

**SMITH MICRO SOFTWARE, INC.
AUDIT COMMITTEE CHARTER**

I. GENERAL FUNCTIONS, AUTHORITY, AND ROLE

The Audit Committee (sometimes referred to herein as the “Committee”) is a committee of the board of directors (the “Board of Directors” or “Board”) of Smith Micro Software, Inc. (the “Company”). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities by overseeing the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company, which shall include reviewing the financial information to be provided to the stockholders and others, the systems of internal controls that management and the Board of Directors have established, the policies regarding the Company’s accounting, internal accounting controls or auditing matters, and the Company’s audit process, including the engagement, replacement, compensation, qualifications, independence and performance of the registered public accounting firm engaged for the purpose of preparing or issuing audit reports or preparing other audit, review or attest services for the Company (the Company’s “outside auditor”).

The Audit Committee shall have the power to conduct or authorize investigations into any matters within the Committee’s scope of responsibilities. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this charter, the Audit Committee shall have the authority to engage special legal, accounting, or other advisers, and may request any officer or employee of the Company, its outside legal counsel or outside auditor to attend a meeting of the Audit Committee or to meet with any members of, or advisers to, the Audit Committee.

The Company’s outside auditor must report directly to the Audit Committee and shall ultimately be accountable to the Board of Directors and to the Audit Committee, as representatives of the Company’s stockholders. The Audit Committee shall have the direct authority and responsibility to select, appoint, evaluate, and, where appropriate, replace the outside auditor, or to nominate the outside auditor to be proposed for stockholder approval, and to oversee the work of the outside auditor (including resolution of disagreements between management and the outside auditor regarding financial reporting). The Audit Committee shall have the sole authority to approve all audit engagement fees and terms. The Audit Committee shall determine the appropriate funding from the Company needed by the Audit Committee for payment of: (1) compensation to the Company’s outside auditor; (2) compensation to any advisers employed by the Audit Committee; and (3) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee shall strive to maintain an open avenue of communication between the Company’s outside auditor and the Board of Directors.

The responsibilities of a member of the Audit Committee shall be in addition to such member’s duties as a member of the Board of Directors.

While the Audit Committee shall have the responsibilities and powers set forth in this charter, it shall not be the duty of the Audit Committee to plan or conduct audits or to determine whether the Company’s financial statements are complete, accurate, or in accordance with generally accepted accounting principles. These are the responsibilities of management and the outside auditor. Nor shall it be the duty of the Audit Committee to conduct investigations, or to assure compliance with laws and regulations or the Company’s own policies or code of conduct.

II. MEMBERSHIP

The membership of the Audit Committee shall consist of at least three members of the Board of Directors who shall serve at the pleasure of the Board of Directors. All members of the Audit Committee shall meet the independence, financial literacy, qualification and experience requirements of the Securities Exchange Commission (the “SEC”) and the Nasdaq Stock Market, Inc. or similar requirements of such other securities exchange or quotation system as may from time to time apply to the Company (including any applicable exceptions therefrom as may be in the best interests of the Company and its stockholders) (the “listing standards”). Each member of the Audit Committee

shall be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement. In addition, at least one member of the Audit Committee shall be an "audit committee financial expert" as defined in applicable SEC rules and regulations, and otherwise meet the "financial sophistication" requirements set forth in the listing standards.

Audit Committee members and the Committee chair shall be appointed annually for one-year terms by a majority of the full Board of Directors upon the recommendation of the Governance and Nominating Committee of the Board. Vacancies on the Committee shall be filled by majority vote of the Board of Directors at the next meeting following the occurrence of the vacancy or as soon as practicable thereafter. No member of the Committee may be removed except by majority vote of the independent directors then in office.

No member of the Committee may receive, directly or indirectly, any compensation or consulting or advisory fee from the Company, other than director's fees (including any additional amounts paid to the chair of committees and members of committees of the Board), except as may otherwise be permitted under the Sarbanes-Oxley Act, the rules of the Nasdaq Stock Market and applicable SEC rules and regulations, nor may any member of the Committee be an "affiliated person" of the Company or any subsidiary within the meaning of Rule 10A-3 under the Securities Exchange Act. In addition, no Committee member may have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time during the past three years.

III. RESPONSIBILITIES

The responsibilities of the Audit Committee shall be as follows:

A. GENERAL

1. Meet at least four times per year, or more frequently as circumstances or the obligations of the Audit Committee require. A majority of the members of the Committee will constitute a quorum for the transaction of business, and a majority vote will be required to pass an action. In the event that only two members are present, and that number creates a quorum, then a unanimous vote of the two members present will be required to pass an action.
2. Report Audit Committee actions to the Board of Directors with such recommendations as the Committee may deem appropriate and keep written minutes of all Committee meetings.
3. Annually review and reassess the adequacy of this charter and submit any modifications to the Board of Directors for approval.
4. Annually review the adequacy and effectiveness of those portions of the Company's Ethics and Business Conduct policy for which the Audit Committee is responsible.
5. Perform such functions as may be assigned by law, the listing standards, SEC rules, the Company's certificate of incorporation or bylaws, or the Board of Directors.

