

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

I. PURPOSE

The primary function of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of National American University Holdings, Inc. (the “**Company**”) is to assist the Board in fulfilling its oversight responsibilities relating to the financial reports and other financial information provided by the Company to any governmental body or the public, the Company’s systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established, and the Company’s auditing, accounting and financial reporting processes generally. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels.

The Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to oversee the Company’s accounting and financial reporting process, disclosure controls and procedures, internal control over financial reporting system and the audit of the Company’s financial statements.
- Provide an open avenue of communication among the independent registered public accounting firm (the “**independent auditor**”), financial and senior management and the Board.
- Review and appraise the audit performed by the Company’s independent auditor, who reports directly to the Committee.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter.

II. MEMBERSHIP

The Committee will be comprised of three or more directors as determined by the Board, each of whom will be an independent director (as defined by all applicable rules and regulations of the Securities and Exchange Commission (the “**Commission**”), The NASDAQ Stock Market (“**NASDAQ**”) and any other governmental or regulatory body), and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. All members of the Committee will have a working familiarity with basic finance and accounting practices, including being able to read and understand financial statements. The Committee will have, as one of its members, an individual who qualifies as an “audit

committee financial expert” in compliance with the criteria established by the Commission, NASDAQ and other governmental and regulatory bodies. The existence of such audit committee financial expert, including his or her name and whether or not he or she is independent, or the lack of an audit committee financial expert, will be disclosed in the Company’s periodic filings as required by the Commission.

The members of the Committee will be elected by the Board at the annual organizational meeting of the Board and will serve until the next annual organizational meeting of the Board or until their successors have been duly elected and qualified. The Board may remove or replace Committee members at its discretion. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee.

III. MEETINGS

The Committee will meet at least four times annually, or more frequently as it determines appropriate to carry out its responsibilities. As part of its job to foster open communication, the Committee should meet at least annually, or more frequently as circumstances dictate, with management and the independent auditor in separate executive sessions to discuss any matters that the Committee or any of these groups believes should be discussed privately. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend any meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee may, in its discretion, delegate specific responsibilities to a subcommittee comprised of one or more members of the Committee.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee is expected to:

1. **Communications.** Provide an open avenue of communication between the Company, the independent auditor and the Board. Report regularly to the Board and review with the Board all significant issues discussed by the Committee and all recommendations that are to be acted upon by the Board.
2. **Oversight of the Independent Auditor.** Maintain sole authority and responsibility for hiring and firing the independent auditor and maintain direct responsibility for the appointment, compensation and oversight of the independent auditor’s work (including resolution of disagreements between management and the auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor will report directly to the Committee. The Company will provide appropriate funding for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report. The Committee will consider, in consultation with the independent auditor, the audit scope and plan of the independent auditor.
3. **Internal Controls.** Assess the effectiveness of the Company’s internal control environment and evaluate the need for an internal audit function. Discuss with

management and the independent auditor the adequacy and effectiveness of the Company's internal controls, any significant deficiencies in internal controls and actions taken in response to any significant deficiencies or material weaknesses in internal controls over financial reporting.

4. **Independence.** Confirm and assure the independence of the internal audit function and the independent auditor, including considering whether the independent auditor's performance of permissible non-audit services and the compensation received for such services is compatible with the independent auditor's independence. Review and evaluate the lead engagement partner of the independent auditor and assure the regular rotation of the lead audit (or coordinating) partner responsible for the Company's audit, as required by law. Present conclusions with respect to the independent auditor to the Board of Directors. Establish Company guidelines to ensure that independence of the independent auditor from the Company is maintained. Engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the independent auditor and take, or recommend that the Board take, appropriate actions to oversee the independence of the independent auditor. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or review of the independent auditor by the Public Company Accounting Oversight Board, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company.
5. **Preapprovals.** Review and pre-approve the performance of all audit and non-audit accounting services to be performed by the independent auditor (other than with respect to de minima exceptions permitted by the Sarbanes-Oxley Act of 2002), to the extent such services are permitted under applicable rules and regulation.
6. **Risks.** Inquire of management and the independent auditor about significant risks or exposures and assess the steps management has taken to minimize such risk to the Company.
7. **Internal Controls.** Consider and review with the independent auditor:
 - (a) The adequacy of the Company's internal controls, including computerized information system controls and security; and
 - (b) Any related significant findings and recommendations of the independent auditor together with management's responses thereto.

