



## **AUDIT COMMITTEE CHARTER**

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(adopted on August 26, 2024)

#### **PURPOSE**

This Charter sets forth the composition, authority and responsibilities of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Notes Live, Inc. (the “Company”). The purpose of the Committee is to: (i) assist the Board in fulfilling its oversight responsibilities relating to the Company’s accounting and financial reporting and disclosure processes and the audit of the Company’s financial statements; (ii) prepare the disclosure required by Item 407(d)(3)(i) of Regulation S-K promulgated by the Securities and Exchange Commission (the “SEC”) under the Securities Exchange Act of 1934, as amended; and (iii) carry out the Committee’s principal function and responsibilities set forth below. The Committee’s principal function is to serve as an independent and objective monitor of:

- The quality and integrity of the Company’s financial statements, accounting principles, reporting and related disclosures;
- The effectiveness of the Company’s disclosure controls and procedures and internal controls over financial reporting;
- The Company’s compliance with legal and regulatory requirements and internal policies regarding ethical conduct;
- The design, implementation and, once implemented, performance of the Company’s internal audit function; and
- The qualifications, independence and performance of the Company’s independent registered public accounting firm (the “independent auditors”).

The Committee has the authority to undertake the specific duties and responsibilities listed below and has the authority to undertake other specific duties as the Board from time to time may prescribe. Consistent with these functions, the Committee encourages continuous improvement of, and fosters adherence to, the Company’s policies, procedures and practices at all levels.

#### **ORGANIZATION AND COMPOSITION**

The Nominating and Corporate Governance Committee of the Board recommends to the Board the members to be appointed to the Committee. Members of the Committee are appointed by and serve at the pleasure of the Board. The Board appoints the Chairperson of the Committee (the “Chairperson”).

The Committee will consist of at least three members of the Board. Members of the Committee must satisfy the following requirements:

- Each member must be an “independent director,” as defined by The NYSE American Stock Exchange (“NYSE American”) in Section 803 of the NYSE American LLC Company Guide (the “Company Guide”) (or any other stock exchange or public market upon which the Company’s shares become listed for trading), and in the rules of the SEC, including Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended<sup>1</sup>.
- Each member must be able to read and understand fundamental financial statements, including balance sheets, income statements, and cash flow statements, in accordance with the applicable rules of NYSE American.
- At least one member must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in that individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities, in accordance with the applicable rules of NYSE American.
- At least one member must be an “audit committee financial expert” in accordance with the applicable rules of NYSE American and the SEC. No member of the Committee can have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements at any time during the past three years.
- A director who is a present or former employee of the Company may not serve on the Committee.

The Committee will have the authority, in its sole discretion, to engage independent legal, accounting and other advisers, as it determines necessary to carry out its duties and responsibilities under this Charter and as set forth in Section 803 of the Company Guide and applicable SEC rules. The Committee will have the exclusive authority to approve related fees and retention terms, and the Company will provide the Committee with adequate funding, as determined by the Committee, to allow the Committee to perform its duties under this Charter, including the retention of any such adviser. Such funding must provide for payment of: (i) the compensation of the independent auditors engaged to prepare or issue an audit report or to perform other audit, review or attest services for the Company; (ii) the compensation of any advisers retained by the Committee; and (iii) the ordinary administrative expenses of the Committee that are necessary or appropriate for the Committee to carry out its duties.

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<sup>1</sup> At any time during which the Company is a “smaller reporting company” as defined in SEC Regulation S-K, Item 10(f)(1), the Committee may consist of at least two members, comprised solely of independent directors who also meet the requirements of Rule 10A-3 under the Securities Exchange Act of 1934. If the Company is a smaller reporting company and the Committee is comprised of at least three members, under exceptional and limited circumstances as set forth in Section 803 of the Company Guide, one director who is not independent as defined in the rules and regulations of the NYSE American, may serve as a member of the Committee subject to the terms of Section 803 of the Company Guide. In addition, when applicable the composition of the Committee may be comprised of one or more persons who are not independent as permitted, and in accordance with the transition rules set forth in Section 809 of the Company Guide.

The Committee may conduct or authorize investigations into, or studies of, any matters of interest or concern that the Committee deems appropriate. In connection with this responsibility, the Committee will have full access to all books, records, facilities and personnel of the Company.

## **RESPONSIBILITIES AND AUTHORITY**

The responsibilities and authority of the Committee include:

