

# COLLECTORS UNIVERSE, INC.

## AMENDED & RESTATED AUDIT COMMITTEE CHARTER

(August 6, 2020)

### I. ROLE OF THE AUDIT COMMITTEE

#### A. The Audit Committee's Role.

The role of the Audit Committee (the "Committee") of the Board of Directors of Collectors Universe, Inc., a Delaware corporation (the "Company") is to assist the Board of Directors (the "Board") in fulfilling its oversight responsibility with respect to the Company's:

- financial and accounting systems, including its system of controls over financial reporting;
- financial reporting, and accounting practices and policies;
- internal and external audit functions; and
- information technology security risks and controls.

#### B. Certain Guiding Principles.

In performing this role, the Committee shall be guided by the following principles:

- The Company's independent public accountants (the "Outside Auditors") are ultimately accountable to the Audit Committee and Board of Directors and not to management of the Company.
- Free and open communications should be encouraged and promoted among the Committee members, the Outside Auditors and the Company's executive and financial management.
- To best carry out its responsibilities, the Committee's policies and procedures should remain flexible in order to address changes in regulatory and listing requirements and in other conditions bearing on or affecting the role and responsibilities of audit committees.

### II. COMMITTEE COMPOSITION AND MEMBER INDEPENDENCE

#### A. Committee Membership.

1. *Committee Composition.* The Committee shall be comprised solely of members of the Board of Directors who are independent directors (as defined in Section B below).
2. *Number of Members.* The Committee shall be comprised of three (3) or more independent directors, who shall be appointed by the Board.
3. *Committee Chair.* The Board shall appoint one member of the Committee to serve as Committee Chair. The Committee Chair will set the agenda for and conduct the proceedings of each Committee meeting. If the Chair is unable to attend any Committee meeting, the members of the Committee attending the meeting shall select the chairperson for the meeting.
4. *Power to Remove Members and Filling of Vacancies.* The Board, in its sole discretion, by vote of a majority of its independent directors, may at any time remove any member of the Audit Committee or make other changes in the composition of the Committee, subject to the requirements set forth elsewhere in this Section A. If a vacancy occurs on the Committee for any reason, the Board shall have the sole power and authority to appoint another independent director to fill such vacancy.

## **B. Committee Member Independence and Qualifications.**

### *1. Independence and Qualifications of Committee Members.*

All members of the Audit Committee shall:

- be independent directors within the meaning of the rules of the National Association of Securities Dealers, Inc. that are applicable to companies with equity securities listed on the NASDAQ National Stock Market (the “NASDAQ Listed Company Rules”);
- satisfy the enhanced independence requirements for audit committee members under Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (the “Securities Exchange Act”);
- have sufficient financial experience and the ability to discharge their responsibilities, as outlined in this Charter and as required by applicable law and applicable NASDAQ Listed Company Rules, including the ability to read and understand fundamental financial statements, comprised of at least a balance sheet and related statements of income, cash flows and stockholders’ equity;
- possess an understanding of the Company’s business and the products and services it offers to its customers, as well as knowledge of the material risks to which its business is subject; and
- possess an appreciation and recognition of the Audit Committee’s role in corporate governance, including the integrity, dedication of time and energy, and the exercise of independent judgment, that are required of members of the Committee.

2. *“Financial Expert.”* At least one member of the Committee shall qualify as a “*financial expert*” as defined in the applicable rules of the Securities and Exchange Commission (the “SEC”).

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

The Committee shall meet at least once each quarter or more frequently as determined by the Committee and will hold separate sessions with the Company’s senior management and financial officers, the Company’s internal auditor (if any) and the Company’s Outside Auditors. The Committee will maintain written minutes of its meetings. At each regularly scheduled Board meeting, the Committee Chair or another member of the Committee shall report on the Committee proceedings and the actions taken at the meeting or meetings of the Committee that took place subsequent to the previous Board meeting at which such a report was given. The Committee may, if it deems it appropriate, meet by video conference or by telephone conference call and may take action by unanimous written consent. On all procedural matters relating to the holding of meetings and the functioning of the Committee that are not specifically addressed in this Charter, the provisions of the Bylaws of the Company relating to the functioning of the Board shall apply to the Committee, unless otherwise determined by majority vote of the Committee members.

