

CAMBIUM LEARNING GROUP, INC.
AUDIT COMMITTEE CHARTER

ROLE

The Audit Committee (the “Committee”) shall aid the Board of Directors (the “Board”) of Cambium Learning Group, Inc. (the “Company”) in undertaking and fulfilling its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company. The Committee’s purpose is to independently and objectively oversee: (1) the Company’s accounting and financial reporting processes; (2) the audits of the Company’s financial statements; (3) the qualifications of the public accounting firm engaged as the Company’s independent auditor; (4) the performance of the Company’s internal audit function and independent auditor; (5) the qualitative aspects of financial reporting to stock holders; (6) the Company’s process to manage business and financial risk; and (7) the Company’s compliance with significant applicable legal, ethical and regulatory requirements. The Committee shall also be responsible for appointing, compensating, retaining and overseeing the work of the outside auditors, for resolving disputes between outside auditors and the Company’s management regarding financial reporting issues and for providing support for management’s efforts to enhance the quality of the Company’s controls. In performing its duties, the Committee shall maintain free and open means of communication among the Company’s Board, outside auditors, internal auditors and senior management. The registered public accounting firm engaged for the purposes of preparing or issuing an audit report for inclusion the Company’s annual report on Form 10-K is referred to herein as the “independent auditors.”

The Company shall be responsible for providing the Committee with adequate and appropriate funding, determined by the Committee, in order to compensate any outside auditors and advisors engaged by or employed by the Committee and to cover the ordinary administrative expenses of the Committee.

COMMITTEE MEMBERSHIP

The Committee shall be a committee of the Board and shall consist of at least three directors. Members of the Committee and the Committee’s Chairperson shall be appointed by the Board on an annual basis, generally at the first Board meeting following the Company’s annual stockholders meeting. All Committee members must meet NASDAQ’s independence requirements and Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations thereunder; provided, however, that the Committee may consist of less than three independent directors in accordance with the phase-in provisions set forth in NASDAQ Market Place Rule 5615(b)(1) and Rule 10A-3(b)(1)(iv)(A) of the Exchange Act.

Each Committee member must, in the judgment of the Board, be able to read and understand financial statements, including a balance sheet, income statement and cash-flow statement, and otherwise meet the financial sophistication standard established by

the Securities and Exchange Commission (the “SEC”) and The NASDAQ Stock Market (“NASDAQ”). At least one Committee member must, in the Board’s judgment, be an “audit committee financial expert,” as defined by the NASDAQ listing rule and the rules and regulations of the SEC. The existence of such member shall be disclosed in periodic filings as required by the SEC.

The Committee’s Chairperson must have had academic training in accounting or current or past experience in a senior financial position with oversight responsibilities. The Chairperson can serve successive terms in this capacity without limitation. In the absence of the Chairperson, the remaining Committee members may designate a chairperson by majority vote of the Committee.

No Committee member may serve on more than two other audit committees of publicly-traded companies at the same time, unless the Board specifically determines that the member is able to do so without impairing his or her ability to serve effectively on the Committee. For this purpose, service on the audit committees of a parent and its substantially owned subsidiaries counts as service on a single audit committee. Further, each prospective Committee member shall carefully evaluate the existing demands on his or her time before accepting appointment or reappointment to the Committee.

The Committee members shall serve for a term of one year. Committee members may serve successive one-year terms without limitation. The resignations or removal of a Committee member from the Board, for whatever reason, automatically shall constitute resignation or removal, as applicable, from the Committee. The Board may remove any Committee member from the Committee at any time, with or without cause. Vacancies occurring on the Committee, for whatever reason, may be filled by the Board.

MEETINGS

The Committee shall meet at such times and from time-to-time as it deems appropriate, but not less than four times each year. The Committee shall ensure that adequate written minutes of its proceedings are kept and filed with the minutes of the meetings of the Board and shall report to the Board at the first Board meeting following each Committee meeting. Committee members shall be furnished with copies of the minutes of each Committee meeting and any action taken by unanimous written consent. The provisions of the Company’s Bylaws that govern the conduct of Board committees shall govern the Committee. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with: (a) any provision of this Charter; (b) any provision of the Bylaws of the Company; or (c) any state or federal securities laws.

The Committee may request its independent auditors, internal auditors, members of management or others to attend meetings and provide pertinent information as necessary to carry out the Committee’s duties and responsibilities. The Committee shall provide management, the independent auditors and internal auditors with appropriate opportunities to meet privately with the Committee.

A majority of the Committee shall constitute a quorum. The Committee may act by a majority of the members present (in person or by telephone) at a meeting of the Committee.