1. Reviewing periodically, with the Company's management and independent auditors, the Company's financial reporting processes and disclosure controls and procedures, including the Company's policies and procedures designed to assure that information required to be disclosed in its periodic public reports is accurately reported within the time periods specified by the SEC;
2. Reviewing periodically, with the Company's management and independent auditors, the adequacy and effectiveness of the Company's internal controls over financial reporting designed to protect assets and provide assurance that transactions are properly authorized, executed, recorded and summarized in the Company's books of record. As part of this responsibility, the Committee will meet with management at least annually to review its plan for the maintenance, modification, enhancement and testing of such controls for the ensuing fiscal year;
3. Reviewing the reports prepared by management and (if required by SEC rules) attested to by the Company's independent auditors, and assessing the adequacy and effectiveness of the Company's internal controls over financial reporting prior to the inclusion of such reports in the Company's periodic filings as required under SEC rules. If applicable, the Committee's review will focus on any significant deficiencies in, any significant changes to, or material weaknesses in such controls reported by the independent auditors, or comments and management's responses contained in any accompanying management letter;
4. Reviewing at least annually the need for, and desirability of, implementing an internal audit department within the Company. In this capacity, the Committee will have the primary authority to define the structure, staffing, activities and reporting relationships of any internal audit department or function;
5. Appointing, retaining, compensating, overseeing the work of and, when necessary, terminating the engagement of the independent auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee may, in its discretion, seek stockholder ratification of the independent auditors it appoints. The independent auditors will report directly to the Committee, and the Committee will have the sole authority to approve the hiring, compensation and firing of the independent auditors;
6. Pre-approving audit and permissible non-audit services proposed to be provided to the Company by the independent auditors (or subsequently approving non-audit services in those circumstances where a subsequent approval is permissible). In carrying out this responsibility, the Committee may establish policies and procedures for the review and pre-approval of audit and permitted non-audit services, including delegation of this authority to one or more members of the Committee, provided that such pre-approval decision is presented to the full Committee at its next scheduled meeting;
7. Directing the independent auditors to review, before filing with the SEC, the Company's interim financial statements included in quarterly reports on Form 10-Q, using professional standards and procedures for conducting such reviews;

8. Meeting with the independent auditors to review and discuss:
  - their annual audit plan, including the scope, proposed procedures, fees, timing, and staffing;
  - the results of the annual audit examination; and
  - the results of the independent auditors' procedures with respect to interim periods;
9. Reviewing and discussing with the independent auditors:
  - the reasonableness of judgments and estimates used in preparing the financial statements, including assumptions made and the completeness of the related disclosures;
  - critical accounting policies and practices used by the Company;
  - major issues regarding accounting principles and financial statement presentations, including in particular any significant changes in the Company's selection or application of accounting principles;
  - major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
  - critical audit matters affecting the Company or its financial statements, and any related disclosures;
  - alternative accounting treatments (i.e., principles or estimates) within generally accepted accounting principles ("GAAP") related to material items that have been discussed with management, including the ramifications of the use of the alternative treatments and the treatment preferred by the independent auditors;
  - analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with preparing the Company's financial statements, including analyses of the effects of alternative methods to GAAP on the Company's financial statements;
  - the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the Company's financial statements; and
  - other material written communications between the independent auditors and management, including all of the matters required to be discussed with the auditors under applicable audit standards;
10. Obtaining and reviewing, at least annually, a report by the independent auditors describing the independent auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or Public Company Accounting Oversight Board ("PCAOB") or peer review, of the independent auditors, or by any inquiry or investigation by any governmental or professional authority, 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;

11. Obtaining and reviewing at least annually a formal written statement by the Company's independent auditors delineating all relationships between the independent auditors and the Company, consistent with applicable audit standards, and reviewing and discussing with the independent auditors any disclosed relationships or services that may impact the objectivity and independence of the independent auditors;
12. Reviewing periodically with the independent auditors any problems or difficulties encountered by the independent auditors in the course of performing any audit work, including any restrictions on the scope of the independent auditor's activities or access to requested information, and management's response thereto, assisting with the resolution of any significant disagreements with management, and discussing with the independent auditors the responsibilities, budget and staffing of the Company's internal audit function, or management's plans for the implementation, responsibilities, budget and staffing of the Company's internal audit function if the Company does not yet have one because it is not required have such a function under the rules of the NYSE American or it is availing itself of a transition period pursuant to the Company Guide;
13. Conducting an annual evaluation of the independent auditors' qualifications, performance and independence after overseeing their work throughout the audit period and reviewing their reports. This evaluation will include a review and evaluation of the lead audit partner and will take into account the opinions of the Company's management and internal auditors or other personnel responsible for the Company's internal audit function;
14. Establishing hiring policies regarding employment of employees, or former employees, of the independent auditors in accordance with the applicable rules of NYSE American and the SEC;
15. Meeting with the independent auditors outside the presence of Company employees or officers to discuss and review the Company's internal financial and accounting processes and performance;
16. Reviewing with management and the Company's independent auditors, before filing or release (as applicable):
  - the Company's annual report on Form 10-K, including the audited financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") in that report;
  - the Company's quarterly reports on Form 10-Q, including the unaudited interim financial statements and MD&A in such reports;
  - the type and presentation of information included in any Company earnings announcement or financial release, and any financial information or earnings guidance provided to analysts and rating agencies;
  - any other material financial information included in or incorporated into the Company's regulatory filings, including registration statements filed under the Securities Act of 1933, as amended; and
  - any required certification or attestations of management or the Company's internal auditors or minutes of any other committees as deemed appropriate by the Committee;
17. Overseeing compliance with SEC disclosure requirements regarding auditors' services and audit committee members, and member qualifications and activities;

