

STEIN MART, INC.

Audit Committee Charter

As Amended January 24, 2017

1. Purpose

The Audit Committee of the Board of Directors (the “Board”) of Stein, Mart, Inc. (the “Company”) is appointed by the Board to oversee the accounting and financial reporting processes and controls of the Company and the audits of the Company’s financial statements.

2. Members

The Board shall appoint the members of the Audit Committee. The Audit Committee shall include at least three members of the Board, one of whom shall be elected by the Board to serve as Chairperson of the Audit Committee (the “Committee Chairperson”). No member of the Audit Committee may serve simultaneously on the audit committee of more than two other public companies. Each of the members shall meet the independence and experience requirements of the listing standards of NASDAQ, including:

(A) Each member shall be able to read and understand fundamental financial statements, including a balance sheet, income statement, comprehensive income statement and cash flow statement. At least one member shall qualify as an “Audit Committee Financial Expert” under Securities and Exchange Commission (“SEC”) regulations. In determining whether a member is such a financial expert, the Board will determine whether such person has the Financial Expert Attributes set forth on Attachment 2 hereto, and whether that person acquired such attributes through any one or more of the following:

- (1) Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;
- (2) Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;
- (3) Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or
- (4) Other relevant experience.

(B) Each member of the Audit Committee shall also be “independent,” as defined in Rule 10A-3 of the Securities Exchange Act of 1934, as amended. Thus, each member may not, other than in his or her capacity as a member of the Board, the Audit Committee or any other board committee:

(1) Accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the Company; or

(2) be an affiliated person of the Company or any subsidiary.

(C) Each member shall not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

3. Professional Advisors

The Audit Committee shall have the authority, and is hereby authorized to incur costs, to retain special legal, accounting or other consultants to advise the Audit Committee and/or to assist with any investigations, which the Audit Committee may wish to undertake. The Audit Committee shall receive appropriate funding from the Company, as determined by the Audit Committee in its capacity as a committee of the Board, for the payment of compensation to the Company's independent auditors, any other accounting firm engaged to perform services for the Company, any outside counsel and any other advisors to the Committee. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent registered public accounting firm to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

4. Internal Audit

The Internal Audit Group will report directly to the Audit Committee. For administrative purposes, the Internal Audit Group reports to the Chief Financial Officer.

5. Independent Registered Public Accounting Firm

The Audit Committee shall have direct responsibility for appointment, compensation, oversight and termination, if necessary, of any independent registered public accounting firm, including resolving disagreements between management and the independent registered public accounting firm regarding financial reporting. The independent registered public accounting firm shall report directly to the Audit Committee. The Audit Committee will appoint the independent registered public accounting firm at its April meeting or such other time as is approved by the Audit Committee, subject to subsequent agreement on terms, conditions and fees. The appointment is subject to ratification by the shareholders. The independent registered public accounting firm will provide the Audit Committee with a formal engagement letter for the annual audit services, containing final, negotiated fee amounts, prior to its June meeting. Preliminary work on the engagement may commence, with the Audit Committee's knowledge and approval, prior to final negotiation of the fee for a particular year, subject to the pre-approved limits set forth in Attachment 1.

6. Approval of Services and Fees for Work Performed by the Independent Registered Public Accounting Firm

The Audit Committee shall approve the audit and non-audit services performed by the Company's independent registered public accounting firm in order to assure that the provision of

such services does not impair the registered public accounting firm's independence. Attachment 1 describes the Audit, Audit-Related, Tax and All Other services that have the approval of the Audit Committee and the related pre-approved levels. The pre-approved levels are for projects arranged or occurring between Audit Committee Meetings that may be undertaken with CFO approval prior to Audit Committee ratification at its next meeting.

Audit, Audit-Related and Tax services that are pre-approved in accordance with this policy will be reported to the Audit Committee at its next regular meeting. The Audit Committee will consider such services for ratification. If ratified, the pre-approved limit will be "refreshed." Also, at no point will the total amount of pre-approved services not ratified by the Audit Committee exceed \$50,000.

(A) Prohibited Services. The independent registered public accounting firm should not provide services that have the potential to impair or appear to impair their independence ("Prohibited Services"). Generally, these include services where the independent registered public accounting firm:

- participates in activities or decisions that are normally undertaken by management;
- is remunerated through a "success fee" structure;
- acts in an advocacy role for the Company (other than with respect to tax matters where it is not advocating a position it presented to the Company); or
- is required to audit its own work.

