

ALTABA INC.

**AUDIT COMMITTEE CHARTER**

CHARTER OF THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS

as of June 16, 2017

**I. PURPOSE OF THE COMMITTEE**

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Altaba Inc. (the “Company”) shall be to oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company. In this regard, the Committee assists the Board in oversight of (i) the integrity of the Company’s financial statements, (ii) the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company, (iii) the Company’s compliance with legal and regulatory requirements, (iv) the independent auditors’ qualifications and independence, (v) the performance of the Company’s independent auditors and internal controls and risk management function and (vi) certain financial activities.

While the Committee has the duties and responsibilities set forth in this charter, the Committee’s responsibilities are limited to oversight. The Committee is not responsible for planning or conducting the audit or determining whether the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles. The Company’s management is responsible for preparing the financial statements and the independent auditors are responsible for auditing those financial statements. The Committee does not itself prepare financial statements or perform audits or auditing services, and its members are not auditors, certifiers of the Company’s financial statements or guarantors of the Company’s independent auditors’ reports. It is not the duty or responsibility of the Committee to ensure that the Company complies with all laws and regulations. Management is also responsible for executing the Company’s risk management, treasury and financial operations. Each member of the Committee shall be entitled to rely on (a) the integrity of those persons and organizations within and outside of the Company from which it receives information, (b) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board) and (c) representations made by management as to any audit and non-audit services provided by the independent auditors to the Company.

The independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report for inclusion in the Company’s Annual Report filed with the Securities and Exchange Commission (“SEC”) on Form N-CSR is referred to herein as the “independent auditors.” The independent auditors for the Company are accountable to the Board and the Committee, as representatives for the stockholders. Subject to ratification by a majority of the Company’s Independent Directors (as defined herein), the Committee has the

authority and responsibility to retain and terminate the Company's independent auditors in connection with the provision of all audit and non-audit related services and the independent auditors and any other accounting firm performing audit, view or attest services shall report directly to the Committee.

This Charter is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Certificate of Incorporation and Bylaws, it is not intended to establish by its own force any legally binding obligations.

## **II. COMPOSITION OF THE COMMITTEE**

Except as otherwise permitted under the Applicable Listing Rules (as defined below), the Committee shall comprise a least three members of the Board each of whom has been affirmatively determined in the business judgment of the Board to qualify as an independent director ("Independent Director") under (a) the rules and regulations of the Investment Company Act of 1940, the rules of The NASDAQ Stock Market LLC ("Nasdaq") and the SEC, including, as applicable, the standards set forth under Rule 10A-3 ("Rule 10A-3") of the Securities Exchange Act of 1934 (the "Exchange Act") (the rules and regulations of the Investment Company Act of 1940, of Nasdaq and Rule 10A-3, taken together, "Applicable Listing Rules") and (b) the Company's Corporate Governance Guidelines. The members of the Committee will be appointed by and serve at the pleasure of the Board.

Each member of the Committee shall meet the financial literacy requirements of Nasdaq. In addition, at least one member of the Committee should be an "audit committee financial expert," as such term is defined in the rules and regulations promulgated by the SEC. The name of the person(s) designated as "audit committee financial expert" (or, if no member of the Committee is an "audit committee financial expert", the reasons why the Committee does not have a member who is an "audit committee financial expert"), and whether such "audit committee financial expert(s)" are independent of management shall be disclosed in the Company's public filings as required under Applicable Listing Rules and applicable law. Additionally, no member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company in the past three years. The designation "audit committee financial expert" shall not assign a greater responsibility or liability to any member of the Committee who has such designation.

No director may serve as a member of the Committee if such director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee.

Vacancies on the Committee shall be filled in accordance with Board procedures. No member of the Committee shall be removed except by majority vote of the Board.

### **III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee may fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Committee shall meet at least once each quarter or more frequently as circumstances or such rules of procedure as it may adopt require. The Committee will meet with the independent auditors and the personnel of the Company's internal controls and risk management function upon the completion of the annual audit to review the independent auditors' examination and any management letter issued by the independent auditors to the Company.