## **IV. OUTSIDE ADVISORS AND INVESTIGATORY POWERS OF THE COMMITTEE**

### **A. Retention of Outside Advisors.**

1. *Retention of and Reliance on Outside Advisors.* The Committee shall have authority to retain such accounting, legal, information security and other advisors and consultants as the Committee, in its sole discretion, may deem necessary or appropriate in connection with the performance of its responsibilities. The Committee shall be entitled to rely on the advice provided by those advisors and consultants, without independent verification, provided that such reliance was reasonable under the circumstances prevailing at the time such advice was rendered.
2. *Advisors’ Compensation.* The Audit Committee shall have sole authority to determine and approve the compensation that shall be paid to and the other terms of retention of such advisors or consultants. The Company shall be responsible for paying, and shall pay, such compensation.

## **B. Investigatory Powers.**

The Audit Committee shall have the authority to conduct any investigation as it deems appropriate to the fulfillment by it of its responsibilities. Additionally, the Committee shall have direct access to the Company's Outside Auditors and outside counsel, as well as any officers or employees of the Company, as the Committee deems to be appropriate or desirable. The Committee also has the authority to retain, at the Company's expense, special legal, accounting, information security or other consultants as it deems, in its discretion, to be necessary or appropriate in connection with the exercise of its investigatory powers and authority.

## **V. AUDIT COMMITTEE AUTHORITY AND RESPONSIBILITIES**

### **A. Matters Pertaining to the Company's Outside Auditors.**

The Committee shall have the powers and authority, and certain specific responsibilities, relating to the Company's Outside Auditors as set forth below. Unless otherwise stated, any such powers or authority conferred by this Charter on the Audit Committee shall be exercised solely by the Audit Committee.

1. *Selection and Dismissal of Outside Auditors.* The Committee shall select and appoint the Company's Outside Auditors and shall determine whether to seek the non-binding ratification of that selection by the Company's stockholders. The Committee shall have the power and authority, if it deems appropriate in its sole discretion, to dismiss and replace the Company's Outside Auditors at any time for any reason or no reason.
2. *Compensation of the Outside Auditors.* The Committee shall have the sole authority to approve the compensation to be paid and the other terms of engagement of the Outside Auditors and the Company shall have the responsibility to pay, and shall pay, such compensation to the Outside Auditors.
3. *Pre-Approval of Engagements.* The Committee shall have the authority and the responsibility to pre-approve all audit and non-audit engagements by the Company of the Outside Auditors, which authority and responsibility may be delegated by the Committee to one or more of its members, *provided* that the pre-approval of any such engagement by any such member or members under such delegated authority, and the information on which such pre-approval was based, will be presented to the Audit Committee at its next meeting for the Committee's consideration and ratification.
4. *Evaluation and Determination of Independence.* The Committee shall have the authority, and the responsibility, to evaluate and make all determinations with respect to the independence of the Outside Auditors and in connection therewith:
  - to conduct a review of non-audit-related services provided by and the fees charged therefor by the Outside Auditors;
  - to obtain from the Outside Auditors a formal written statement delineating any and all relationships that may exist between the Outside Auditors and the Company, consistent with Rule 3526 of the Public Company Accounting Oversight Board ("PCAOB") -- *Communications with Audit Committees Concerning Independence*;
  - to engage in an active dialogue with the Outside Auditors regarding matters that might reasonably be expected to affect their objectivity or independence; and
  - to take, or recommend that the full Board of Directors take, such additional action as the Committee deems appropriate to oversee the independence of the Outside Auditors.
5. *Review of Certain Matters Involving the Outside Auditors.* The Committee shall have the authority to obtain and review, as it deems appropriate, a report by the Outside Auditors describing (a) their internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control,

PCAOB or peer review of the Outside Auditors, and (c) any issues raised by any inquiry or investigation by the PCAOB or any other governmental or professional authorities conducted within the preceding five years respecting one or more independent audits carried out by the Outside Auditors and any actions taken by them to deal with any such issues. The Outside Auditors shall be expected to cooperate fully with the Committee with respect to these matters.

6. *Hiring Policies.* The Committee shall have the authority to set clear and unambiguous Company policies, in compliance with applicable SEC and NASDAQ requirements, with respect to the hiring and employment by the Company of any employees or former employees of the Outside Auditors.

