

STREAMLINE HEALTH SOLUTIONS, INC.
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER –DECEMBER 1, 2009

I. PURPOSE

The primary function of the Audit Committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Streamline Health Solutions, Inc. (the “Corporation”) in fulfilling its general oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to any governmental body or the public; the Corporation’s systems of internal controls that management and the Board have established; determining the independence, qualifications and performance of the Company's external auditor; overseeing the Company's compliance with legal and regulatory requirements; and the Corporation’s auditing, accounting and financial reporting processes generally. The Audit Committee also prepares the report required by the rules of the Securities and Exchange Commission (the “SEC”) to be included in the Company's annual proxy statement.

Management is responsible for the preparation, presentation and integrity of the Corporation’s financial statements, accounting and financial reporting principles, and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The Corporation’s independent auditors are responsible for performing an independent audit of the financial statements of the Corporation in accordance with generally accepted auditing standards.

The Committee serves a Board-level oversight role in which it provides advice, counsel and direction to management and the independent auditors on the basis of the information it receives, discussions with the independent auditors, and the experience of the Committee’s members in business, financial and accounting matters.

The Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section IV of this Charter. The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as to officers and employees of the Corporation.

II. COMPOSITION

The Committee shall be comprised of three or more directors, each of whom shall be independent, non-officer directors, 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. Committee members shall otherwise meet the applicable audit committee membership requirements of the Securities Exchange Act of 1934 (the “Exchange Act”), the SEC and The NASDAQ Stock Market (as may be modified or supplemented from time to time). All Audit Committee members shall satisfy the independence requirements for directors and audit committee members under the rules of the NASDAQ Stock Market; as such requirements are

interpreted by the Board in its business judgment. At least one member of the Committee shall qualify as an “audit committee financial expert” in accordance with the requirements of the Exchange Act, the SEC and The NASDAQ Stock Market (as may be modified or supplemented from time to time). All members of the Committee shall have a strong level of accounting or financial acumen and shall be able to read and understand fundamental financial statements prepared in accordance with generally accepted accounting principles (“GAAP”). Director fees are the only compensation that a Committee member may receive directly or indirectly from or on behalf of the Corporation.

The members of the Committee shall be elected by the Board and serve until their successors shall be duly elected and qualified or until their earlier death or resignation from the Committee. 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 membership.

III. MEETINGS

The Committee shall meet quarterly and more frequently as circumstances dictate. As part of its job to foster open communication, and as the Committee deems appropriate, the Committee may meet privately in separate sessions with executive management, the principal accounting officer, and/or the independent auditors and as a committee to discuss any matters that the Committee or each of these individuals or groups believes should be discussed. A majority of the members of the Committee shall constitute a quorum for transacting Committee business, and the act of a majority of those present at any meeting at which a quorum is present, shall be the act of the Committee. In the absence of a quorum, a majority of the members of the Committee present may adjourn any meeting, from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by announcement at the meeting that is being adjourned. The Committee also may take actions by written consent signed by all members of the Committee.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

1. Review and reassess the adequacy of this Charter at least annually, and more frequently as conditions dictate, and propose any amendments to the Charter as it deems necessary or appropriate. Submit the Charter to the Board for approval and cause the Charter to be approved as frequently as may be required by the regulations of the SEC and the rules of The NASDAQ Stock Market (as may be modified or supplemented from time to time). Publicly disclose the Charter and any amendments at the times and in the manner required by the SEC and The NASDAQ Stock Market or other stock exchange having authority over the Corporation, and in all events post the Charter and amendments to the Corporation’s website.
2. Review the Corporation’s annual audited financial statements before they are filed with the SEC or released. Review should include discussion with management and the independent auditors

of significant issues regarding critical accounting estimates, accounting principles, practices and judgments and a review with the independent auditors of any auditor report to the Committee required under the rules of the SEC or The NASDAQ Stock Market (as may be modified or supplemented from time to time). Review should also include review of the independence of the independent auditors, the discussion with the independent auditors of the conduct of their audit and a review of any transactions as to which management obtained a letter pursuant to Statement on Auditing Standards No. 50. Based on such review, determine whether to recommend to the Board that the annual audited financial statements be included in the Corporation's Annual Report on Form 10-K filed under the rules of the SEC.

3. Review with management and the independent auditors the Corporation's interim financial reports before they are filed with the SEC or released. The Committee may designate a member or members of the Committee to represent the entire Committee for purposes of this review.
4. Review and discuss with the Corporation's Chief Executive Officer and Chief Financial Officer all matters such officers are required to certify in connection with the Corporation's Forms 10-Q and 10-K.
5. Report Committee actions to the Board of Directors with such recommendations as the Committee may deem appropriate.
6. Prepare a report to shareholders to be included in the Corporation's annual proxy statement as required by the rules of the SEC and The NASDAQ Stock Market (as may be modified or supplemented from time to time).
7. Discuss with management the Company's earnings press releases and corporate policies with respect to earnings releases and financial information and earnings guidance provided to analysts and rating agencies.