The Committee shall meet periodically in separate executive sessions with management, the independent auditors and personnel of the Company's internal controls and risk management function to discuss any matters that the Committee or any of these persons or firms believes should be discussed privately, and shall have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate.

The Board may designate one member of the Committee to Chair the Committee and in the absence of any such designation by the Board, the Committee shall designate by majority vote of the full Committee one member of the Committee as its Chair. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum. The Committee may take action by unanimous written consent in accordance with the Bylaws of the Company and this Charter.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

The Committee shall provide reports to the Board and keep written minutes of its meetings in the manner set forth in Section 24 of Article IV below.

### **IV. COMMITTEE RESPONSIBILITIES**

The following duties and responsibilities of the Committee are set forth as a guide to the Committee with the understanding that the Committee may alter or supplement them as appropriate under the circumstances to the extent consistent with the overall purpose of the Committee and the requirements of applicable laws and the Applicable Listing Rules.

#### Oversee the Independent Audit

1. Appoint, retain, compensate, evaluate (taking into account the opinions of management), terminate and oversee the work of the Company's independent auditors, provided that the selection of independent auditors is ratified by a majority of the Company's Independent Directors.

2. Review and, in its sole discretion, approve the Company's independent auditors' annual engagement letter, including all proposed fees contained therein, and pre-approve all audit and permitted non-audit engagements and relationships between the Company and such independent auditors (which approval should be made after receiving input from the Company's management) as set forth in Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC.
3. Obtain at least annually from the Company's independent auditors and review a written report describing:
  - (a) the independent auditors' internal quality-control procedures; and
  - (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by any governmental or professional authority (including the Public Company Accounting Oversight Board ("PCAOB")), within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues.
4. Oversee the independence and performance of the Company's independent auditors by, among other things:
  - (a) reviewing a formal written statement from the independent auditor delineating all relationships between the independent auditor and the Company, consistent with the applicable requirements of the PCAOB;
  - (b) actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors, and taking appropriate action to satisfy itself of the auditors' independence;
  - (c) considering whether, in addition to assuring the regular rotation of the lead audit partner as required by law, there should be a rotation of the Company's independent auditors; and
  - (d) approving hiring policies by the Company for hiring employees or former employees of the Company's independent auditors.

5. Obtain and review the annual audit plan of the Company's independent auditors, including the scope of audit activities, and monitor such plan's progress and results during the year.
6. Review the results of the year-end audit of the Company, including any comments or recommendations of the Company's independent auditors.
7. Resolve any and all disagreements between the Company's independent auditors and management regarding financial reporting.

#### Oversee Internal Controls and Risk Management

8. Review and discuss with management and the independent auditors, periodically, the following:
  - (a) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial information;
  - (b) any significant deficiencies and material weaknesses with respect to the Company's risk response programs, including the Company's cybersecurity program;
  - (c) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls and risk management function; and
  - (d) any changes in internal controls and risk management or in other factors that could materially affect internal controls and risk management, including any corrective actions with regard to significant deficiencies and material weaknesses.
9. Review:
  - (a) the adequacy and effectiveness of the Company's accounting and internal controls policies and procedures on a regular basis through inquiry and discussions with the Company's independent auditors, personnel of the Company's internal controls and risk management function and management of the Company; and
  - (b) the yearly reports prepared by management and the Company's independent auditors, assessing the effectiveness of the Company's internal controls, prior to their inclusion in the Company's annual report.

10. Review with management the Company's administrative, operational and accounting internal controls, including any special audit steps adopted in light of the discovery of any material weaknesses, and evaluate whether the Company is operating in accordance with its prescribed policies, procedures and codes of conduct.
11. Periodically review management's financial risk assessment and financial risk management policies, and the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
12. Review the responsibilities, budget, projects and staffing of the Company's internal controls and risk management function.
13. 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. Periodically review any complaints or concerns submitted pursuant to such procedures.
14. Monitor risks to the Company and oversee risk management activities as they relate to the Committee's areas of responsibility.