The following specific services may not be provided by the independent registered public accounting firm:

- bookkeeping or other services related to the accounting records or financial statements of the Company;
- financial information systems design and implementation;
- appraisal or valuation services, fairness opinions or contribution-in-kind reports;
- actuarial services;
- internal audit outsourcing services;
- management functions;
- human resources and recruitment services;
- broker-dealer, investment advisor or investment banking services;
- legal services; and
- expert services unrelated to its audit of the Company.

The rules and regulations and relevant guidance of the SEC and the rules implementing the Sarbanes-Oxley Act of 2002 shall be consulted to determine the precise definitions of these services and the applicability of exceptions to certain of the prohibitions.

(B) Audit Services. The annual audit services engagement terms, conditions and fees will be subject to the specific pre-approval of the Audit Committee. The Audit Committee must approve any changes in terms, conditions and fees resulting from changes in audit scope, Company structure, or other matters, subject to pre-approved limits as set forth in Attachment 1.

(C) Audit-Related Services. Audit-Related services are assurance and other services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are traditionally performed by the independent registered public accounting firm. The Audit Committee believes that the provision of Audit-Related services does not impair the independence of the independent registered public accounting firm, and has pre-approved the Audit-Related services listed in Attachment 1. All other Audit-Related services not listed in Attachment 1 must be separately approved by the Audit Committee prior to the work being performed.

(D) Tax Services. The Audit Committee believes that the independent registered public accounting firm can provide Tax services to the Company, such as tax compliance, tax planning and tax advice, without impairing the registered public accounting firm's independence. The Audit Committee has pre-approved the Tax services listed in Attachment 1. Tax services involving complex transactions or Tax services not listed in Attachment 1 must be separately approved by the Audit Committee prior to the work being performed.

(E) All Other Services. The Audit Committee has determined that a firm other than the current independent registered public accounting firm should be utilized for all Prohibited Services and for services other than Audit, Audit-Related and Tax services, except when the independent registered public accounting firm has unique skills for the required service. All other services not listed in Attachment 1 must be separately approved by the Audit Committee prior to the work being performed by the current or any other independent registered public accounting firm.

7. Complaints

(A) Independent Contacts. The Audit Committee shall appoint a person or firm who is not an employee of the Company (the "Independent Contact") to receive calls from persons who wish to make a complaint or express concern about the accounting procedures, internal controls, auditing matters and/or reporting methods of the Company (an "Accounting Complaint") and to facilitate Accounting Complaints by those wishing to maintain an anonymous status.

(B) Retention. The Independent Contact and any Audit Committee member who receives an Accounting Complaint shall cause a report of such Accounting Complaint (the "Complaint Report") to be made to the Committee Chairperson who shall maintain a confidential file of all Complaint Reports that are made in writing, and such written Complaint Reports shall be preserved for 10 years following the receipt of such Accounting Complaint.

(C) Action on Complaint. The Committee Chairperson shall review each Complaint Report to make a preliminary determination as to the probable validity of such Accounting Complaint and the Committee Chairperson, in consultation with the other Committee members, is authorized to undertake such investigation as the Committee Chairperson believes warranted under the circumstances.

8. Disclosure Committee

(A) Responsibility. The Company shall have a committee (the “Disclosure Committee”) which is responsible for reviewing periodic financial reports of the Company and results of the sub-certification process, and for making certain that the appropriate questions are asked of various members of the financial and operations departments to provide assurance to the Company and to the Company’s Chief Financial Officer and Chief Executive Officer in connection with those parties’ certification of the periodic financial reports.

(B) Committee Members. The Disclosure Committee shall be made up of the Company’s Chief Accounting Officer, along with the individuals in the Company who head the following areas: Financial Reporting, Internal Audit, Stores, Planning and Allocation, Information Technology, Human Resources and Investor Relations.

(C) Report to Audit Committee. Quarterly, prior to the Company’s filing of the Form 10-Q or Form 10-K, as applicable, the Disclosure Committee shall report to the Audit Committee on its activities and the results of its oversight of disclosure matters.

