

STI EDUCATION SYSTEMS HOLDINGS, INC. AUDIT COMMITTEE CHARTER

This Audit Committee Charter ("this Charter") sets out the purpose, membership and qualifications, structure and operations, duties and responsibilities of the Audit Committee (the "Committee") of STI Education Systems Holdings, Inc. (the "Company"), and the procedures which guide the conduct of its functions.

Section 1. Purpose

Pursuant to the Company's By-Laws and Manual on Corporate Governance (the "Manual"), the Board of Directors of the Company (the "Board") constituted the Committee to assist the Board in fulfilling its oversight responsibility of the Company's corporate governance processes relating to the:

- Company's financial statements and financial reporting process;
- Company's internal control systems;
- Company's internal and external auditors;
- Compliance by the Company with accounting standards, legal and regulatory requirements, including the Company's disclosure policies and procedures;
- Risk management policies and processes; and
- Business practices and ethical standards.

Section 2. Membership

- 2.1 Composition. The Committee shall be composed of at least three (3) appropriately qualified non-executive directors, a majority of whom should be Independent Directors. The Chairman of the Committee should be an independent director and should not be the Chairman of the Board or any other committee.
- 2.2 Qualifications. Each member of the Committee shall have the qualifications and none of the disqualifications of a Director, as set out in the Manual. All the members of the Committee should have relevant background, knowledge, skills and/or experience in accounting, audit and finance. Each member shall have adequate understanding at least, or competence, as well as the Company's business and the industry in which it operates.
- 2.3 Appointment. The Chairman and the members of the Committee are appointed by a majority vote of the members of the Board constituting a quorum either during the Organizational Board Meeting of the Company or, if there is a vacancy, during any meeting of the Board constituting a quorum.

