

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS OF
IRHYTHM TECHNOLOGIES, INC.**

(Adopted October 4, 2016 and effective
as of iRhythm Technologies, Inc.'s initial public offering)

PURPOSE

The purpose of the Audit Committee is to assist the Board of Directors (the “**Board**”) of iRhythm Technologies, Inc. (the “**Corporation**”) in fulfilling its responsibilities for generally overseeing:

- The Corporation’s accounting and financial reporting processes and internal control over financial reporting, as well as the audit and integrity of the Corporation’s financial statements.
- The qualifications and independence of the Corporation’s registered public accounting firm (the “**independent auditor**”).
- The performance of the Corporation’s independent auditor, and, if the Corporation maintains an internal audit function, the performance of such internal audit function.
- The Corporation’s compliance with applicable law (including U.S. federal securities laws and other legal and regulatory requirements).
- Risk assessment and risk management.

The Audit Committee is also responsible for preparing the report required by Securities and Exchange Commission (“**SEC**”) rules to be included in the Corporation’s proxy statement for the annual meeting of shareholders, and for performing such other duties and responsibilities as are enumerated in or consistent with this charter.

COMPOSITION

1. Membership and Appointment. The Audit Committee shall consist of at least three members of the Board. Members of the Audit Committee shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee and may be removed by the Board in its discretion.
2. Qualifications. Members of the Audit Committee must meet the following criteria (as well as any criteria required by the SEC); provided, however, that the Corporation may avail itself of any phase-in rules or interpretations applicable to newly-listed companies in connection with an initial public offering:

- Each member of the Audit Committee shall meet the independence standards established by the SEC and the securities exchange on which the Corporation is listed, and the determination of independence will be made by the Board.
 - Each member of the Audit Committee must be able to read and understand fundamental financial statements and otherwise must comply with all financial literacy requirements of the securities exchange on which the Corporation is listed and all other applicable securities laws.
 - At least one member of the Audit Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. A person who satisfies the definition of “audit committee financial expert” will also be presumed to have financial sophistication.
 - At least one member of the Audit Committee shall be an “audit committee financial expert,” as determined by the Board in accordance with SEC rules.
 - No member of the Audit Committee shall simultaneously serve on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee and the Corporation discloses such determination in its annual proxy statement.
 - No member of the Audit Committee shall have participated in the preparation of the financial statements of the Corporation or any of its current subsidiaries at any time during the prior three years.
 - Each member of the Audit Committee shall have such other qualifications as are established by the Board from time to time, or as required by applicable law or the rules and regulations of the SEC or the securities exchange on which the Corporation is listed.
3. Chairperson. The Board may designate a chairperson of the Audit Committee. In the absence of that designation, the Audit Committee may designate a chairperson by majority vote of the Audit Committee members.

RESPONSIBILITIES

The following are the principal recurring responsibilities of the Audit Committee. The Audit Committee may perform such other functions as are consistent with its purpose and applicable law, rules and regulations and as the Board or the Audit Committee deem appropriate. In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances.

1. Select and Hire the Independent Auditor. The Audit Committee shall be directly responsible for appointing, compensating, retaining, overseeing and, where appropriate, replacing the independent auditor. The independent auditor will report directly to the Audit Committee. The Audit Committee shall have sole authority to approve the hiring and discharging of the independent auditor, all audit engagement fees and terms and all permissible non-audit engagements with the independent auditor. The Audit Committee shall also appoint, retain, compensate, oversee and, where appropriate, replace any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review

or attest services for the Corporation.

2. Supervise and Evaluate the Independent Auditor. The Audit Committee shall:

- Oversee and, at least annually, evaluate the work of the independent auditor or any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation, which evaluation shall include a review and evaluation of the lead partner of the independent auditor. The Audit Committee shall review, in consultation with the independent auditor, the annual audit plan and scope of audit activities and monitor such plan's progress.
- Review and resolve any disagreements that may arise between management and the independent auditor regarding internal control over financial reporting or financial reporting.
- At least annually, obtain and review a report by the independent auditor that describes (i) the independent auditor's internal quality-control procedures, and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding any independent audit performed by the independent auditor, and any steps taken to deal with any such issues.
- Communicate directly with the independent auditors, and, if the Corporation maintains an internal audit function, the internal auditors.

