

ADOMANI, INC.

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

I. STATEMENT OF POLICY

This Charter specifies the authority and scope of the responsibilities of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of ADOMANI, Inc. (the “**Company**”) and the manner in which those responsibilities shall be performed, including the Committee’s structure, processes and membership requirements. The primary purpose of the Committee is to oversee the accounting and financial reporting processes of the Company, the integrity of the financial reports and other financial information and the audits of the Company’s financial statements. The Committee shall also review the qualifications, independence and performance, and approve the terms of engagement, of the Company’s independent registered public accounting firm and prepare any reports required of the Committee under rules of the Securities and Exchange Commission (“**SEC**”).

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three or more directors selected by the Board, each of whom shall satisfy the independence and experience requirements of The Nasdaq Stock Market, provided that one director who does not meet the independence criteria of Nasdaq, but is not a current employee or officer, or an immediate family member of an employee or officer, may be appointed to the Committee, subject to the approval of the Board pursuant to, and subject to the limitations under, the “exceptional and limited circumstances” exception as provided under the rules of Nasdaq. In addition, the Committee shall not include any member who:

- has participated in the preparation of the financial statements of the Company or any of its current subsidiaries at any time during the past three (3) years;
- accepts any consulting, advisory, or other compensatory fee, directly or indirectly, from the Company, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board; or
- is an affiliate of the Company or any subsidiary of the Company, as defined by the rules of the SEC, other than a director who meets the independence requirements of The Nasdaq Stock Market.

Each member of the Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. In addition, at least one member shall have past employment experience in finance or accounting, professional certification in accounting, or other comparable experience or background resulting

in the individual being financially sophisticated, which may include being or having been a chief executive, chief financial officer or other senior officer with financial oversight responsibilities.

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve until their successors are duly elected and qualified or until their earlier resignation, removal or death. Any member of the Committee may be removed or replaced by the Board. Unless a Committee Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee. The Chair shall preside at all regular meetings of the Committee and set the agenda for each Committee meeting.

The Company shall provide appropriate funding, as determined by the Committee, to permit the Committee to perform its duties under this Charter, to compensate its advisors and to compensate any independent registered public accounting firm engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Company. The Committee, at its discretion, has the authority to initiate investigations and hire legal, accounting or other outside advisors or experts to assist the Committee, as it deems necessary to fulfill its duties under this Charter. The Committee may also perform such other activities consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

III. MEETINGS AND COMMITTEE ACTION

The Committee shall meet as often as it determines. The Committee shall meet with management and the independent registered public accounting firm in separate executive sessions as appropriate. The Committee shall meet with the independent registered public accounting firm and management to review the Company's financial statements and financial reports.

Formal action to be taken by the Committee shall be by the affirmative vote of at least a majority of the members present (in person or by telephone conference call) at a meeting at which a quorum is present or by unanimous written consent. A quorum shall consist of at least a majority of the members of the Committee. The Committee may form and delegate authority to subcommittees, or to one or more members of the Committee, when appropriate. The Committee shall maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

IV. AUTHORITY AND RESPONSIBILITIES

The Committee shall have the following authority and responsibilities, subject to such modification and additional authority as the Board may approve from time to time:

A. Oversight of the Company's Independent Registered Public Accounting Firm

1. Be solely responsible for the appointment, compensation and retention of any independent registered public accounting firm engaged by the Company for the purpose of preparing or issuing an audit report or related work and shall be directly involved in the oversight of such engagement (including resolution of disagreements between management and the

independent registered public accounting firm regarding financial reporting), and shall assure that each independent registered public accounting firm shall report directly to the Committee.

2. Periodically review and discuss with the independent registered public accounting firm (i) the matters required to be discussed by Auditing Standard No. 16, and (ii) any formal written statements received from the independent registered public accounting firm consistent with and in satisfaction of Independence Standards Board Standard No. 1, as amended, including without limitation, descriptions of (x) all relationships between the independent registered public accounting firm and the Company, (y) any disclosed relationships or services that may impact the independent registered public accounting firm's objectivity and independence and (z) whether any of the Company's senior finance personnel were recently employed by the independent registered public accounting firm.

3. Evaluate annually the qualifications, performance and independence of the independent registered public accounting firm, including a review of whether the independent registered public accounting firm's quality-control procedures are adequate and a review and evaluation of the lead partner of the independent registered public accounting firm, taking into account the opinions of management and the Company's internal auditors, and report to the Board on its conclusions, together with any recommendations for additional action.

4. Consult with the independent registered public accounting firm regarding the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit every five years, consider issues related to the timing of such rotation and the transition to new lead and reviewing partners.