The Committee should communicate with management, the head of the internal audit department and the independent auditors quarterly to review with them the Company's financial statements and significant findings based upon the independent auditor's limited review or audit procedures. Periodically, the Committee shall hold an executive session during which no non-Committee member shall be present.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

As discussed above, the Committee's function is to aid the Board in undertaking and fulfilling its oversight responsibilities for accurate financial reporting to the public and for financial risk management and assessment. While the Committee has the responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits, to prepare the Company's financial statements, to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles or to assure compliance with laws, regulations or any internal rules or policies of the Company. These are the responsibility of management and the Company's independent auditors.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention. The Committee will have direct access to the Company's independent auditors, as well as the Company's books, records, facilities and personnel. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications. The Committee may retain (and terminate) independent counsel, accountants or other consultants or experts, at the Company's expense, to the extent considered necessary or appropriate by the Committee to assist it in the conduct of any investigation or the performance of its duties.

The duties of the Committee shall include the following:

Financial Statements and Disclosures:

1. Review and discuss with management and the independent auditors the Company's annual audited and interim financial statements and related footnotes, which shall include a discussion of:

- a. the Company's disclosures under the "Management's Discussion and Analysis of Financial Conditions and Results of Operations" of the Company's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be;
- b. any significant financial reporting issues that have arisen in connection with the preparation of such financial statements, prior to the filing of the Company's

Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be; and

- c. such issues as may be brought to the Committee's attention by the independent auditors pursuant to Statement on Auditing Standards No. 100.

2. Discuss with management and the independent auditors significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in selection or application of accounting principles. Review and assess the adequacy of internal accounting procedures and controls, including a review with the independent auditors of their evaluation of the Company's internal controls. Review the programs that the Company has instituted to correct any control deficiencies noted by the head of internal audit in his or her periodic review or the independent auditors in their annual review. Discuss with management the results of the foregoing reviews, including significant items and potential ways to improve the accounting procedures and controls. Also discuss the effect of regulatory and accounting initiatives as well as off-balance sheet structures, if any, on the Company's financial statements.

3. In accordance with Section 204 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), require the independent auditors to timely report to the Committee the following items, all of which shall be addressed during the Committee's discussions with management and the independent auditors held in accordance with paragraphs 1 and 2 above:

- a. all critical accounting policies and practices to be used;
- b. all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and
- c. other material written communications between the independent auditors and Company management, such as any management letter or schedule of unadjusted differences.

4. Discuss with management and the independent auditors the annual or quarterly review results, as the case may be, and required communications prior to the issuance of any press release containing financial results or earnings and/or the filing of any reports containing such results or earnings with the SEC. Such discussion shall include the use of "pro forma" or "as adjusted" non-GAAP information, as well as financial information and earnings guidance, and the types of presentations to be made.

5. Meet with the independent auditors, in an executive session with no management in attendance, to openly discuss the following:

- a. any difficulties encountered by the independent auditor in the course of performing its audit work, including any restrictions on the scope of its activities or its access to information or any significant disagreements with management;

- b. the quality of the Company's accounting principles as applied in its financial reporting, including the appropriateness of the accounting principles and financial disclosure practices used or proposed to be used by the Company;
- c. any communications between the audit team and the independent public accounting firm's national office regarding auditing or accounting issues presented by the engagement and any management or internal control letter issued, or proposed to be issued, by the independent auditor; and
- d. the responsibilities, budget and staffing of the Company's internal audit function.

6. Periodically review with management, the independent auditors and the internal auditors the Company's financial reporting processes and controls and procedures to ensure the integrity and adequacy of such reporting processes and controls and procedures, and the assessment thereof.

7. Review with management, the independent auditors, and the head of the internal audit function:

- a. the Company's annual assessment of the effectiveness of its internal controls and the independent auditors' attestation;
- b. the adequacy of the Company's internal controls, including computerized information system controls and security;
- c. any related significant findings and recommendations of the independent auditors and the internal auditors together with management's responses.

8. Meet with the Company officers responsible for certifying the Company's financial reports as required under Section 302 of the Sarbanes-Oxley Act and discuss whether such officers are aware of:

- a. any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize, and report financial data;
- b. any "material weakness" or "significant deficiency" in the design or operation of internal control over financial reporting, and any steps taken to resolve the issue; or
- c. any fraud that involves management or other employees who have a significant role in the Company's internal controls.

9. Based on the Committee's review and discussions (1) with management and the independent auditors of the audited financial statements and (2) with the independent auditors concerning their independence, the Committee shall make a recommendation to the Board as to whether the Company's audited financial statements should be included in the Company's Annual Report on Form 10-K.

Relationship with Independent auditors:

1. Be solely and directly responsible for the appointment, compensation, retention and oversight of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) engaged for the purposes of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company. The independent auditors shall report directly, and be accountable, to the Committee.