3. Evaluate the Independence of the Independent Auditor. The Audit Committee shall:

- Review and discuss with the independent auditor the written independence disclosures required by the applicable requirements of the Public Company Accounting Oversight Board or other regulatory body.
- Review and discuss with the independent auditor on a periodic basis (not less frequently than on an annual basis) any other relationships or services (including permissible non-audit services) that may affect its objectivity and independence.
- Oversee the rotation of the independent auditor's lead audit and concurring partners and the rotation of other audit partners, with applicable time-out periods, in accordance with applicable law.
- Take any other appropriate action to oversee the independence of the Corporation's independent auditor.

4. Approve Audit and Non-Audit Services and Fees. The Audit Committee shall (i) review and approve, in advance, the scope and plans for the audits and the audit fees and (ii) approve in advance (or, where permitted under the rules and regulations of the SEC, subsequently) all non-audit and tax services to be performed by the independent auditor, or any other registered public accounting firm, that are not otherwise prohibited by law or regulation and any associated fees. The Audit Committee may delegate to one or more members of the Audit Committee the authority to pre-approve permissible non-audit and tax services, as long as the pre-approved services are presented to the full Audit Committee at its next regularly scheduled meeting. The Audit Committee may, in accordance with applicable law, adopt specific policies and procedures for the engagement of the independent auditor for non-audit services, provided that the pre-

approval policies and procedures are detailed as to the particular service, the Audit Committee is informed of each non-audit service, and the procedures do not include delegation of the Audit Committee's responsibilities to management. In considering whether to pre-approve any non-audit services, the Audit Committee or its delegees shall consider whether the provision of such services is compatible with maintaining the independence of the auditor.

5. Review Financial Statements. The Audit Committee shall review and discuss the following with management, the independent auditor, and, if the Corporation maintains an internal audit function, the internal auditor, as applicable:

- The scope and timing of the annual audit of the Corporation's financial statements.
- The Corporation's annual audited and quarterly unaudited financial statements and annual and quarterly reports on Form 10-K and Form 10-Q, including the disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations", and recommend to the Board whether the audited financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" should be included in the Corporation's Form 10-K and the related press releases.
- The results of the independent audit and the quarterly reviews, and the independent auditor's opinion on the audited financial statements.
- The reports and certifications regarding internal control over financial reporting and disclosure controls and procedures.
- Major issues regarding accounting principles and financial statement presentation, including any significant changes in the Corporation's selection or application of accounting principles.
- Analyses prepared by management or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
- The effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Corporation's financial statements.
- Any significant changes required or taken in the audit plan as a result of any material control deficiency.
- Any problems or difficulties the independent auditor encountered in the course of its audit work, including any restrictions on the scope of the auditor's activities or on access to requested information, and management's response.
- Any significant disagreements between management and the independent auditor.

6. Reports and Communications from the Independent Auditor. The Audit Committee shall review and discuss reports from the independent auditor concerning the following:

- Critical accounting policies and practices to be used by the Corporation.
- Alternative treatments of financial information within GAAP that the auditor has discussed

with management, ramifications of the use of these alternative disclosures and treatments, and the treatment preferred by the independent auditor if different from that used by management.

- Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
 - Other matters required to be communicated to the Audit Committee under generally accepted auditing standards and other legal or regulatory requirements.
7. Audit Committee Report. The Audit Committee shall prepare the report of the Audit Committee that SEC rules require to be included in the Corporation's annual proxy statement.
 8. Earnings Press Releases and Earnings Guidance. The Audit Committee shall review all earnings press releases before the Corporation publicly discloses this information, and discuss with management and the independent auditors corporate policies with respect to earnings press releases (with particular attention to any use of "pro forma" or "adjusted" non-GAAP information), as well as corporate policies with respect to financial information and earnings guidance provided to the public, analysts and ratings agencies.
 9. Internal Controls. The Audit Committee shall review and discuss with management, the independent auditor, and, if the Corporation maintains an internal audit function, the internal auditor, the adequacy and effectiveness of the Corporation's internal controls, including any changes, significant deficiencies or material weaknesses in those controls reported by the independent auditor, the internal auditors or management and any special audit steps adopted in light of any material control deficiencies, and any fraud, whether or not material, that involves management or other Corporation employees who have a significant role in the Corporation's internal controls. The Audit Committee shall also review and discuss with management and the independent auditors, disclosure relating to the Corporation's internal controls, the independent auditor's report on the Corporation's internal control over financial reporting (if applicable) and required management certifications to be included in or attached as exhibits to the Corporation's Annual Reports on Form 10-K or Form 10-F or Quarterly Reports on Form 10-Q, as applicable.
 10. Disclosure Controls and Procedures. The Audit Committee shall review and discuss the adequacy and effectiveness of the Corporation's disclosure controls and procedures. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information and must periodically assess the adequacy of those procedures.
 11. Internal Audit. If the Corporation determines to implement or maintain an internal audit function, the Audit Committee shall:
 - Review and approve the overall objectives, scope, organizational structure, responsibilities, resources and activities of the internal audit function.
 - Review and concur in the appointment or, if applicable, the reassignment or dismissal of the senior internal auditing executive.
 - Review and discuss with management and the internal auditors the process used in developing the internal audit plan, the scope of the internal audit plan, significant changes in the planned scope of the internal audit plan and the coordination of the internal audit plan

with the independent audit.

- Discuss with the independent auditor the responsibilities, budget and staffing of the Corporation's internal audit function.
 - Review and discuss with the internal auditors the results of the internal audit, significant issues in internal audit reports and responses by management.
 - Review and discuss the performance and effectiveness of the internal audit function.
 - Communicate directly with the internal auditors.
12. Legal and Regulatory Compliance. The Audit Committee shall review and discuss with management, the independent auditor and, if the Corporation maintains an internal audit function, the internal auditor (i) the overall adequacy and effectiveness of the Corporation's legal, regulatory and ethical compliance programs, including the Corporation's code of business conduct and ethics, compliance with the Foreign Corrupt Practices Act of 1977, and similar anticorruption legislation, and compliance with export control regulations and (ii) reports regarding compliance with applicable laws, regulations and internal compliance programs. The Audit Committee shall discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Corporation's financial statements or accounting policies. The Audit Committee shall discuss with the Corporation's chief financial officer or senior legal officer any legal matters that may have a material impact on the financial statements or the Corporation's compliance procedures.
13. Complaints. The Audit Committee shall establish and oversee procedures for the receipt, retention and treatment of complaints on accounting, internal accounting controls or audit matters, as well as for confidential and anonymous submissions by the Corporation's employees concerning questionable accounting or auditing matters.
14. Risks. The Audit Committee shall review and discuss with management, the independent auditor, and, if the Corporation maintains an internal audit function, the internal auditor, the Corporation's major financial risk exposures and the steps management has taken to monitor and control those exposures, including the Corporation's guidelines and policies with respect to risk assessment and risk management.
15. Related Party Transactions. The Audit Committee shall review the Corporation's related person transaction policy, and shall review and oversee all transactions between the Corporation and a related person (as defined in Item 404 of Regulation S-K), in accordance with such policies and procedures.
16. Hiring of Auditor Personnel. The Audit Committee shall set hiring policies with regard to employees and former employees of the present and former independent auditor and oversee compliance with such policies.
17. Investment Policies. The Audit Committee shall review the Corporation's investment policies on a periodic basis to ensure proper risk management and the diversification and suitability of the Corporation's investments.