9. Related-Party Transactions.

The Audit Committee shall conduct an appropriate review and oversight of all related party transactions for potential conflicts of interest situations on an ongoing basis. The term “related party transaction” shall refer to transactions required to be disclosed pursuant to Item 404 of SEC Regulation S-K. The Audit Committee shall approve all such related-party transactions.

10. Committee Meetings

The Audit Committee will hold meetings at such times and at such places as it shall deem necessary but shall hold at least four quarterly meetings. These meetings can be in person or by phone on which each person can hear and respond. Each quarter, meetings should be scheduled so that the Audit Committee can review and approve the Company’s quarterly earnings releases and Form 10-Q or Form 10-K, as applicable, prior to their being issued/filed.

11. Specific Responsibilities

The Committee shall have the following authority and responsibilities:

(A) To (1) select and retain an independent registered public accounting firm to act as the Company’s independent auditors for the purpose of auditing the Company’s annual financial statements, books, records, accounts and internal controls over financial reporting, subject to ratification by the Company’s stockholders of the selection of the independent auditors, (2) set

the compensation of the Company's independent auditors, (3) oversee the work done by the Company's independent auditors and (4) terminate the Company's independent auditors, if necessary.

(B) To select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

(C) At least annually, to obtain and review a report by the Company's independent auditors that describes (1) the accounting firm's internal quality control procedures, (2) any issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (3) all relationships between the firm and the Company or any of its subsidiaries; and to discuss with the independent auditors this report and any relationships or services that may impact the objectivity and independence of the auditors.

(D) At least annually, to evaluate the qualifications, performance and independence of the Company's independent auditors, including an evaluation of the lead audit partner; and to assure the regular rotation of the lead audit partner at the Company's independent auditors and consider regular rotation of the accounting firm serving as the Company's independent auditors.

(E) To review and discuss with the Company's independent auditors (1) the auditors' responsibilities under generally accepted auditing standards ("GAAP") and the responsibilities of management in the audit process, (2) the overall audit strategy, (3) the scope and timing of the annual audit, (4) any significant risks identified during the auditors' risk assessment procedures and (5) when completed, the results, including significant findings, of the annual audit.

(F) To review and discuss with the Company's independent auditors (1) all critical accounting policies and practices to be used in the audit; (2) all alternative treatments of financial information within GAAP that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the auditors; and (3) other material written communications between the auditors and management.

(G) To review and discuss with the Company's independent auditors and management (1) any audit problems or difficulties, including difficulties encountered by the Company's independent auditors during their audit work (such as restrictions on the scope of their activities or their access to information), (2) any significant disagreements with management and (3) management's response to these problems, difficulties or disagreements; and to resolve any disagreements between the Company's auditors and management.

(H) To review with management and the Company's independent auditors: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effectiveness of alternative GAAP methods; and

the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

(I) To keep the Company's independent auditors informed of the Committee's understanding of the Company's relationships and transactions with related parties that are significant to the Company; and to review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.

(J) To review the management, the Internal Audit Group and the Company's independent auditors the adequacy and effectiveness of the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's processes, controls and procedures and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such processes, controls and procedures, and review and discuss with management and the Company's independent auditors disclosure relating to the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures, the independent auditors' report on the effectiveness of the Company's internal control over financial reporting and the required management certifications to be included in or attached as exhibits to the Company's annual report on Form 10-K or quarterly report on Form 10-Q, as applicable.

(K) To review and discuss with the Company's independent auditors any other matters required to be discussed by *PCAOB Auditing Standards No. 16, Communications with Audit Committees*, including, without limitation, the auditors' evaluation of the quality of the Company's financial reporting, information relating to significant unusual transactions and the business rationale for such transactions and the auditors' evaluation of the Company's ability to continue as a going concern.

(L) To review and discuss with the Company's independent auditors and management of the Company's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Result of Operations" to be included in the Company's annual report on Form 10-K before the Form 10-K is filed.

(M) To recommend to the Board that the audited financial statements be included in the Company's Form 10-K and produce the audit committee report required to be included in the Company's proxy statement.

(N) To review and discuss with the Company's independent auditors and management the Company's quarterly financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the Company's quarterly report on Form 10-Q before the Form 10-Q is filed.

(O) To review, discuss with the Company's independent auditors, and approve the functions of the Company's Internal Audit Group, including its purpose, organization, responsibilities, budget and performance; and to review the scope, performance and results of such department's internal audit plans, including any reports to management and management's response to those reports.