2. Review the independence and performance of the independent auditors, with sole responsibility and authority to pre-approve, to the extent required by applicable law and NASDAQ rules, all audit and non-audit engagements and the related fees and terms with the independent auditors for the ensuing fiscal year; provided, that such non-audit engagements shall not be for any services listed in Section 10A(g) of the Exchange Act (the "prohibited services"). Such pre-approval may be designated, in accordance with applicable law, to one or more designated members of the Committee; provided any such decision made pursuant to the foregoing delegation of authority shall be presented to the Committee at its next regularly-scheduled meeting. Require that the independent auditors provide the Committee with confirmations from time-to-time that they are not providing to the Company (i) any prohibited services, or (ii) any other non-audit service or any auditing service that has not been approved in advance by the Committee. The Committee shall have the authority to approve the provision of non-audit services that have not been pre-approved by the Committee, but only to the extent that such non-audit services qualify under the *de minimus* exception set forth in Section 10A(i)(1)(B) of the Exchange Act. The Committee shall record in its minutes and report to the Board all approvals of non-audit services granted by the Committee.

3. Oversee the independence of the Company's independent auditors by, among other things:

- a. reviewing a formal written statement from the independent auditors delineating all relationships between the independent auditor and the Company, consistent with Independence Standards Board Standard No. 1 (as modified or supplemented);
- b. actively engaging in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors, and taking appropriate action to satisfy itself of the independent auditors' independence;
- c. considering whether, in addition to assuring the regular rotation of the lead audit partner as required by law, there should be a rotation of the Company's independent auditors; and
- d. approving hiring policies by the Company for hiring employees or former employees of the Company's independent auditors.

4. Obtain and review a report from the independent auditors at least annually regarding:

- a. the independent auditors' internal quality-control procedures;

- b. any material issues raised by the most recent internal quality-control review by the Public Company Accounting Oversight Board, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; and
- c. any steps taken to deal with any such issues.

The Committee shall present its conclusions with respect to the independent auditors to the Board.

5. Review and approve the independent auditors' annual audit plan(s), including the scope and staffing thereof, and meet with the independent auditors prior to each annual audit of the financial statements to discuss with the independent auditors the planning, staffing, locations, reliance upon management and the internal auditors and general audit approach.

6. On an annual basis, obtain confirmation from the independent auditors at the commencement of each audit that such firm is a "registered public accounting firm" as such term is defined in the Exchange Act.

7. Set clear policies with respect to the Company's potential hiring of current or former employees of the independent auditor.

Internal Audit Department:

1. Review the responsibilities, functions, performance, budget, organizational structure and qualifications of the Company's internal audit department.

2. Review the internal audit department's risk assessment process used to determine the annual audit plan, and assess whether such risk assessment process is adequate to attain the internal audit objectives, as determined by the Company's management and approved by the Committee. Approve the annual audit plan and review the status of the plan and any suggested changes to it at least quarterly.

3. Obtain periodic reports prepared by the internal audit department regarding significant deficiencies or material weaknesses in the design or operation of internal controls, management's action plan to address them and the status of the action plan. Discuss quarterly any significant change in internal controls implemented by management.

Compliance Matters. On at least an annual basis, meet with the Company's general counsel or if there is no general counsel, senior corporate counsel, and outside counsel when appropriate, to review legal and regulatory matters, if any, that may have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.

Other Audit Committee Responsibilities.

1. Complete an annual evaluation of the Committee's performance.
2. Advise the Board about the Committee's determination whether the Committee consists of three or more members who are financially literate, including at least one member who has financial sophistication and is a financial expert.
3. Review the Company's guidelines and policies for risk assessment and risk management, and assess the steps management has taken to control such risk to the Company.
4. Review with finance management any significant changes to GAAP policies or standards.
5. At least annually, review and, if appropriate, recommend to the Board for approval revisions to the Company's Code of Ethics for Senior Financial Officers, the process for communicating the Company's Code of Business Conduct to the Company's employees, and the process for monitoring compliance therewith, and obtain regular updates from management, the head of the internal auditing department and the Company's general counsel or, if there is no general counsel, senior corporate counsel, regarding compliance matters.
6. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters.
7. Review and approve all related party transactions that would be disclosed pursuant to Item 404 of Regulation S-K of the Exchange Act (or any successor provision).

The Committee shall also undertake such additional activities within the scope of its primary function as the Committee may, from time-to-time, determine.

REPORTING TO STOCKHOLDERS

The Committee shall prepare the Committee report required by Item 407 of Regulation S-K of the Exchange Act (or any successor provision) to be included in the Company's annual proxy statement. The proxy statement shall either include the full text of this Charter at least once every three years and after any significant modification is approved by the Board, or disclose annually where the full text of this Charter can be found on the Company's website.