#### Oversee Financial Reporting

15. Review with management, the Company's independent auditor and the personnel of the Company's internal controls and risk management function, the following:
  - (a) the Company's annual audited financial statements, semi-annual financial statements and other financial information filed with the SEC on Form N-Q or Form N-PORT, including the Company's disclosures relating to performance, and any major issues related thereto;
  - (b) critical accounting policies and such other accounting policies of the Company as are deemed appropriate for review by the Committee prior to the filing of any annual or semi-annual financial statements with the SEC or other regulatory body, including any financial reporting issues which could have a material impact on the Company's financial statements;
  - (c) major issues regarding accounting principles and financial statements presentations, including (A) any significant changes in the Company's selection or application of accounting principles

and (B) any analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the ramifications and effects of applying alternative accounting treatments within generally accepted accounting principles in the preparation of the Company's financial statements, and the treatment preferred by the auditors;

- (d) all other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences; and
- (e) the effect of regulatory and accounting initiatives on the financial statements of the Company, as well as any material financial or non-financial arrangements that are not disclosed in the financial statements of the Company.

16. Review on a regular basis with the Company's independent auditors any problems or difficulties encountered by the independent auditors in the course of any audit work, including management's response with respect thereto, any restrictions on the scope of the independent auditors' activities or on access to requested information and any significant disagreements with management. In connection therewith, the Committee shall review with the independent auditors the following:

- (a) any accounting adjustments that were noted or proposed by the independent auditors but were rejected by management (as immaterial or otherwise);
- (b) any significant communications between the audit team and the independent auditors' national office respecting auditing or accounting issues presented by the engagement; and
- (c) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company.

17. Receive periodic reports from the Company's independent auditors and management of the Company to assess the impact on the Company of significant accounting or financial reporting developments that may have a bearing on the Company.

18. Review and discuss with the Company's independent auditors any other matters required to be communicated to the Committee by the independent auditors pursuant to applicable rules of the PCAOB.
19. Review the Company's press releases with respect to performance of the Company, as well as financial information and guidance provided by the Company to analysts and rating agencies (which review may be done generally (i.e., discussion of the types of information to be disclosed and type of presentations to be made), it being understood that the Committee need not discuss in advance each such release or each instance in which the Company may provide guidance).
20. Recommend to the Board whether to include the audited annual financial statements in the Company's Annual Report on Form N-CSR to be filed with the SEC.

#### Oversee Certain Financial Activities

21. Review and discuss with management and, when appropriate, make recommendations to the Board regarding the following:
  - (a) the Company's cash management, including working capital and cash flow management;
  - (b) the Company's tax program, including tax planning and compliance;
  - (c) the Company's insurance risk management policies and programs; and
  - (d) the Company's relationships with analysts, investment banks and stockholders when determined appropriate.

#### Oversee Legal & Ethical Compliance

22. Meet periodically with the General Counsel, and outside counsel when appropriate, to review legal and regulatory matters, including any matters that may have a material impact on the financial statements of the Company.
23. Review the Company's program to monitor compliance with the Company's Code of Ethics and meet periodically with the Company's CCO to discuss compliance with such Code.

## Minutes and Reports

24. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company. The Committee shall regularly report to the Board on Committee findings, recommendations and other matters the Committee deems appropriate or the Board requests. In connection therewith, the Committee should 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 Company's independent auditors, or the performance of the internal controls and risk management function.
25. The Committee will prepare the report required by the rules of the SEC to be included in the Company's annual proxy statement.

### **V. EVALUATION OF THE COMMITTEE**

The Committee shall, on an annual basis, evaluate its performance under this Charter and evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. As part of its evaluation, the Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The results of the evaluation shall be reported to the Board, orally or in writing, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

### **VI. DELEGATION OF AUTHORITY**

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

### **VII. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISERS; EXPENSES**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent expert advice to the extent the Committee determines it to be appropriate, including retaining, with or without Board approval, and terminating independent counsel, accountants, consultants or others, to assist the Committee in fulfilling its duties and

responsibilities. The Committee may rely on the integrity and advice of any such counsel or other advisers. The Company shall also provide appropriate funding, as determined by the Committee, for the ordinary administrative expenses of the Committee that are necessary and appropriate in carrying out its duties.

