



AUDIT COMMITTEE CHARTER

I. PURPOSE

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Pulse Biosciences, Inc. (the “**Company**”) shall be to assist the Board in fulfilling its oversight responsibilities relating to the Company’s financial accounting and reporting processes, internal financial controls, and compliance with related legal and regulatory requirements. The Committee’s principal functions are to review and monitor the corporate financial reporting and the external audit of the Company, to provide to the Board the results of its observations and recommendations derived therefrom, to outline to the Board improvements made, or to be made, in internal accounting controls, to select and supervise independent auditors, and to provide to the Board such additional information and materials as it may deem necessary to make the Board aware of significant financial, reporting and compliance matters that require Board attention.

In furtherance of these purposes, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board from time to time prescribes. These duties and responsibilities will be reviewed periodically by the Committee and updated as the Committee determines appropriate.

The Committee’s role is one of oversight. It is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles (“**GAAP**”). The Company’s senior management (“**Management**”) is responsible for preparing the Company’s financial statements, and the Company’s independent auditor is responsible for auditing those financial statements. In exercising its business judgment, the Committee relies on the information and advice provided by Management and the independent auditor.

Committee members are not necessarily accounting experts and provide no expert or professional assurances. Committee members are not deemed to have accepted a duty of care greater than the duty of other directors. Nothing contained in this Charter is intended to alter the operation of the “business judgment rule” as interpreted under Delaware law.

II. MEMBERSHIP

The Committee members shall be appointed by, and shall serve at the discretion of, the Board. The Committee shall be comprised of at least three independent members of the Board who shall serve until their resignation, retirement or removal by the Board, and/or until their successors are duly elected. The Board may designate one member of the Committee to serve as chair. Members of the Committee must meet the following criteria (as well as any other criteria required by the Securities and Exchange Commission):

- Each member must be an independent director in accordance with (i) the audit committee requirements of The Nasdaq Stock Market, Inc. Marketplace Rules (the “**Nasdaq Rules**”) and (ii) Rule 10A-3 of the Securities Exchange Act of 1934, as amended;
- Each member must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement;

- At least one member must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background resulting in such member's financial sophistication, including a current or past position as a principal financial officer or other senior officer with financial oversight responsibilities;
- At least one member must be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated under the Securities Exchange Act of 1933; and
- No member shall have participated in the preparation of the financial statements of the Company or any subsidiary of the Company during the past three years.

III. AUTHORITY

In discharging its oversight responsibilities, the Committee may conduct or authorize investigations into, or studies of, any matters of interest or concern that the Committee or Board deem appropriate. In connection with this responsibility, the Committee shall have unrestricted access to the Company's facilities, personnel, documents, books and records.

The Committee may form and delegate authority to subcommittees when appropriate.

The Committee shall have the authority to engage, oversee and terminate outside counsel, accountants or other consultants or advisors, as it determines necessary to carry out its duties. The Committee shall have sole authority to approve related fees and retention terms, and the Company shall provide the Committee with adequate funding to allow the Committee to perform its duties under this Charter.

IV. RESPONSIBILITIES AND DUTIES

The overall responsibilities and duties of the Committee shall include the following domains and specific duties:

A. Financial Reporting

- Review on a continuing basis the adequacy of the Company's financial reporting process and system of internal control over financial reporting.
- Conduct a post-audit review of the financial statements and audit findings, including any significant suggestions for improvements or other reports provided to management or the Committee by the independent auditors and any responses to the same by management, and any significant difficulties encountered during the course of the audit.
- Review any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements.
- Review and discuss with management and the independent auditor, before release, the audited financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's annual report on Form 10-K.

- Review and discuss with management and the independent auditor, before release, the unaudited quarterly financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in the Company's quarterly reports on Form 10-Q.
- Review the Company's quarterly and annual earnings releases.
- In consultation with management and the independent auditor, periodically review the adequacy of the Company's disclosure controls and procedures and approve any significant changes thereto.
- Review management's report on the effectiveness of internal control over financial reporting as of the end of each fiscal year.
- Review with the independent auditors and management the extent to which changes or improvements in financial or accounting practices and internal controls, as approved by the Committee, have been implemented.
- Discuss with management and the independent auditors any changes in internal control over financial reporting.
- Prepare the report of the Committee for inclusion in the Company's annual proxy statement.
- Review the independent auditors' judgment about the quality and appropriateness of accounting principles as applied in financial reporting and consider significant changes to auditing and accounting principles and practices as suggested by the independent auditors or management.
- Review, in conjunction with counsel, any legal, regulatory, or compliance matters that could have a significant impact on the Company's financial statements.

B. Independent Auditors

- Review and approve the selection, compensation and replacement of any independent auditors engaged by the Company for the purpose of preparing or issuing an audit report or related work.
- Review the independent auditors' proposed audit scope and approach.
- Review and approve the provision by the independent auditors of all auditing services and any non-audit services and oversee compliance with the requirements of the Securities and Exchange Commission for independent auditors' services and review and discuss with the independent auditors all significant relationships that the auditors and their affiliates have with the Company and its affiliates in order to determine the auditors' independence.
- Establish policies for the pre-approval of audit services, audit-related services, including internal control-related services, and permitted non-audit services to be performed for the Company by its independent auditors and pre-approve such services as required by such policies.
- Review the performance of the independent auditors.
- Monitor the rotation of the partners of the independent auditors as required by applicable laws and rules.

C. Other

- Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters or possible violations of the federal securities laws or the rules or regulations promulgated thereunder and for the confidential, anonymous submission by employees of the Company of concerns regarding such matters.
- Regularly review the performance of the financial staff with the independent auditors.
- If necessary, institute special investigations.
- Report to the Board on a regular basis and make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.
- Perform other responsibilities reasonably related to the responsibilities specified above or otherwise delegated to the Committee by the Board.

In addition to the above responsibilities, the Committee will undertake such oversight functions and other duties as the Board delegates to it.

V. MEETINGS

The Committee shall meet as often as may be deemed necessary or appropriate, in its judgment, in order to fulfill its responsibilities. Meetings may be called by any Committee member or by Company management upon due notice to each member of the Committee at least 48 hours prior to the meeting, unless waived in writing. A majority of the total number of members of the Committee will constitute a quorum for all Committee meetings, and a quorum can act on behalf of the Committee. The Committee may meet in person or telephonically. The Committee may also take action and make recommendations by written, emailed, or electronically delivered consent of all the members of the Committee in lieu of a meeting.

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 information that the Committee requests. However, the Committee shall also meet regularly in executive session without the officers or other employees of the Company present.

The Committee will meet separately with the members of Management and the Company's independent auditors at such times as the Committee deems appropriate.

VI. MINUTES

The Committee shall maintain written minutes of its meetings and actions by unanimous written consent, which will be filed with the minutes of the meetings of the Board.

VII. REPORTS

The Committee shall make regular reports to the full Board on the actions and recommendations of the Committee.

VIII. CHARTER REVIEW

The Committee shall review and reassess the adequacy of this Charter annually and recommend to the Board any changes the Committee determines are appropriate.

IX. COMPENSATION

Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board in its sole discretion. Special compensation given to a non-employee director for service on the Committee shall not disqualify him or her from serving on the Committee.

Adopted Effective: December 15, 2015