

AUDIT COMMITTEE CHARTER

As adopted by the Board of Directors
March 16, 2016

I. Purpose

The Audit Committee (the "Committee") is appointed annually by the Board of Directors (the "Board") of Barnes & Noble, Inc. (the "Company") to assist the Board in its oversight responsibilities relating to (1) the integrity of the financial statements of the Company and its financial reporting process, (2) internal and external auditing and the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditors, (4) the integrity of the Company's systems of internal accounting and financial controls, (5) the compliance by the Company with legal and regulatory requirements and (6) reviewing and approving related party transactions.

II. Committee Membership

The Committee shall consist of no fewer than three members. The members of the Committee shall meet the independence and experience requirements of the New York Stock Exchange and applicable law, including the Sarbanes-Oxley Act of 2002 (the "Act"). All members of the Committee must be able to read and understand fundamental financial statements at the time of their appointment and at least one member of the Committee shall be an "audit committee financial expert," as defined under the Act and the regulations promulgated thereunder, unless the Board shall have determined that the members of the Committee have sufficient expertise in financial statement oversight that such expert is not necessary, which determination shall be disclosed in the Company's applicable Form 10-K.

The members of the Committee shall be appointed by the Board. Committee members may be replaced by the Board. Members of the Committee may not serve on more than three public company audit committees (including a member's service on the Committee), unless the Board determines that such service does not impair such member's ability to serve on the Committee, which determination shall be disclosed in the Company's applicable proxy statement.

III. Committee Authority and Responsibility

The Committee shall be solely responsible for the appointment and retention (or termination) of the independent auditor, and shall be solely responsible for the compensation and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

The Committee shall have the authority to engage independent counsel, accounting or other advisors to advise the Committee as it determines appropriate to assist in the full performance of its functions.

The Committee shall approve in advance all audit services and all non-audit services provided by the independent auditors based on policies and procedures developed by the Committee. The Company shall provide the Committee with appropriate funding, as determined by the Committee, to (i) compensate the registered public accounting firm engaged for the purpose of rendering an audit report or related work or performing other audit, review or attest services, (ii) compensate any advisers employed by the Committee, and (iii) reimburse the Committee for its administrative expenses.

The Committee shall meet as often as it determines, but not less frequently than quarterly.

The Committee may form and delegate authority to subcommittees when appropriate.

The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall meet with management, the internal auditors and the independent auditor in separate executive sessions at least quarterly.

The Committee may meet with the Company's investment bankers or financial analysts who follow the Company.

The Committee shall make regular reports to the Board and shall submit the minutes of its meetings to the Board.

The Committee shall review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.

The Committee shall provide a copy of the Charter to be included as an appendix to the Company's proxy statement.

The Committee shall oversee the preparation of and approve the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

The Committee shall annually review and evaluate the Committee's own performance.

The Committee's policies and procedures shall remain flexible in order to best react to changing conditions and to help ensure that the Company's accounting and reporting practices are in accord with all requirements and are of the highest quality. In carrying out its responsibilities, the Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor, prior to filing, the annual audited financial statements, including disclosures made in the Company's annual report on Form 10-K and management's discussion and analysis.
2. Recommend to the Board of Directors, based upon a review of the Company's audited financial statements and discussions with management and the independent auditor, and a written statement provided by management, whether the audited financial statements should be included in the Company's annual report on Form 10-K.

3. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor's reviews of the quarterly financial statements.
4. Obtain from the independent auditor a report of all critical accounting policies and practices, all alternative treatments of financial information that have been discussed and the ramifications of such alternate treatments, including the treatment preferred by the independent auditor, and all material communications between the independent auditor and management.
5. Review analyses prepared by management setting forth the significant financial reporting issues or judgments made in connection with the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
6. Approve, if appropriate, major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors, management, or the internal auditors.
7. Discuss with management, prior to release, 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.
8. Discuss with management and the independent auditor the effect of regulatory and accounting developments as well as off-balance sheet structures on the Company's financial statements.
9. Inquire of management, the internal auditor, and the independent auditor about any significant risks or exposures and assess the steps management should take or has taken to identify and minimize such risk. The Committee shall monitor and review such risks and exposures, as well as the Company's enterprise risk assessment efforts, and report to the Board of Directors which shall retain ultimate responsibility for risk oversight.
10. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including the management letter provided by the independent auditor and the Company's response to that letter, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
11. Discuss with management, the internal auditor and the independent auditor the adequacy and effectiveness of the Company's internal controls.
12. Review with the Chief Executive Officer and the Chief Financial Officer the Company's disclosure controls and procedures and review periodically, but in no event less frequently than quarterly, management's conclusions about the efficacy of such disclosure controls and procedures.

Oversight of the Company's Relationship with the Independent Auditor

13. Review the experience and qualifications of the senior members of the independent auditor team.

14. Obtain and review a report from the independent auditor at least annually regarding (a) the auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal 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 issues raised in clause (b) above, and (d) all relationships between the independent auditor and the Company. As part of this oversight of the independent auditor, the Committee shall require that the independent auditor inform the Committee and the Company immediately if it becomes aware that the firm's audit of the Company is being reviewed as part of the Public Company Accounting Oversight Board's ("PCAOB") inspection of the independent auditor. Evaluate the qualifications, performance and independence of the independent auditor by (a) affirming its independence as required by the PCAOB's Rule 3526 (Communication with Audit Committees Concerning Independence), (b) reviewing and discussing with the independent auditor its independence and (c) considering whether the auditor's quality controls are adequate and the provision of non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and the internal auditor. The Committee shall present its conclusions to the Board and, if so determined by the Committee, recommend that the Board take additional action to satisfy itself of the qualifications, performance and independence of the auditor.

15. Rotate the lead and concurring audit partner every five years and consider whether in order to assure continuing auditor independence, it is appropriate to rotate the independent auditing firm itself on a regular basis.

16. Recommend to the Board guidelines that would prohibit the Company from hiring any employee or former employee of the independent auditor in a "financial reporting oversight role" if the employee or former employee provided more than ten hours of audit, review or attest services to the Company within the one year preceding the commencement of the Company's then current year's audit.

17. Discuss with the audit team, and where appropriate the national office, independent auditor issues and matters of audit quality and consistency, where the audit team advises they have consulted with the national office for such matters.

18. Meet with the independent auditors and the financial management to review the scope of the audit proposed for the current year and the audit procedures to be utilized, and at its conclusion, review the audit, including the comments or recommendations of the independent auditors.

Oversight of the Company's Internal Audit Function

19. Review the appointment and, if necessary, the replacement of the senior internal auditing executive.

20. Review the significant reports to management prepared by the internal auditing department and management's responses.

21. Discuss with the independent auditor the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

22. Review the internal audit function, including the independence and authority of its reporting obligations, the audit plans proposed for the coming year, and the coordination of such plans with the work of the independent auditors.

Compliance Oversight Responsibilities

23. Obtain from the independent auditor assurance that it is not aware of any circumstances that would require reporting under Section 10A of the Securities Exchange Act of 1934.

24. Obtain reports from management and the Company's senior internal auditing executive that the Company is in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics and advise the Board with respect to such compliance.

25. Review with management, internal audit and the independent auditor annually all existing related party transactions and agreements. Approve all transactions or courses of dealing with parties related to the Company.

26. Review with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.

27. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters. Additionally, the Committee shall ensure that all such complaints are treated confidentially and anonymously, as set forth in Section 301 of the Act.

28. Discuss with the Company's counsel legal and regulatory matters that may have a material impact on the Company's financial statements, and compliance policies and programs, including corporate securities trading policies.

29. Review with management any material tax matters

30. Review with management risks and other issues related to oversight of the Company's Information Technology function.

31. Perform any other activities consistent with this Charter as the Committee or the Board may deem necessary or appropriate.

Limitation of Committee's Role

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. These are the responsibilities of the Company's management and the independent auditor.