Adopted: June 16, 2017

## ALTABA INC.

### **EXHIBIT A: AUDIT COMMITTEE'S PRE-APPROVAL POLICIES AND PROCEDURES FOR NON-AUDIT SERVICES**

#### Statement of Principles

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of Altaba Inc. (the "Fund") is required to pre-approve all audit and permitted non-audit engagements and relationships between the Fund and its independent auditors to provide any non-prohibited services to the Fund, including the fees and other compensation to be paid to the independent auditors (unless an exception is available under Rule 2-01 of Regulation S-X). These Audit Committee Pre-Approval Policies and Procedures for Non-Audit Services (the "Policies") are intended to ensure that the provision of such services does not impair the auditors' independence. Unless a type of service to be provided by the independent auditor is pre-approved in accordance with the terms of these Policies, it will require specific pre-approval by the Audit Committee or by any member of the Audit Committee to which pre-approval authority has been delegated.

These Policies describe the Audit, Audit-Related, Tax and All Other services that have been pre-approved. The term of any such pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period. The Audit Committee may, from time to time, modify the nature of the services pre-approved, the aggregate level of fees pre-approved or both. The Audit Committee hereby directs that these Policies, a list of the pre-approved services, and all pre-approval documents be maintained with the books and records of the Fund.

#### Audit Services

The terms and fees of the annual Audit services engagement for the Fund are subject to the specific pre-approval of the Audit Committee. In addition to the annual Audit services engagement specifically approved by the Audit Committee, examples of such services are annual financial statement audits and SEC and regulatory filings and consents. The Audit Committee will approve, if necessary, any changes in terms, conditions or fees resulting from changes in audit scope, Fund structure or other matters. Other Audit services for the Fund must be specifically pre-approved by the Audit Committee.

#### Audit-Related Services

Audit-Related services are assurance and related services that are not required for the audit, but are reasonably related to the performance of the audit or review of the financial statements of the Fund or that are traditionally performed by the independent auditor. Examples of such services are accounting consultations, other accounting related matters, agreed upon procedures reports and attestation reports, and other internal control reports. Other Audit-Related services must be specifically pre-approved by the Audit Committee.

## Tax Services

The Audit Committee believes that the independent auditor can provide Tax services such as tax compliance, tax planning and tax advice without impairing the auditor's independence. Other Tax services include tax compliance services related to Federal, state and local income tax compliance, RIC qualification reviews, tax distribution analysis and planning, tax authority examination services, tax appeals support services, accounting methods studies and tax compliance, planning and advice services and related projects. However, the Audit Committee will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. Other Tax services must be specifically pre-approved by the Audit Committee.

## All Other Services

All Other services must be specifically pre-approved by the Audit Committee.

## General Pre-Approval Limits

Additionally, the Audit Committee has pre-approved those services, which fall into one of the categories of services listed above and for which the estimated fees are less than \$25,000. For services with estimated fees of \$25,000 or more, but less than \$50,000, the Chair of the Audit Committee is hereby authorized to pre-approve such services on behalf of the Audit Committee. Services with estimated fees of \$50,000 or more require pre-approval by the Audit Committee.

## Procedures

Requests or applications to provide the services listed above that require approval by the Audit Committee must be submitted to the Audit Committee by both the independent auditor and the chief financial officer of the Fund, and must include a joint statement as to whether, in their view, (a) the request or application is consistent with the SEC's rules on auditor independence and (b) the requested service is or is not a non-audit service prohibited by the SEC.

The independent auditor or the chief financial officer of the Fund shall report to the Audit Committee at each of its regular meetings all Audit, Audit-Related, Tax and Other Services initiated since the last such report. The report shall include a general description of the services and projected fees, and the means by which such services were approved by the Audit Committee (including the particular category listed above under which pre-approval was obtained).

Adopted: June 16, 2017

ALTABA INC.

**EXHIBIT B: COMPLAINT PROCEDURES FOR  
ACCOUNTING AND AUDITING MATTERS**

Reporting Persons of the Fund are encouraged to submit good faith complaints regarding accounting or auditing matters without fear of dismissal or retaliation of any kind.