The function of the Audit Committee is primarily one of oversight. The Corporation's management is

responsible for preparing the Corporation's financial statements, and the independent auditor is responsible for auditing and reviewing those financial statements. The Audit Committee is responsible for assisting the Board in overseeing the conduct of these activities by management and the independent auditor. The Audit Committee is not responsible for providing any expert or special assurance as to the financial statements or the independent auditor's work. It is recognized that the members of the Audit Committee are not full-time employees of the Corporation, that it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and that each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Corporation from which the Audit Committee receives information and (ii) the accuracy of the financial and other information provided to the Audit Committee, in either instance absent actual knowledge to the contrary.

MEETINGS AND PROCEDURES

1. Meetings.

- The Audit Committee will meet at least once each fiscal quarter (with additional meetings as it deems necessary or appropriate) at such times and places as the Audit Committee determines. The chairperson of the Audit Committee shall preside at each meeting. The chairperson will approve the agenda for the Audit Committee's meetings and any member may suggest items for consideration. If a chairperson is not designated or present, an acting chair may be designated by the Audit Committee members present. The Audit Committee may act by unanimous written consent (which may include electronic consent) in lieu of a meeting, which shall constitute a valid action of the Audit Committee if it has been executed by each Audit Committee member and shows the date of execution. Any written consent will be effective on the date of the last signature or electronic consent, as the case may be, and will be filed with the minutes of the meetings of the Board.
- The Audit Committee shall cause to be kept written minutes of its proceedings, which minutes will be filed with the minutes of the meeting of the Board.
- The Audit Committee shall meet periodically with members of management as deemed appropriate, the head of the internal audit department, if applicable, and the independent auditor in separate executive sessions. Each regularly scheduled meeting of the Audit Committee will conclude with an executive session of the Audit Committee absent members of management.
- The Audit Committee may invite to its meetings any director, officer or employee of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities. The Audit Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities, including non-management directors who are not members of the Audit Committee

2. Reporting to the Board of Directors. The Audit Committee shall report regularly to the Board with respect to the Audit Committee's activities, including any significant issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance of the internal audit function or the performance and independence of the Corporation's independent auditor, as applicable.

3. Authority to Retain Advisors. The Audit Committee shall have the authority to engage

independent counsel or other advisors as it deems necessary or appropriate to carry out its duties. The Audit Committee shall set the compensation, and oversee the work of, any independent counsel or other advisors retained by it. The Corporation will provide appropriate funding, as determined by the Audit Committee, to pay the independent auditor, any other registered public accounting firm and any independent counsel and any other outside advisors hired by the Audit Committee and any administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its activities.

4. Subcommittees. The Audit Committee may form subcommittees for any purpose that the Audit Committee deems appropriate and may delegate to such subcommittees such power and authority as the Audit Committee deems appropriate. If designated, each such subcommittee will establish its own schedule and maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Audit Committee shall not delegate to a subcommittee any power or authority required by law, regulation or listing standard to be exercised by the Audit Committee as a whole.
5. Committee Charter Review. The Audit Committee shall review and reassess the adequacy of this charter annually and shall submit any recommended changes to the charter to the Board for approval.
6. Performance Review. The Audit Committee shall review and assess the performance of the Audit Committee on an annual basis.
7. Authority to Investigate. In the course of its duties, the Audit Committee shall have authority, at the Corporation's expense, to investigate any matter brought to its attention.
8. Attorneys' Reports. The Audit Committee shall receive and, if appropriate, respond to attorneys' reports of evidence of material violations of securities laws and breaches of fiduciary duty and similar violations of foreign, U.S., state, provincial or local law. The Audit Committee shall establish procedures for the confidential receipt, retention and consideration of any attorney report.
9. Access. The Audit Committee shall be given full access to the, chairperson of the Board, management, the independent auditor, and, if the Corporation maintains an internal audit function, the independent auditor, as well as the Corporation's books, records, facilities and other personnel.
10. Compensation. Members of the Audit Committee shall receive such fees, if any, for their service as Audit Committee members as may be determined by the Board (or a committee thereof) in its sole discretion. Members of the Audit Committee may not receive any compensation from the Corporation except the fees that they receive for service as a member of the Board or any committee thereof.