Review and discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as

to the adequacy of the Company's internal controls and any steps adopted in light of material control deficiencies.

8. Financial Statements, Disclosure and other Compliance Matters.

- (a) Review prior to filing with the Commission or making any other distribution the following items with management and the independent auditor at the completion of the annual examination and recommend to the Board whether the annually audited financial statements should be included in the Annual Report on Form 10-K:
- The Company's annual financial statements and related footnotes.
 - The independent auditor's audit of the financial statements and the independent auditor's report thereof.
 - Any significant changes required in the independent auditor's audit plan.
 - Any serious difficulties or disputes with management encountered during the course of the audit.
- (b) Review with management, and if appropriate, with the independent auditor, prior to filing or other distribution, the interim financial results that are filed with the Commission or other regulators.
- (c) Review with management legal and regulatory matters that may have a material impact on the financial statements, related company compliance policies, and programs and reports received from regulators.
- (d) Review the Company's critical accounting policies and estimates, all alternative treatments of financial information within Generally Accepted Accounting Principles ("GAAP") discussed between the independent auditor and management and all other material written communications between the independent auditor and management.
- (e) Review the internal controls report prepared by management for insertion into the annual report and the independent auditor's attestation on the assertions of management that are contained in the internal controls report.
- (f) Review with management and the independent auditor disclosures by the Company's Chief Executive Officer and Chief Financial Officer in connection with their personal certification of the Company's periodic reports or annual financial statements.

- 9. Receipt of Complaints.** Ensure there is a process for the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting and auditing matters. Ensure procedures are established for the receipt, retention and treatment of complaints received by the Company regarding accounting, auditing and internal accounting controls.

10. **Related Party Transactions.** Review and approve (with the concurrence of a majority of the disinterested members of the Board) any related party and affiliated party transactions.
11. **Investigations.** Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.
12. **Proxy Report.** Prepare and approve the audit committee report included in the Company's annual proxy statement.
13. **Reporting to the Board.** Report to the Board as it deems appropriate and as the Board may request.
14. **Retention of Advisors.** Engage and determine funding for outside legal, accounting or other advisors and obtain advice and assistance from such outside advisors as deemed appropriate to perform its duties and responsibilities. The Company will provide appropriate funding, as determined by the Committee, for payment of compensation to any advisor hired by the Committee.
15. **Other Activities.** Perform such other functions as assigned by law, the Company's certificate of incorporation or bylaws or the Board.

V. LIMITATION OF AUDIT COMMITTEE'S ROLE

It is not the duty of the Committee to plan or conduct audits or to determine that the Company financial statements are complete and accurate and are in accordance with GAAP. Also, nothing herein should be construed as imposing on the Committee responsibility to ensure compliance with laws and regulations and the ethics compliance program. Such matters are the responsibilities of management and the independent auditor of the Company. Consequently, the Committee is not responsible for providing any expert or special assurance regarding the Company's financial statements and other financial information, any internal controls over financial reporting or any professional certification regarding the independent auditor's work, including without limitation its reports on and review of the Company's financial statements and other financial information and its reports on the Company's internal controls over financial reporting. Members of the Committee should not be assumed to be accounting experts and are not deemed to have accepted a duty of care greater than other members of the Board.

VI. COMMITTEE CHARTER

The Committee will periodically review this Charter and will recommend any changes to the Board as the Committee deems appropriate, including to satisfy any applicable requirements of NASDAQ, the Commission and any other legal or regulatory requirements. A copy of this Charter will be made available on the Company's website at <http://www.national.edu>.

This Audit Committee Charter was adopted by the Board of Directors on November 30, 2009.