5. Approve in advance the engagement of the independent registered public accounting firm for all audit services and non-audit services, based on independence, qualifications and, if applicable, performance, and approve the fees and other terms of any such engagement; provided, however, that (i) the Committee may establish pre-approval policies and procedures for any engagement to render such services, provided that such policies and procedures (x) are detailed as to particular services, (y) do not involve delegation to management of the Committee's responsibilities hereunder and (z) provide that, at its next scheduled meeting, the Committee is informed as to each such service for which the independent registered public accounting firm is engaged pursuant to such policies and procedures, and (ii) the Committee may delegate to one or more members of the Committee the authority to grant pre-approvals for such services, provided that the decisions of such member(s) to grant any such pre-approval shall be presented to the Committee at its next scheduled meeting.

6. Meet with the independent registered public accounting firm prior to the audit to discuss the planning and staffing of the audit.

7. Approve as necessary the termination of the engagement of the independent registered public accounting firm and select a replacement independent registered public accounting firm.

8. Regularly review with the independent registered public accounting firm any significant difficulties encountered during the course of the audit, any restrictions on the

scope of work or access to required information and any significant disagreement among management and the independent registered public accounting firm in connection with the preparation of the financial statements. Review with the independent registered public accounting firm any accounting adjustments that were noted or proposed by the independent registered public accounting firm but that were “passed” (as immaterial or otherwise), any “management” or “internal control” letter or schedule of unadjusted differences issued, or proposed to be issued, by the independent registered public accounting firm to the Company, and any other material written communication provided by the independent registered public accounting firm to the Company’s management.

9. Review with the independent registered public accounting firm the critical accounting policies and practices used by the Company, all alternative treatments of financial information within generally accepted accounting principles (“**GAAP**”) that the independent registered public accounting firm has discussed with management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent registered public accounting firm.

B. Review of Financial Reporting Policies and Processes

To fulfill its responsibilities and duties, to the extent that it deems necessary or appropriate, and in addition to the items described above, the Committee shall:

1. Review and discuss with management and the independent registered public accounting firm the Company’s annual audited financial statements and any certification, report, opinion or review rendered by the independent registered public accounting firm, and recommend to the Board whether the audited financial statements should be included in the Company’s annual report on Form 10-K.

2. Review and discuss with management press releases regarding the Company’s financial results and any other information provided to securities analysts and rating agencies, including any “pro-forma,” “non-GAAP” or adjusted financial information.

3. Review with management its assessment of the effectiveness and adequacy of the Company’s internal control structure and procedures for financial reporting (“**Internal Controls**”), review annually with the independent registered public accounting firm the attestation to and report on the assessment made by management, and consider whether any changes to the Internal Controls are appropriate in light of management’s assessment or the independent registered public accounting firm’s attestation and report.

4. To the extent that it deems appropriate, review with management its evaluation of the Company’s procedures and controls designed to assure that information required to be disclosed in the Company’s periodic reports is recorded, processed, summarized and reported in such reports within the time periods specified by the SEC for the filing of such reports (“**Disclosure Controls**”), and consider whether any changes are appropriate in light of management’s evaluation of the effectiveness of such Disclosure Controls.

5. Review and discuss with management and the independent registered public accounting firm any off-balance sheet transactions or structures and their effect on the

Company's financial results and operations, as well as the disclosure regarding such transactions and structures in the Company's public filings.

6. Review the appointment and replacement of the internal auditors. Review the significant reports to management prepared by the internal auditors. Discuss with management and the internal auditors the internal auditors' responsibilities, budget and staffing and the planned scope of internal audits.

C. Risk Management, Related Party Transactions, Legal Compliance and Ethics

To further fulfill its responsibilities and duties, and in addition to the items described above, the Committee shall:

1. Review with the chief executive officer and chief financial officer of the Company any report on significant deficiencies in the design or operation of the Internal Controls that could adversely affect the Company's ability to record, process, summarize or report financial data, any material weaknesses in the Internal Controls identified to the auditors, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Internal Controls.

2. Review and approve any transactions between the Company and any related parties.

3. Establish procedures for 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 the Company of concerns regarding questionable accounting or auditing matters. Adopt, as necessary, appropriate remedial measures or actions with respect to such complaints or concerns.

4. In consultation with the Nominating and Corporate Governance Committee, adopt a Code of Conduct for all employees and directors, which meets the requirements of Item 406 of the SEC's Regulation S-K, and provide for prompt disclosure to the public of any change in, or waiver of, such Code of Conduct. Review such Code of Conduct periodically, recommend such changes to such Code of Conduct as the Committee shall deem appropriate, and adopt procedures for monitoring and enforcing compliance with such Code of Conduct.

5. As requested by the Board, review and investigate conduct alleged by the Board to be in violation of the Company's Code of Business Conduct and Ethics, and adopt as necessary or appropriate, remedial, disciplinary, or other measures with respect to such conduct.

6. Discuss with management and the independent registered public accounting firm any correspondence with regulators or governmental agencies that raise material issues regarding the Company's financial statements or accounting policies.

7. Prepare the Committee's report required by the rules of the SEC to be included in the Company's annual proxy statement.

8. Review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.