



**FUSION CONNECT, INC.
AUDIT COMMITTEE CHARTER**

I. Purpose

The primary function of the Audit Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Fusion Connect, Inc. (the “Company”) in fulfilling its oversight responsibilities by reviewing: (1) the integrity of the financial statements of the Company, including the financial reports and other financial information provided by the Company to any governmental body or the public; (2) the Company’s systems of internal controls regarding finance, accounting, legal compliance, and ethics that management and the Board have established; (3) the Company’s auditing, accounting and financial reporting processes; and (4) the independent accountant’s qualification and independence. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures, and practices at all levels.

The Committee’s primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company’s financial reporting processes and internal control systems;
- review and appraise the audit efforts of the Company’s independent accountants; and
- provide an open avenue of communication among the independent accountants, financial and senior management, and the Board.

The Committee shall fulfill these responsibilities by carrying out the activities enumerated in this Charter. In discharging its duties hereunder, the Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting, or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent accountants for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee.

II. Scope

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate or are in accordance with US generally accepted accounting principles (“GAAP”). The responsibility to plan and conduct audits is that of the Company’s management and its independent accountants. In fulfilling this responsibility, the independent accountants are ultimately accountable to the Board and the Committee. The Company’s management has the

responsibility to determine that the Company's financial statements are complete and accurate and in accordance with GAAP. It is also not the duty of the Committee to assure the Company's compliance with laws and regulations or compliance with the Company's Code of Ethics. The primary responsibility for these matters rests with the Company's management.

III. Composition

The Committee shall be comprised of three or more Directors as determined by the Board. The members of the Committee shall meet the independence and experience requirements of The Nasdaq Stock Market, LLC (the "Exchange"), Section 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable rules and regulations of the Securities and Exchange Commission ("SEC"). The members of the Committee shall be elected by the Board at the annual meeting of the Board and shall serve until the next annual meeting or until their successors are duly elected and qualified. Each member of the Committee must be financially literate and have the ability to read and understand financial statements, as determined by the Committee or the Board. At least one member of the Committee shall, in the judgment of the Board, be an "audit committee financial expert" in accordance with the rules and regulations of the SEC and the Exchange. No member of the Committee may serve simultaneously on the audit committees of more than two other public companies. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by majority vote of the full Committee. Committee members may be replaced by the Board.

IV. Meetings

The Committee shall meet as often as it determines, but not less frequently than quarterly. As part of its job to foster open communication, the Committee should meet periodically with management and the independent accountants in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee or at least its Chairman, shall meet with the independent accountants and management quarterly to review the Company's financials consistent with Section V.3. below. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent accountants to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

V. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee, to the extent it deems necessary or appropriate, shall perform the following:

Documents/ Reports Review

1. Review this Charter periodically and recommend any proposed changes to the Board for approval.
2. Review and discuss with management and the Company's independent accountants, the Company's annual audited financial statements and any reports or other financial information submitted to any governmental body or to the public, including any certification reports, opinion

or review rendered by the independent accountants, and recommend to the Board whether the audited financial statements should be included in the Company's annual report.

3. Review with management and the Company's independent accountants, the Company's quarterly financial statements prior to the filing of its Quarterly Reports on Form 10-Q or prior to the release of earnings for that quarter. The Chairman of the Committee may represent the entire Committee for purposes of these reviews.

4. Discuss with management any questions or concerns that the Committee members may have regarding the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).

5. Have the authority to engage independent counsel and other advisors as the Committee determines necessary to carry out its duties.

6. Review and approve any related-party transactions. It is management's responsibility to bring such related-party transactions to the attention of the members of the Committee. A "related-party transaction" is any transaction which is required to be disclosed pursuant to Item 404 of the SEC's Regulation S-K.

7. Prepare the audit committee report required by the rules and regulations of the Securities and Exchange Commission ("SEC") to be included in the Company's annual proxy statement.

Independent Accountants

8. Have the sole authority to appoint or replace the independent accountants (subject, if applicable, to stockholder ratification). The Committee shall be directly responsible for the compensation and oversight of the work of the independent accountants (including resolution of any disagreement between management and the independent accountants regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent accountants shall report directly to the Committee.

9. Ensure the independence of the independent accountants by:

a. having the independent accountants deliver to the Committee annually a formal written statement delineating all relationships between the independent accountants and the Company and addressing at least the matters set forth in Independence Standards Board Standard No. 1; if necessary actively engaging in dialogue with the independent accountants about any relationships or services disclosed in such statement that may impact the objectivity and independence of the Company's independent accountants;

b. pre-approving all auditing services and permitted non-audit services (including fees and terms thereof) to be performed for the Company by its independent accountants, subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of

audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting;

- c. ensuring the rotation of the audit partners as required by law;
- d. establishing guidelines relating to the Company's hiring of employees or former employees of the independent accountants who participated in any capacity in the audit of the Company; and
- e. discussing with the independent accountants the matters required to be discussed by Statement on Auditing Standards No. 1301, as modified or supplemented.

10. Periodically consult with the independent accountants out of the presence of management about internal controls and the fullness and accuracy of the Company's financial statements and any other matters that the Committee or independent accounts believe should be discussed privately.

Financial Reporting Processes

11. Consider the effectiveness of the Company's internal control systems.

12. In consultation with the independent accountants and management, review the integrity of the Company's financial reporting processes, both internal and external.

13. Consider the independent accountants' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

14. 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.

15. Review with the independent accountants all alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent accountants. Such review is to occur before any audit report is filed with the SEC, including prior to the filing of annual reports and proxy statements, registration statements, and other periodic or current reports that contain audit reports.

16. Review other material written communications between the independent accountants and management, such as any management letter or schedule of unadjusted differences. Such review is to occur before any audit report is filed with the SEC, including prior to the filing of annual reports and proxy statements, registration statements, and other periodic or current reports that contain audit reports.

17. Review with the independent auditors all critical accounting policies and practices to be used. Such review is to occur before any audit report is filed with the SEC, including prior to the filing of annual reports and proxy statements, registration statements, and other periodic or current reports that contain audit reports.

18. Review disclosures made to the Committee by the Company's Chief Executive Officer and its Principal Accounting Officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Process Improvements

19. If the Committee deems it necessary, it shall establish regular and separate systems of reporting to the Committee by each of management and the independent accountants regarding any significant judgments made in management's preparation of the financial statements and the review of each as to appropriateness of such judgments.

20. Following completion of the annual audit, review separately with each of management and the independent accountants any significant difficulties encountered during the course of the audit including any restrictions on the scope of work or access to required information.

21. Review any significant disagreements among management and the independent accountants in connection with preparation of financial statements.

22. Review with independent accountants 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.)

Ethical and Legal Compliance

23. Establish, review and update periodically the Codes of Ethics to ensure that management has established a system to enforce the Codes of Ethics.

24. Review management's monitoring of the Company's compliance with the its Codes of Ethics 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 the public satisfy legal requirements.

25. Review with the Company's counsel legal compliance matters including corporate securities trading policies.

26. Review with the Company's counsel any legal matter that could have a significant impact on the Company's financial statements.

27. Perform any other activities consistent with this Charter, the Company's By-laws and governing law as the Committee or the Board deems necessary or appropriate.

28. Obtain from the independent accountants assurance that Section 10A(b) of the Exchange Act has not been implicated.

29. Establish procedures relating to the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Other Responsibilities

30. Perform other activities as requested by the Board from time to time.

31. Institute and oversee special investigations as needed.

32. Evaluate the Committee's and members' performance on a regular basis.

Issue Date: May 2018