



MITEK SYSTEMS, INC.

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

Introduction

The Audit Committee is appointed by the Board of Directors of the Company. This Charter specifies the scope of authority and responsibility of the Committee and amends and restates any previous charter of the Committee. The purpose of the Committee is to (i) assist Board oversight of (a) the integrity of the Company's financial statements, (b) the Company's compliance with legal and regulatory requirements, (c) the independent auditor's qualifications and independence, and (d) the performance of the Company's internal audit function and independent auditors; (ii) prepare an audit committee report as required by the SEC to be included in the Company's annual proxy statement; and (iii) perform the duties and have the responsibilities and powers set forth herein.

Composition And Qualifications

The Committee shall have at least three members at all times, each of whom shall be (a) a member of the Board that is "independent" for the purposes of rules relating to audit committees promulgated by the SEC and Nasdaq Marketplace Rules and (b) are free of any relationship that, in the opinion of the Board, would interfere with their exercise of independent judgment.

All members of the Committee shall be financially literate, shall have a practical knowledge of finance and accounting and be able to read and understand fundamental financial statements from the time of their respective appointments to the Committee. In addition, members may be required to participate in continuing education to the extent mandated by applicable law, the Company's Corporate Governance Guidelines or the Listing Rules of any stock exchange on which the Company's shares are traded.

At least one member of the Committee shall be an "audit committee financial expert" as that term is defined in Item 407(d) of SEC Regulation S-K.

The members of the Committee will be appointed by and serve at the discretion of the Board. The Board may remove any member from the Committee at any time with or without cause. No member of the Committee may simultaneously serve on the audit committees of more than two other public companies.

The Committee may, by resolution passed by a majority of the Committee, designate one or more subcommittees, each subcommittee to consist of one or more members of the Committee. Any such subcommittee, to the extent provided in the resolutions of the Committee and to the extent not limited by applicable law or the Listing Rules, will have and may exercise all the powers and authority of the Committee. Each subcommittee will have such name as may be determined by resolution adopted by the Committee. Each subcommittee will keep regular minutes of its meetings and report the same to the Committee or the Board at its scheduled meetings. Such subcommittee may have a charter, as determined by the Committee.

Meetings

The Committee shall meet as frequently as circumstances dictate, but not less than quarterly. The Board shall name a chairperson of the Committee, who shall prepare and/or approve an agenda in advance of each meeting and shall preside over meetings of the Committee. In the absence of a Board-appointed chairperson at any meeting, the Committee shall select a chairperson for that meeting. A majority of the members of the Committee shall constitute a quorum and the act of a majority of the members present at a meeting where a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

Except as otherwise specified herein, the Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with any provision of this Charter, any provision of the Bylaws or Certificate of Incorporation of the Company or any applicable law, rule, regulation or Listing Rule.

The Committee shall, through its chairperson, report regularly to the Board following the meetings of the Committee, addressing such matters as it deems appropriate, including the quality of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the performance and independence of the independent auditors, the performance of the internal audit function and other matters related to the Committee's functions and responsibilities.

Responsibilities, Duties And Powers

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. Any action duly and validly taken by the Committee pursuant to the power and authority conferred under this Charter shall for all purposes constitute an action duly and validly taken by the Board and may be certified as such by the Secretary or other authorized officer of the Company. The Committee has sole authority to retain and terminate such outside counsel, and other experts or consultants as it deems appropriate to assist it in the full performance of its functions. The Committee shall have sole authority

to approve such experts' or consultants' fees and retention terms. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all reasonable steps necessary to preserve the privileged nature of those communications.

The Committee's specific responsibilities and powers are to:

General

- Meet separately with each of management, Company personnel responsible for the internal audit function and the independent auditor on a periodic basis. At least a portion of each meeting with the independent auditor will be held in executive session.
- Retain, at the Company's expense, independent counsel, accountants or other advisors for such purposes as the Committee determines to be necessary to carry out its responsibilities.
- Perform an annual evaluation of the Committee's performance, report the results of this evaluation to the Board together with recommendations, and make appropriate changes.
- Review and evaluate, at least annually, the adequacy of this Charter and recommend any appropriate changes to the Board.
- Regularly report to the Board the actions and activities of the Committee, and review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the independent auditor or the performance of the internal audit function.
- Periodically review with management and the independent auditor the applicable law and the Listing Rules relating to the qualifications, activities, responsibilities and duties of audit committees and compliance therewith, and also take, or recommend that the Board take, appropriate action to comply with such law and rules.
- Undertake such additional responsibilities as from time to time may be delegated to it by the Board, required by the Company's Certificate of Incorporation or Bylaws or required by law or Listing Rules.

Financial Statement and Disclosure Matters

- Meet to review and discuss with the independent auditor and management the Company's audited annual financial statements and other information that is to be included in the Company's annual reports on Form 10-K,

including the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the independent auditor’s opinion with respect to the financial statements, and determine whether to recommend to the Board that the financial statements be included in the Company’s annual report on Form 10-K filed with the SEC.