## **B. Matters Pertaining to the Company's Financial Statements.**

The Committee shall:

1. *Annual Audit Plan.* Meet with the Company's Outside Auditors and financial management to review the annual audit plan and discuss such matters as the scope of and general approach to be taken with respect to the audit, the staffing requirements for the audit, and the extent to which the Outside Auditors will be relying on management in connection with the annual audit.
2. *Accounting Principles.* Review and discuss the following matters with the Company's executive and financial management and Outside Auditors:
  - Critical accounting principles to be followed in connection with the audit;
  - Any changes, from the prior fiscal year audit, in the accounting principles to be followed in the preparation of the current fiscal year audit;
  - Alternative accounting principles that could be employed in the audit under generally accepted accounting principles (or "GAAP");
  - The effect of any regulatory or accounting initiatives, and any off-balance sheet structures, that may apply to or impact the Company's financial statements;
  - Other material written communications between the Outside Auditors and Company's executive or financial management, including any management letters or schedules of unadjusted differences; and
  - Any significant financial reporting issues that may have arisen in connection with the preparation of the annual audit or quarterly reviews conducted by the Outside Auditors.
3. *Disagreements between Management and the Outside Auditors.* Review with the Outside Auditors any disagreements they may have with management, or any problems or difficulties they have encountered, in connection with their financial statement audits or reviews.
4. *Legal and Compliance Matters Affecting Financial Statements.* Review with the Company's outside counsel and Outside Auditors (a) legal matters that may have a material impact on the financial statements or the Company's accounting or compliance policies, and (b) any reports or inquiries received from regulatory or other governmental agencies or from Company employees that raise material issues regarding the Company's financial statements or the Company's accounting or compliance policies.
5. *Certain Other Communications with the Outside Auditors and Management.* Discuss any items required to be communicated by the Outside Auditors to the Committee in accordance with applicable accounting guidance, including the Outside Auditors' judgments about the quality and appropriateness of the Company's accounting principles, the reasonableness of significant judgments of financial management, the clarity of the disclosures in the Company's financial statements and any significant difficulties or issues encountered during the course of the annual audit or any quarterly reviews, including any restrictions on the scope of work or access to required information.

6. *Annual and Quarterly Reports to be Filed with the SEC.* Prior to the filing of the Company's Annual Report on Form 10-K ("10-K Report") and Quarterly Reports on Form 10-Q ("Quarterly Reports") with the SEC, review and discuss the following matters with executive and financial management and the Outside Auditors:
  - The Company's annual and quarterly financial statements and the Company's related disclosures under "Management's Discussion and Analysis of the Financial Condition and Results of Operations" included in the Company's 10-K Report or Quarterly Reports;
  - The adequacy of the Company's accounting and financial reporting processes; and
  - Any instances of fraud involving any members of management or any other employees of the Company with a significant role in the Company's internal controls over financial reporting, that has been discovered by the Outside Auditors or otherwise disclosed to the Committee or any of its members.
7. *Inclusion of Audited Financial Statements in Annual Report on Form 10-K.* Recommend to the Board whether the annual audited financial statements should be included in the Company's 10-K Report.
8. *Earnings Releases.* Review the Company's proposed earnings press releases, with management and, if and as deemed appropriate by the Committee, with the Outside Auditors and the Company's outside legal counsel, including a review of any "pro-forma" or "adjusted" non-GAAP information or non-GAAP measures and the disclosures relating thereto and any proposed Regulation FD disclosures or earnings guidance that may be included therein.

**C. Oversight of Information and Cyber Security Policies and Risks.**

The Committee will be responsible for overseeing risk management with respect to information security, disaster recovery and business continuity. In furtherance of this responsibility, the Committee will periodically or on an as-needed basis:

1. *Information and Cyber Security Policies.* Review with management the Company's policies relating to information security, disaster recovery and business continuity.
2. *Effectiveness of Information and Cyber Security Programs.* Review with management the effectiveness of the Company's cybersecurity program and all major changes and improvements pertaining to the Company's cybersecurity controls and plans.
3. *Material Cyber Security Incidents.* Review with management and report to the Board with respect to the root causes and remediation efforts with respect to all material information or cyber security incidents.
4. *Reporting of Cyber Security Incidents.* Review with management the effectiveness of the Company's escalation protocols with respect to prompt reporting of information and cyber security incidents to management, the Committee and the Board.
5. *Internal Reports.* Review periodic internal reports to management with respect to information technology and cyber security issues.
6. *Outside Advisor Reports.* Review with management the findings of any reviews of the Company's cyber security programs by outside advisors and of remediation plans to address any material control deficiencies that may be identified therein.
7. *Reports to the Board.* Keep the Board informed of the Committee's findings with respect to the above matters and regarding initiatives being undertaken to improve or strengthen the Company's information technology and security systems.

