

AMERICAN SKIN ASSOCIATION, INC.

AUDIT COMMITTEE CHARTER

This charter sets forth the purposes, membership requirements, duties and responsibilities of the Audit Committee of the Board of Directors (the “Board”) of American Skin Association, Inc. (“ASA”).

I. Purposes

The purposes of the Audit Committee (the “Committee”) shall be to oversee the accounting and financial reporting processes of ASA and the audit of ASA’s financial statements and to oversee any conflict of interest policy or whistleblower policy adopted by ASA.

II. Membership

The Committee shall consist of at least three members of the Board. Each member of the Committee shall be an “Independent Director,” which term shall mean a director who: (i) is not, and has not been within the last three years, an employee of ASA or an affiliate of ASA, and does not have a relative who is, or has been within the last three years, a “key employee” (as defined in the New York Not-For-Profit Corporation Law, as amended) of ASA or an affiliate of ASA; (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than \$10,000 in direct compensation from ASA or an affiliate of ASA (other than reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director, if any); (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to, or received payments from, ASA or an affiliate of ASA for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of \$25,000 or 2% of such entity’s consolidated gross revenues and (iv) has not worked for, and does not have a relative who worked for, ASA’s auditor during the past three years. For purposes of part (iii) of the foregoing sentence, “payments” do not include charitable contributions.

III. Duties and Responsibilities

The duties and responsibilities of the Committee include, but are not limited to, the following:

- a) to annually retain or renew the retention of an “independent auditor” (as defined in the New York Not-For-Profit Corporation Law, as amended) to conduct the audit of ASA’s financial statements and, upon completion thereof, to review the results of the audit and any related management letter with the independent auditor;
- b) to review with the independent auditor the scope and planning of each audit prior to the audit’s commencement;

- c) upon completion of each audit, to review and discuss with the independent auditor: (1) any material risks and weaknesses in internal controls identified by the auditor; (2) any restrictions on the scope of the auditor's activities or access to requested information; (3) any significant disagreements between the auditor and management; and (4) the adequacy of ASA's accounting and financial reporting processes;
- d) to annually consider the performance and independence of the independent auditor;
- e) to oversee the implementation of and compliance with any conflict of interest policy or whistleblower policy adopted by ASA; and
- f) to report on the Committee's activities to the Board.

Only Independent Directors may participate in any Committee deliberations or voting relating to matters set forth above.

Approved: April 22, 2014

Amended: April 20, 2016