

EVCI CAREER COLLEGES HOLDING CORP.*

Audit Committee Charter

(Effective April 26, 2006)

Status

The Audit Committee is a committee of the Board of Directors.

Membership

The Audit Committee shall consist of three or more directors all of whom, in the judgment of the Board of Directors, shall be independent in accordance with The Nasdaq Stock Market listing standards. Each member, in the judgment of the Board of Directors, shall have the ability to read and understand EVCI's basic financial statements or shall at the time of appointment undertake training for that purpose. At least one member of the Audit Committee, in the judgment of the Board of Directors, shall be an Audit Committee financial expert in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). The Chairman of the Audit Committee (the "Chairman") shall be such a financial expert.

Purpose

The Audit Committee shall represent and assist the Board of Directors with the oversight of: (a) the integrity of EVCI's financial statements and internal controls; (b) EVCI's compliance with legal and regulatory requirements; (c) the independent auditor's qualifications and independence; and (d) the performance of the independent auditor. Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board of Directors as a whole.

Responsibilities

1. Select and retain (subject to approval by EVCI's stockholders), and discharge when appropriate, the independent auditor, set the independent auditor's compensation, and oversee the work of the independent auditor.
2. Pre-approve all audit services and permitted non-audit services to be performed by the independent auditor as required by the Sarbanes-Oxley Act of 2002 and rules and regulations promulgated thereunder (collectively, "SOX"). Pre-approval of non-audit services may be made by the Chairman as permitted by SOX, provided the Chairman's decision is presented to the full Audit Committee at its next meeting.
3. At least annually, receive and review: (a) a report by the independent auditor describing the independent auditor's internal quality-control procedures and any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board ("PCAOB") review, of the independent auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the

*Name changed to EVCI Career Colleges Holding Corp. effective August 9, 2004.

preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (b) other required reports from the independent auditor.

4. At least annually, consider the independence of the independent auditor, including whether the provision by the independent auditor of permitted non-audit services is compatible with the requirement of independence, and obtain and review a report from the independent auditor describing all relationships between the auditor and EVCI or any of its subsidiaries.
5. Review with the independent auditor: (a) the scope and results of the audit and (b) any problems or difficulties that the auditor encountered in the course of the audit work and management's response.
6. Review with the independent auditor and management: (a) the adequacy and effectiveness of the systems of internal controls (including any significant deficiencies and significant changes in internal controls reported to the Audit Committee by the independent auditor or management), accounting practices, and disclosure controls and procedures (and management's report thereon), of EVCI and its subsidiaries; and (b) current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.
7. Review with management and the independent auditor the annual and quarterly financial statements of EVCI including: (a) EVCI's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations;" (b) any material changes in accounting principles or practices used in preparing the financial statements prior to the filing of a report on Form 10-K or 10-Q with the Securities and Exchange Commission; and (c) the items required by Statement of Auditing Standards 61 as in effect at the that time in the case of the annual statements and Statement of Auditing Standards 100 as in effect at that time in the case of the quarterly statements.
8. Recommend to the Board of Directors, based on the review described in paragraphs 4 and 7 above, whether the financial statements should be included in the annual report on Form 10-K.
9. Review earnings press releases, as well as EVCI's policies with respect to earnings press releases, financial information and earnings guidance provided to analysts and rating agencies (this function may be performed by the Chairman or the full Committee).
10. Discuss EVCI's policies with respect to risk assessment and risk management, and review contingent liabilities and risks that may be material to EVCI and major legislative and regulatory developments which could materially impact EVCI's contingent liabilities and risks.

11. Review: (a) the status of compliance with laws, regulations, and internal procedures; and (b) the scope and status of systems designed to promote EVCI's compliance with laws, regulations and internal procedures, through receiving reports from management, legal counsel and third parties as determined by the Audit Committee.
12. Review all related party transactions for potential conflicts of interest and approve or not approve such transactions. The term "related party transaction" shall refer to transactions required to be disclosed pursuant to Item 404 of SEC Regulation S-K.
13. Establish procedures for the receipt, retention and treatment of complaints regarding EVCI's accounting, internal controls and auditing matters, as well as for the confidential, anonymous submissions by EVCI employees of concerns regarding questionable accounting or auditing matters.
14. Obtain the advice and assistance, as appropriate, of independent counsel and other advisors as necessary to fulfill the responsibilities of the Audit Committee, and receive appropriate funding from EVCI, as determined by the Audit Committee, for the payment of compensation to any such advisors.
15. Conduct an annual performance evaluation of the Audit Committee and annually evaluate the adequacy of its charter.

Meetings

The Audit Committee shall meet at least four times each year and at such other times as it deems necessary to fulfill its responsibilities. The Audit Committee shall periodically meet separately, in executive session, with management, the internal auditor and the independent auditor. The Audit Committee shall report regularly to the Board of Directors with respect to its activities and make recommendations to the Board of Directors as appropriate.

Report

The Audit Committee shall prepare a report each year for inclusion in EVCI's proxy statement relating to the election of directors.