(P) To review and discuss with management and the Company's independent auditors: the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma or adjusted non-GAAP information, before their release to the public; and any financial information and earnings guidance provided to analysts and ratings agencies, including the type or information to be disclosed and type of presentation to be made.

(Q) To set clear Company hiring policies for employees or former employees of the Company's independent auditors that participated in any capacity in any Company audit.

(R) To review and discuss with management and the Internal Audit Group the risks faced by the Company and the policies, guidelines and the process by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

(S) To review the Company's compliance with applicable laws and regulations and to review and oversee the Company's policies, procedures and programs designed to promote and monitor legal ethical and regulatory compliance.

(T) To review, with the General Counsel and outside legal counsel, legal and regulatory matters, including legal cases against or regulatory investigations of the Company, that could have a significant impact on the Company's financial statements.

12. Limitation on Duties

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with GAAP. This is the responsibility of management and the independent registered public accounting firm. Nor is it the duty of the Audit Committee to conduct investigations or to assure compliance with laws and regulations and the Company's Code of Conduct. Additionally, the Audit Committee may rely on key members of management and financial experts in carrying out its duties.

/s/ Irwin Cohen

Irwin Cohen, Chairperson of Audit Committee

Attachment 1

Approved Services of Independent Registered Public Accounting Firm

AUDIT SERVICES

Services	Pre-Approval Fee Levels
<p>1. Audit of consolidated financial statements of the Company, including:</p> <ul style="list-style-type: none"> ● Attestation of management reports on internal controls, as specified in Section 404 of the Sarbanes-Oxley Act of 2002, ● Statutory audits or financial audits for the Company or for individual subsidiaries or affiliates of the Company, and ● Accounting consultations, <p>All as required to perform an audit in accordance with Generally Accepted Auditing Standards.</p>	Up to \$50,000 for planning, quarterly and preliminary audit work prior to the determination of the full audit fee.
2. Services associated with SEC periodic reports and other documents filed with the SEC.	Up to \$50,000
3. Consultations with management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard-setting bodies	Up to \$50,000
4. Other statutory or financial audits for the Company or for individual subsidiaries or affiliates of the Company incremental to the consolidated financial statements.	Up to \$50,000

AUDIT-RELATED SERVICES

Services	Pre-Approval Fee Levels
1. Due diligence services pertaining to potential business acquisitions/dispositions and other major transactions and events, including review of financial statements and financial data and records, and discussions with finance and accounting personnel of the other party, but excluding	Up to \$50,000

prohibited services.	
2. Financial statement audits of pension and other employee benefit plans.	Up to \$50,000
3. Internal control reviews, and assistance with internal control reporting requirements and review of IT and general controls related to specific applications, including overall general computer controls, other than those that are a part of the financial statement audit.	Up to \$50,000

TAX SERVICES

Services	Pre-Approval Fee Levels
1. U.S. federal, state and local compliance services, including (a) tax payment planning and advice (excluding strategic tax planning and structuring), (b) assistance with tax elections, (c) consultation regarding applicable handling of items or tax returns, required disclosures, elections, and filing positions available to the Company, and (d) advice regarding tax codes including interpretations, procedures and private letter rulings thereof, or their equivalent, in applicable jurisdictions in the following areas: income tax; value-added tax; sales and use tax; and excise taxes.	Up to \$50,000
2. Preparation and/or review of federal, state and local income, franchise, and other tax returns.	Up to \$50,000
3. Assistance with tax audits and appeals before the federal, state and local taxing and customs authorities (but not appeals with a tax court or its equivalent).	Up to \$50,000
4. Specialist tax services for acquisition and disposition due diligence activities.	Up to \$50,000
5. Advice on various tax matters and requests from the Company's tax department regarding technical interpretations.	Up to \$50,000

OTHER SERVICES

Service	Pre-Approval Fee Levels
1. Conferences, research tools, and/or seminars for management or other key employees related to current business, tax, accounting and other matters.	Up to \$10,000.

Attachment 2

Financial Expert Attributes

- A. An understanding of Generally Accepted Accounting Principles and financial statements;
- B. The ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;
- C. Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;
- D. An understanding of internal controls and procedures for financial reporting; and
- E. An understanding of audit committee functions.