B. OUTSIDE AUDITOR

1. As necessary, consider with management and the outside auditor the rationale for employing audit firms other than the principal outside auditor.
2. Recommend to the Board of Directors the outside auditor to be nominated, approve the compensation of the outside auditor, and, as necessary, review and approve the discharge of the outside auditor.
3. Take reasonable steps to confirm the independence of the outside auditor, which shall include (a) ensuring receipt on a periodic basis from the outside auditor a formal written statement delineating (i) all relationships between the outside auditor and the Company, consistent with Independence Standards Board Standard No. 1, or any applicable successor standard, (ii) the outside auditors' quality-

- control systems and procedures and their effectiveness, and (iii) any material issues raised by the most recent quality-control review, or peer review meeting guidelines acceptable under the listing standards, of the outside auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the outside auditors, and any steps taken to deal with any such issues; (b) actively engaging in a dialogue with the outside auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the outside auditor; and (c) as necessary, taking, or recommending that the Board of Directors take, appropriate action to oversee the independence of the outside auditor.
4. In performing Item 3 above, the Audit Committee shall consider whether the outside auditor's provision of any non-audit services is compatible with the independence of the outside auditor.
 5. Consider and pre-approve all audit and permissible non-audit services to be performed for the Company by its outside auditors (including the fees and terms thereof), subject to certain de minimis exceptions under SEC rules. The Audit Committee may establish pre-approval policies and procedures for particular services of which it is informed, and may delegate the authority to grant pre-approvals to one or more members of the Audit Committee, whose decisions must be presented to the full Audit Committee at its next scheduled meeting.
 6. Review, evaluate and confirm the regular rotation of the lead or coordinating audit partners having primary responsibility for the audit, or of the audit partners responsible for reviewing the audit, as required by SEC rules.
 7. Establish policies, consistent with SEC rules, for the Company's hiring of current or former partners, principals, stockholders or employees of the outside auditors, or their close family members.

C. AUDIT PROCESS AND RESULTS

1. Consider, in consultation with the outside auditor, the audit scope and plan of the internal auditors and the outside auditor.
2. Review with the outside auditor the coordination of the audit effort to assure completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
3. Consider and review with the outside auditor:
 - a. The adequacy of the Company's internal controls including computerized information system controls and security.
 - b. Any related significant findings and recommendations of the outside auditor together with management's responses thereto.
 - c. Any difficulties encountered in the course of the outside auditor's audits, including any restrictions on the scope of their work or access to required information, and management's response thereto, including any significant disagreements with management.
 - d. The matters required to be discussed by Statement on Auditing Standards No. 61, as the same may be modified and supplemented from time to time, including the outside auditors' judgments about the quality, as well as the acceptability, of the accounting principles used and the judgments made in the preparation of the Company's financial statements.
4. Review and discuss with management and the outside auditor:
 - a. The Company's audited financial statements and related footnotes and the Company's quarterly financial results that will be made publicly available under applicable SEC rules and regulations.

- b. The outside auditor's audit of the financial statements and their report thereon.
 - c. Any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles or any judgments made in connection with the preparation of the financial statements.
 - d. The existence and effect of any material off-balance sheet transactions, arrangements or obligations (including contingent obligations).
 - e. Any significant changes required in the outside auditor's audit plan.
 - f. Other matters related to the conduct of the audit which are to be communicated to the Committee under generally accepted auditing standards.
5. Consider and review with management:
- a. The adequacy of the Company's disclosure controls and procedures and its internal controls including computerized information system controls and security.
 - b. Any related significant findings and recommendations of the outside auditor together with management's responses thereto.
 - c. Any difficulties encountered in the course of the outside auditor's audits, including any restrictions on the scope of their work or access to required information, and management's response thereto, including any significant disagreements with management.
 - d. Any changes required in the planned scope of the audit plan.
6. Inquire of management and the outside auditor about significant risks or exposures and assess the steps management has taken to minimize such risks to the Company.
7. Meet with the outside auditor and management in separate executive sessions to discuss any matters that the Committee or these groups believe should be discussed privately with the Audit Committee.

D. SECURITIES AND EXCHANGE COMMISSION FILINGS

- 1. Review all annual and quarterly financial statements along with all filings with the Securities and Exchange Commission and other published documents containing the Company's financial statements.
- 2. Review with management and the outside auditor the draft of the quarterly earnings release and the results of the auditor's interim or annual review before they are released to the public or filed with the Securities and Exchange Commission or other regulators.
- 3. Review and approve the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

E. INTERNAL CONTROLS AND LEGAL MATTERS

- 1. Review the Company's policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the outside auditor.
- 2. Review legal and regulatory matters that may have a material impact on the financial statements and review related Company compliance policies.

3. Establish and maintain 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 submissions by the Company's employees of concerns regarding questionable accounting or auditing matters.
4. Review on an ongoing basis and approve or disapprove related party transactions (as defined in the listing standards and applicable SEC rules), and recommend such approval or disapproval to the Board of Directors.

F. CYBERSECURITY

1. Review and discuss with management the Company's cybersecurity risk exposures, including (a) the potential impact of those exposures on the Company's business strategy, operations, results of operations, financial condition, key relationships, and reputation; (b) the steps, programs and/or procedures management have taken to monitor and mitigate such exposures; (c) the Company's computerized information system and operational infrastructure policies and programs; and (d) major legislative and regulatory developments that could materially impact the Company's cybersecurity risk exposure.
2. Oversee, consider, and review with management the adequacy of the Company's disclosure controls and procedures and its internal controls relating to cybersecurity, including materiality assessments.