Independent Auditors

1. The Corporation's independent auditors are directly accountable to the Committee and the Board. The Committee shall select, review and oversee the Corporation's independent auditors, approve the fees and other compensation to be paid to the independent auditors. The Corporation shall, at all times, make adequate provision for the payment of all fees and other compensation approved by the Committee to the Corporation's independent auditors. On an annual basis, or more frequently as conditions dictate, the Committee shall review and discuss with the independent auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence. Such review should include receipt and review of a report from the independent auditors regarding their independence consistent with Public Company Accounting Oversight Board (PCAOB) Ethics and Independence Rule 3526. All engagements for any non-audit services by the independent auditors must be approved by the Committee before the commencement of any such services. The Committee may designate a member or members of the Committee to represent the entire Committee for purposes of approval of non-audit services, subject to review by the full Committee at the next regularly

scheduled meeting. The Corporation's independent auditors may not be engaged to perform prohibited activities under the Sarbanes-Oxley Act of 2002 or the rules of the PCAOB or the SEC.

2. Review the performance of the independent auditors and discharge the independent auditors when the Committee believes termination is warranted or desirable.
3. Consult with the independent auditors out of the presence of management about internal controls and the fullness and accuracy of the Corporation's financial statements.
4. Before filing or releasing annual financial statements, discuss the conduct and results of the audit with the independent auditors, including a discussion of the matters required to be communicated to audit committees in accordance with Statement on Auditing Standards No. 114 (as may be modified or supplemented from time to time). This review should include any issues the auditor may have encountered in the course of its audit work and management's response. Topics to discuss should include, among other things, any management letter, any restrictions on the scope of activities or access to required information, and changes required in the planned scope of the audit.
5. Obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act.
6. Consider the independent auditors' judgment about the quality and appropriateness of the Corporation's accounting principles and critical accounting estimates as applied in its financial reporting.
7. In consultation with the independent auditors and the principal accounting officer, review the integrity of the Corporation's financial reporting processes and controls, both internal and external. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors and the principal accounting officer together with management's responses. Review any significant changes to the Corporation's auditing and accounting policies.
8. Consider the independent auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
9. Consider and approve, if appropriate, significant changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors, executive management, or the principal accounting officer.

Process Improvement

1. Establish regular and separate systems of reporting to the Committee by each of executive management, the independent auditors and the principal accounting officer regarding any significant judgments made in management's preparation of the financial statements and the view of each as to the appropriateness of such judgments.
2. Following completion of the annual audit, review separately with executive management, the independent auditors and/or the principal accounting officer, as the Committee deems necessary or appropriate, any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

3. Resolve any disagreements between management and the independent auditors regarding financial reporting.
4. Review with the independent auditors, the principal accounting officer and/or executive management, as the Committee deems necessary or appropriate, the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.)
5. Review candidates for the positions of chief financial officer and other principal financial and accounting positions of the Company.

Other and Legal Compliance

1. Evaluate, at least annually, the need to establish an internal audit function in the Corporation and report the results of such evaluation to the full Board.
2. Approve the appointment and compensation and oversee the work of any accounting firm employed by the Corporation.
3. On at least an annual basis, review with management of the Corporation and with the Corporation's law firm(s) any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations and any inquiries received from regulators or governmental agencies.
4. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and (b) the confidential, anonymous submission to the Committee by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
5. Consider the need to establish policies for hiring employees and former employees of the independent auditor. Assess the impact of hiring employee and former employees of the independent auditor as necessary.
6. Review and periodically evaluate the performance of the lead audit partner of the Independent Accounting Firm and assure the regular rotation of the lead audit partner and the audit partner responsible for reviewing the audit as required by law.
7. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.
8. Oversee all related party transactions entered into by the Corporation, as may be required by the rules of the SEC or The NASDAQ Stock Market (as may be modified or supplemented from time to time).
9. Review with the Company's counsel and independent auditor (1) legal matters that may have a material impact on the financial statements, (2) any fraud involving management or other employees who have a significant role in the Company's internal controls, (3) financial reporting compliance policies, and (4) any material reports or inquiries received from regulators, governmental agencies or employees that raise material issues regarding the Company's financial statements and accounting or compliance policies.

10. Retain, at the Corporation's expense, special legal, accounting or other consultants or experts it deems necessary to carry out its duties. The Corporation shall, at all times, make adequate provision for the payment of all fees and other compensation approved by the Committee to any consultants or experts employed by the Committee.
11. The Committee shall have the authority, to the extent it deems necessary or appropriate, to ask the Corporation to provide the Committee with the support of one or more Corporation employees to assist it in carrying out its duties. The Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or other advisors to attend meetings of the Committee or to meet with any members of the Committee or consultants to the Committee.
12. In performing their responsibilities, Committee members are entitled to rely in good faith upon information, opinions, reports or statements prepared or presented by: one or more officers or employees of the Corporation whom the Committee member reasonably believes to be reliable and competent in the matters presented; counsel, independent auditors, or other persons as to matters which the Committee member reasonably believes to be within the professional or expert competence of such person; or another committee of the Board of Directors as to matters within its designated authority which committee the Committee member reasonably believes to merit confidence.
13. Perform any other activities consistent with this Charter, the Corporation's bylaws and governing law, as the Committee or the Board deems necessary or appropriate.
14. Maintain minutes of Committee meetings and periodically report to the Board on significant results of the foregoing activities. Although the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles, which is the responsibility of management and the independent auditors. It is also the responsibility of management to assure compliance with laws and regulations and the Corporation's corporate policies with oversight by the Committee in the areas covered by this Charter.
15. The Committee may, in its discretion, delegate some of its duties and responsibilities to a subcommittee of the Committee.

Adopted by the Streamline Health Solutions, Inc. Board of Directors on December 17, 2009.