- Meet to review and discuss with the independent auditors and management, and require the independent auditors to review, the Company’s interim financial statements and other information to be included in the Company’s quarterly reports on Form 10-Q, including the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” prior to filing such reports with the SEC.
- Review and discuss with management, in advance of release, any press releases of the Company that include production or financial guidance or financial information, including “pro forma” or “adjusted” non-GAAP information, as well as financial information and guidance provided to analysts and rating agencies. Such discussion may be of a general nature (i.e., it may consist of discussions of the types of information to be disclosed and the types of presentations to be made). The Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.
- Prepare an audit committee report as required by the SEC for inclusion in the Company’s annual proxy statements.

Oversight of Relationship with Independent Auditor

- Be directly responsible for the appointment, compensation, retention, termination and oversight of the work of any independent auditor engaged by the Company to prepare or issue an audit report or perform any other audit, review or attestation services. The Company shall provide appropriate funding, as determined by the Committee, for payment of (i) compensation to any independent auditor for such services and (ii) ordinary administrative expenses necessary or appropriate in the Committee’s performance of its duties. All independent auditors shall report directly to the Committee.
- Pre-approve all engagement letters and fees for all auditing services (including the provision of comfort letters in connection with securities underwritings) and permissible non-audit services proposed to be performed by independent auditors, subject to any exception under Section 10A of the Exchange Act of 1934, as amended, and any rules promulgated thereunder. Such pre-approval authority may be delegated to a Committee member or a subcommittee; provided that the relevant member or subcommittee shall report any exercise of such delegated authority to the full Committee at its

next scheduled meeting. The Committee shall not approve an engagement of independent auditors to render non-audit services that are prohibited by law or the Listing Rules.

- Review and discuss with the independent auditors (i) all critical accounting policies identified to the Committee by the independent auditor, (ii) alternative treatments of financial information under GAAP that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the independent auditors and (iii) any other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
- Review with the independent auditor any audit problems or difficulties and management's response. The Committee must regularly review with the independent auditor any difficulties the auditor encountered in the course of the audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management. Among the items the Committee may want to review with the independent auditor are: any accounting adjustments that were noted or proposed by the independent auditor but were "passed" (as immaterial or otherwise); any communications between the audit team and the independent auditor's national office respecting auditing or accounting issues presented by the engagement; and any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company.
- Review and discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, from time to time. Review the scope, plan and procedures to be used on the annual audit and receive confirmation from the independent auditors that no limitations have been placed on the scope or nature of their audit plan or procedures.
- Receive from the independent auditor a formal written statement delineating all relationships between the independent auditor and the Company, consistent with the Independence Standards Board, Standard No. 1, as amended from time to time, and other applicable standards, and any other documents or disclosures required by such standards. The statement shall include a description of all services provided by the independent auditors and the related fees. The Committee shall discuss any disclosed relationships or services that may impact the objectivity and independence of the independent auditors.

- Obtain from the independent auditors assurance that they have complied with Section 10A of the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder, as amended from time to time.
- Obtain and review a report, at least annually, by the Company's independent auditor describing (i) the independent auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review or peer review of the independent auditor, 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 independent auditor, and any steps taken to deal with any such issues, and (iii) (to assess the independent auditor's independence) all relationships between the Company and the independent auditor.
- At least annually, advise the Board of its view of the competence, integrity and independence of the independent auditor, including the lead partner of the independent auditor, taking into account the opinions of management and Company personnel responsible for the internal audit function. In addition to assuring the regular rotation of the lead audit partner as required by law, the Committee shall also consider whether there should be a regular rotation of Company's outside audit firm.
- Establish clear hiring policies for the Company's employment of employees or former employees of the independent auditor, consistent with maintaining the independence of the independent auditor.

Oversight of Internal Audit Function, Risk Management and Compliance

- Review annually the performance and material findings of internal audit reviews.
- Review annually with the independent auditor the effectiveness of the Company's internal controls and procedures.
- Discuss policies with respect to risk assessment and risk management, and review major risk exposures (whether financial, operating or otherwise) and the guidelines and policies that management has put in place to govern the process of assessing, controlling, managing and reporting such exposures.
- Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Investigate any matter brought to its attention related to financial, accounting and audit matters and, to the

extent it deems necessary or advisable in connection therewith, review any Company books and records and interview any Company personnel.

- Review and approve all proposed transactions that would require disclosure pursuant to Item 404 of Regulation S-K or any other transaction involving the Company and any other person where the parties' relationship is not arms'-length. Without limiting the foregoing, the committee will review every transaction, or series of transactions, proposed or entered into by the Company, in which the amount exceeds \$120,000, in which any of the following persons will have a direct or indirect material interest: (i) any director or executive officer of the Company; (ii) any nominee for election as a director; (iii) any holder of Company securities owning more than 5% of any class of Company stock and (iv) any member of the immediate family of any of the foregoing.

Limitation Of Committee's Role

The Committee's principal responsibility is one of oversight. 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 and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. The Company's management is responsible for preparing the Company's financial statements and the independent auditors are responsible for auditing and/or reviewing those financial statements. The role of the Committee does not include the provision of any expert or special assurance as to the accuracy or completeness of the Company's financial statements or any professional certification as to the quality or adequacy of the independent auditors' work.

Compensation

Members of the Committee shall receive compensation for their services as defined and approved by the Board of Directors.