To facilitate the reporting of these complaints, the Fund's Audit Committee has established the following guidelines and procedures for the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls or auditing matters (collectively, "**Accounting Matters**"), including the confidential, anonymous submission by Reporting Persons of concerns regarding questionable accounting or auditing matters.

1. Reporting Persons. "Reporting Persons" means officers of the Fund and relevant employees of the Fund and any other provider of accounting-related services (each, an "**Accounting Service Provider**").
2. Receipt of Complaints. Persons with complaints or concerns regarding Accounting Matters may submit their complaints to the Fund's chief financial officer (the "**Complaint Supervisor**"). Persons who are uncomfortable submitting complaints to the Complaint Supervisor, including complaints involving the Complaint Supervisor, may submit complaints directly to the Fund's Audit Committee Chair (together with the Complaint Supervisor, "**Complaint Officers**"). Complaints may be submitted anonymously via the Fund's compliance hotline, either by web at [www.altaba.ethicspoint.com](http://www.altaba.ethicspoint.com), or by telephone at 844-359-7734.

Complaints should be marked "Confidential – For Addressee's Eyes Only" or a similar designation because of the sensitivity of such matters.

3. Scope of Matters Covered by These Procedures. Questionable Accounting Matters include, without limitation:
  - (a) fraud, misrepresentation or deliberate error in the recording and maintaining of the Fund's financial records or in the preparation, assessment, review or audit of any Fund financial statement;
  - (b) deficiencies in, noncompliance with, or false certification in respect of the internal control over financial reporting for the Fund or the disclosure controls and procedures for the Fund relating to Accounting Matters;
  - (c) misrepresentation or false statement to, or by, a Reporting Person who is a senior officer or accountant, or to an employee of the

Fund's independent auditor regarding a matter contained in the Fund's financial records, financial statements or audit reports; and

- (d) attempts to influence inappropriately the Fund's independent auditors.

4. Treatment, Investigation and Documentation of Complaints. Upon receipt of a complaint, a Complaint Officer will, when possible, acknowledge receipt of the complaint to the person submitting the complaint. If the Complaint Officer determines that the complaint relates to Accounting Matters and deems it appropriate, the Complaint Officer shall cause an investigation into the complaint, retaining outside auditors, counsel or other experts if he or she deems appropriate. The Complaint Officer will seek to maintain confidentiality to the extent possible, consistent with the completion of a thorough review, and will endeavor to take prompt corrective action when, in his or her judgment, he or she considers such action appropriate. The Complaint Officer shall document receipt of a complaint, any investigation (or, if none, the reasons therefor) and the nature of any corrective actions taken.
5. No Retaliation. Neither the Fund's Board nor its Audit Committee will retaliate or tolerate any evidence of retaliation by Fund management or any other person or group, directly or indirectly, against persons who lawfully provide information in good faith in accordance with these procedures or applicable laws or rules or as otherwise specified by or pursuant to Section 806 of the Sarbanes-Oxley Act of 2002. Each Complaint Officer, acting severally, is authorized to address any acts of retaliation, retribution or adverse action, including (x) if such acts are by an Accounting Service Provider or its Reporting Persons, recommending that the Board evaluate the relationship with the Accounting Service Provider and take any necessary action, (y) recommending to the employer of the person engaging in such conduct that disciplinary action be taken against such person or (z) recommending any other action as a Complaint Officer considers appropriate.
6. Provision of Notice to Accounting Service Providers and Officers of the Fund. The Complaint Officers shall provide a copy of these procedures to each Accounting Service Provider and shall direct Accounting Service Providers to provide a copy of such procedures to Reporting Persons.
7. Reporting and Retention of Complaints and Investigations. A periodic summary of Complaint Officers' documentation referred to above shall be prepared for the Audit Committee, provided that any material matters shall be reported promptly to the Audit Committee and then to the Fund's independent auditors if appropriate. The Audit Committee may take such further action as it may deem appropriate.

The Fund shall maintain and preserve for a period of not less than six years from the end of the fiscal year during which any entry was made (the first two years in an easily accessible place), copies of any written complaints and any report or documentation made by a Complaint Officer or the Audit Committee pursuant to these procedures.

Adopted: June 16, 2017