**D. Other Matters within the Committee's Authority.**

The Committee also shall:

1. *Discussions Regarding Internal Controls over Financial Reporting.* Discuss with the Company's Chief Executive Officer and the Chief Financial Officer, and such other officers or employees or outside advisors or consultants, as the Committee deems appropriate, and with the Outside Auditors, the adequacy and effectiveness of the Company's internal controls over financial reporting, including any significant deficiencies or material weaknesses that may be found to exist therein.
2. *Disclosure Controls.* Discuss and review with the Company's Chief Executive Officer and the Chief Financial Officer, and such other officers or employees or outside advisors or consultants as the Committee deems appropriate, the nature and adequacy of the Company's disclosure controls.
3. *Risk Management Policies.* Discuss with the Company's senior management (i) its risk assessment and risk management policies, (ii) the Company's major financial risk exposure(s) and (iii) the actions being taken by management to monitor and mitigate such risk exposure(s).
4. *Whistleblower Procedures.* Establish, or cause to be established, procedures (a) by which Company employees are able to submit, anonymously, to the Audit Committee any concerns or complaints they may have regarding accounting or auditing matters, the Company's internal controls or matters regarding the Company's financial reporting, and (b) for the receipt, retention and treatment of those submissions.
5. *Governance Reviews and Code of Conduct.* Review and investigate any matters pertaining to the integrity of management or any other Company employees, including any conflicts of interest any of them may have in connection with matters within or subject to their judgment or control, and administer and oversee the adherence by the Company's executive officers and other employees and directors with the applicable provisions of the Company's Code of Business and Ethical Conduct as in effect from time to time and, in connection with the foregoing, meet with the Company's outside counsel, officers or employees or any outside consultants as the Committee deems appropriate.
6. *Certain Proxy Statement Disclosures.* So long as may be required by SEC rules, cause the proxy statement for each year's Annual Meeting of Stockholders to include a report of the Audit Committee and required disclosures with respect to the Audit Committee Charter.
7. *Related Party Transactions.* Oversee compliance with the Company's Related Party Transaction Policy as adopted by the Board and, in connection therewith, review the fairness and make decisions regarding the approval or disapproval of any proposed material transaction between the Company and any related persons that are brought to the attention of the Committee.
8. *Subcommittees.* Form and delegate authority to subcommittees consisting of one or more of its members as the Committee deems appropriate to carry out its responsibilities and exercise its powers (to the extent allowable under applicable laws, rules, regulations or listing standards).
9. *Review of Charter.* Review, at least annually, the adequacy of this Charter, as well as any Committee policies and procedures, and recommend proposed changes to the Board.
10. *Review of Committee Performance.* Review and evaluate, at least annually, the performance of the Audit Committee and its members.
11. *Other Activities.* Perform any other activities consistent with this Charter, the Company's Bylaws, and governing law, as the Committee or the Board deems necessary or appropriate.

**E. Certain Responsibilities of Management.**

The Company's Chief Executive Officer and Chief Financial Officer shall:

1. Provide to the Committee such assistance as it may request from time to time, including arranging for other members of management to meet with the Committee in executive session.
2. Advise the Committee of any concerns or issues either of them may have with respect to any accounting matters or with respect to the performance of the Outside Auditors.
3. Arrange for funding as may be required by the Committee to perform its responsibilities.

**VI. NATURE OF AND LIMITATIONS ON THE RESPONSIBILITIES OF THE COMMITTEE**

The Audit Committee's duty is one of oversight. It is not the responsibility of the Committee to prepare or to plan or conduct audits of the Company's annual financial statements or reviews of the Company's interim financial statements or to determine that such financial statements are complete or accurate or have been prepared in conformity with generally accepted accounting principles as in effect in the United States of America or the applicable rules and regulations of the SEC as they relate to such financial statements. These are the responsibilities of the Company's management and the Company's Outside Auditors. Accordingly, the members of the Audit Committee may rely without independent verification, on the information provided to them and on the representations made to them by management and the Company's Outside Auditors. Additionally, it is not the responsibility of the Audit Committee to make any independent determinations as to whether management is maintaining appropriate accounting and financial reporting principles or appropriate internal controls and procedures that are designed to assure compliance with accounting standards and applicable laws and regulations or that the Company's Outside Auditors are in fact independent as to the Company.

**VII. ADOPTION OF AMENDED AND RESTATED CHARTER**

This Amended and Restated Audit Committee Charter was approved by the Audit Committee and the Board of Directors of Collectors Universe, Inc. on September 18, 2019.