of the financial statements.
- Review with the independent registered public accounting firm and Management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.)

Business Conduct and Legal Compliance

- Review the Company's Code of Ethical Conduct and review Management's processes for communicating and enforcing this Code.
- Review Management's monitoring of the Company's compliance with the organization's Code of Ethical Conduct, and ensure that Management has the proper review system in

place to ensure that the Company's financial statements, reports, and other financial information disseminated to governmental organizations and to the public satisfy legal requirements.

- Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.
- To review, approve and oversee any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) on an ongoing basis.

Other Responsibilities

- Establish and review periodically procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Provide the Audit Committee Report for inclusion in the Company's annual proxy statement that is required by Item 306 of Regulation S-K of the SEC.
- Through its Chair, report periodically, as deemed necessary or desirable by the Committee, but at least annually, to the full Board regarding the Committee's actions and recommendations, if any.
- Establish policies for the Company's hiring of employees or former employees of the independent registered public accounting firm who were engaged on the Company's account.
- Perform any other activities consistent with this Charter, the Company's bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its members, including reviewing the compliance of the Committee with this Charter, and report the results of such evaluation to the Board. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend any proposed changes to the Board.