

**MEETINGHOUSE BANCORP, INC.**  
**AUDIT COMMITTEE CHARTER**

As adopted on March 1, 2012

**I. Purpose**

The primary function of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Meetinghouse Bancorp, Inc. (the “Company”) is to assist the Board in its oversight of the quality and integrity of the Company’s financial statements, the Company’s compliance with legal and regulatory requirements, the independent registered public accounting firm’s qualifications and independence, and the performance of the Company’s internal audit function and its independent registered public accounting firm. In addition, the Committee shall prepare the report required by the Securities and Exchange Commission rules to be included in the Company’s annual meeting proxy statement.

**II. Organization**

The Committee shall be comprised of three or more directors, each of whom shall satisfy the definition of independent director as defined in any qualitative listing requirements for Nasdaq Stock Market, Inc. issuers and any applicable Securities and Exchange Commission rules and regulations. All members of the Committee should be financially literate at the time of appointment, meaning they should have the ability to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. In addition, at least one member of the Committee shall have past employment in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including having been a chief executive officer, chief financial officer or other senior officer with oversight responsibilities. Committee members shall be elected by the Board on an annual basis. Members shall serve until their successors are appointed. The Committee’s chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee.

**III. Structure and Meetings**

The Committee shall meet four times per year, or more frequently as circumstances may require. A quorum of the Committee shall be declared when a majority of the appointed members of the Committee are in attendance. The Committee chairperson shall preside at the meeting and, in consultation with other members of the Committee, will set the frequency and length of each meeting and the agenda of the items to be addressed at each meeting. The Committee chairperson shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Committee shall keep written minutes of all meetings.

#### **IV. Goals and Responsibilities**

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible to best react to changing conditions and to ensure to the directors and shareholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality. To fulfill its responsibilities and duties, the Committee shall:

1. Facilitate an open avenue of communication between management, the independent registered public accounting firm and the Board.
2. Meet with the independent registered public accounting firm, internal audit and management at least quarterly to review the Company's financial statements. In meetings attended by the independent registered public accounting firm or by regulatory examiners, a portion of the meeting will be reserved for the Committee to meet in closed session with these parties.
3. Review all significant risks or exposures to the Company found during audits performed by the independent registered public accounting firm and ensure that these items are discussed with management. From these discussions, assess and report to the Board regarding how the findings should be addressed.
4. Review recommendations from the independent registered public accounting firm regarding internal controls and other matters relating to the accounting policies and procedures of the Company.
5. Following each meeting of the Committee, the chairperson of the committee will submit a record of the meeting to the Board, including any recommendations that the Committee may deem appropriate.
6. Ensure that the independent registered public accounting firm discusses with the Committee their judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in the financial reports. The discussion should include such issues as the clarity of the Company's financial disclosures and degree of aggressiveness or conservatism of the Company's accounting principles and underlying estimates and other significant decisions made by management in preparing the financial disclosures.
7. Review with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 114 (The Auditor's Communications With Those Charged with Governance) relating to the conduct of the audit, any difficulties encountered in the course of the audit, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

8. Review the Company's annual audited financial statements and the independent registered public accounting firm's opinion regarding such financial statements, including a review of the nature and extent of any significant changes in accounting principles.
9. Review and discuss with management and the independent registered public accounting firm the certifications of the Company's principal executive officer and principal financial officer about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls, as required by Sarbanes-Oxley Act of 2002, and relevant reports rendered by the independent registered public accounting firm.
10. Review with management, the independent registered public accounting firm and legal counsel, legal and regulatory matters that may have a material impact on the financial statements.
11. Review with management and the independent registered public accounting firm all interim financial reports filed pursuant to the Securities Exchange Act of 1934.
12. Generally discuss earnings press releases and financial information, as well as earnings guidance provided to analysts and rating agencies.
13. Select the independent registered public accounting firm, considering independence and effectiveness, and be ultimately responsible for their compensation, retention and oversight (including resolution of disagreements between management and the registered public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work, and each such registered public accounting firm shall report directly to the Committee. The Committee should confirm the independence of the independent registered public accounting firm by requiring them to disclose in writing all relationships that, in the registered public accounting firm's professional judgment, may reasonably be thought to bear on the ability to perform the audit independently and objectively. The Committee shall also review with the independent registered public accounting firm the matters required to be discussed by PCAOB Rule 3526 (Communications With Audit Committees Concerning Independence).
14. Review the performance of and scope of work performed by the independent registered public accounting firm.
15. Review and advise on the appointment of the internal auditor. The internal auditor will report directly to the committee. Approve the internal audit policies and procedures, and audit plan annually. The committee shall also review significant reports prepared by internal audit, together with management's

responses. The committee shall review the performance of the internal auditor annually.

16. Have in place procedures for (1) receiving, retaining and treating complaints regarding accounting, internal accounting controls, or auditing matters, and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
17. Approve, in advance, all permissible non-audit services to be completed by the independent registered public accounting firm. Such approval process will ensure that the independent registered public accounting firm does not provide any non-audit services to the Company that are prohibited by law or regulation.
18. Set clear hiring policies for hiring employees or former employees of the independent registered public accounting firm.
19. The Audit Committee shall review periodically, but no less frequently than quarterly, a summary of the Company's transactions with directors and executive officers of the Company and with firms that employ directors, as well as any other related person transactions, for the purpose of recommending to the disinterested members of the Board of Directors that the transactions are fair, reasonable and within Company policy and should be ratified and approved. "Related person" and "transaction" shall have the meanings given to such terms in Securities and Exchange Commission Regulation S-K, Item 404, as amended from time to time.

## **V. Performance Evaluation and Disclosure Obligations**

In addition to the responsibilities presented above, the Committee will examine this Charter on an annual basis to assure that it remains adequate to address the responsibilities of the Committee. Further, the Committee will post this Charter on the Company's website, or provide in each annual meeting proxy statement to its shareholders a copy of the Charter once every three years.

## **VI. Audit Committee Resources**

The Committee shall be authorized to retain independent counsel and other advisors as it deems necessary to carry out its duties. In connection therewith, the Committee shall be provided appropriate funding, as determined by the Committee, for payment to such counsel and other advisors. In addition, the Committee shall be provided funding for ordinary administrative expenses of the Committee.