18. Preparing any report required to be prepared by the Committee for inclusion in the proxy statement of the Company under SEC rules and regulations;
19. Discussing guidelines and policies governing the process by which management and other persons responsible for risk management assess and manage the Company's exposure to risk, as well as the Company's major financial risk exposures and the steps management has taken or proposes to take to monitor and control such exposures, based on consultation with the Company's management, independent auditors and legal counsel, as appropriate;
20. Establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by Company employees and personnel of concerns regarding questionable accounting or auditing matters;
21. Reviewing, approving and overseeing all related party transactions on an ongoing basis in accordance with the applicable rules of NYSE American and the SEC, and any related policies and procedures adopted by or on behalf of the Company and then in effect;
22. Reviewing, approving and monitoring the Code of Business Conduct and Ethics (or similar code or policy) for the Company in accordance with the Company Guide and applicable SEC rules, including any waivers of the Code of Business Conduct and Ethics for any directors and officers;
23. Discussing with management and the independent auditors any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies;
24. At least on an annual basis, reviewing the adequacy of, and providing its recommendation to the Board on, the Company's insurance policies, including, but not limited to directors & officers and property & casualty insurance policies, coverages and costs;
25. At least on an annual basis, reviewing the Company's cash management and investment policies;
26. At least on an annual basis, reviewing the adequacy of this Charter, structure, processes and membership requirements, and recommending to the Board such changes or amendments as the Committee deems appropriate;
27. Preparing and periodically updating an annual calendar and checklist for the Committee's responsibilities and authority;
28. Reporting regularly to the full Board, including with respect to 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 effectiveness of the Company's internal controls or disclosure procedures, the performance of the Company's internal audit function or management's activities with respect to the design and implementation of the internal audit function if the Company does not yet have one because it is not required to have such functions under the rules of the NYSE American (or is availing itself of a transition period pursuant the Company Guide), the performance and independence of the Company's independent auditors, or any other issue that the Committee believes should be brought to the attention of the full Board. Such reports may be made orally or in writing;

29. Reviewing and discussing with the Company's independent auditors any other matters required to be discussed by PCAOB Auditing Standards No. 1301, *Communications with Audit Committees*, and other applicable requirements of the PCAOB and the SEC; and
30. Performing such other duties as may be necessary or desirable to comply with the applicable laws, rules and regulations promulgated by the SEC, NYSE American or any other applicable governmental agency, if such duties are customarily assigned to the audit committee, or requested by the Board, to the extent permitted by law and the Company's Bylaws.

#### **LIMITATIONS OF COMMITTEE'S ROLE**

The Committee's responsibilities are principally of an oversight nature. Although the Committee has the responsibilities set forth in this Charter, it is not the Committee's responsibility to plan or conduct audits or to determine that the Company's financial statements and disclosures are accurate, complete and stated in accordance with GAAP and other applicable rules and regulations. These are the responsibilities of the Company's management and the independent auditors, and the Committee will rely on their expertise and knowledge in carrying out its oversight responsibilities.

#### **MEETINGS AND OPERATIONS**

The Chairperson will determine how often the Committee meets. However, the Board expects that the Committee will meet at least once each fiscal quarter. The Chairperson, in consultation with the other members of the Committee, also will schedule the Committee meetings and establish the agenda for each meeting. The Chairperson will designate a secretary for each meeting, who need not be a member of the Committee.

The Committee will be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. 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 will meet separately with members of the Company's management, with the Company's internal auditors or other personnel primarily responsible for the design, implementation and, once implemented, performance of the Company's internal audit function, and with the Company's independent auditors at such times as the Committee deems appropriate. The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

#### **REPORTS**

The Chairperson will periodically report to the Board on the Committee's deliberations and actions. The minutes of Committee meetings and actions by the unanimous written consent of the Committee members will be made available to all Board members.

#### **ANNUAL PERFORMANCE EVALUATION**

The Committee will conduct and review with the Board an annual performance evaluation that (i) assesses the Committee's performance relative to the purpose, duties and responsibilities of the Committee outlined in this Charter and in Section 803 of the Company Guide, and (ii) establishes the Committee's goals and objectives for the following year. The Committee may conduct this annual performance evaluation in the manner deemed appropriate by the Committee in its business judgment.

## **COMPENSATION**

Members of the Committee will receive such fees, if any, for their service as Committee members as may be determined by the Board. Such fees may include retainers or per-meeting fees and will be paid in such form of consideration as is determined by the Board in accordance with the applicable rules of the NYSE American and the SEC.

Members of the Committee may not receive any compensation from the Company except the fees that they receive for service as a member of the Board or any committee thereof and reimbursement for reasonable expenses.

## **DELEGATION OF AUTHORITY**

The Committee may, to the extent permitted under applicable law, the rules of NYSE American and the SEC, and the Company's Articles of Incorporation and Bylaws, form and delegate authority to subcommittees when appropriate.

## **RENUMBERING; CONSTRUCTION**

Any reference in this Charter to a section, rule or other provision of the Company Guide or a securities law that is renumbered should be construed as referring to such section, rule or other provision as renumbered.