

**CHARTER FOR THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
OF RHI ENTERTAINMENT, INC.**

- I. Composition of the Audit Committee: The Audit Committee of RHI Entertainment, Inc. (the “Company”) shall be comprised of at least three directors. Pursuant to the Nasdaq listing requirements, at least one director shall be considered independent at the closing of the Company’s initial public offering (the “IPO”), at least a majority of directors shall be considered independent within ninety days of the IPO and all of the directors shall be considered “independent” within one year of the IPO. The determination of independence shall be interpreted by the Board of Directors in its business judgment. Each member will be “financially literate” (or will become so within a reasonable time after his or her appointment to the Audit Committee) and collectively the members shall have such other qualifications as may be mandated by law or the rules and regulations of the Securities and Exchange Commission (the “SEC”). At least one member of the Audit Committee shall have “accounting or related financial management expertise,” as such qualifications are interpreted by the Board of Directors in its business judgment. The Board of Directors will perform an annual review to confirm the qualifications and independence of the Committee members. Committee members shall be appointed by the Board based on nominations made by the Company’s Nominating and Corporate Governance Committee and shall serve for one year terms ending on the date of the annual meeting of shareholders.

No director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies unless the Board of Directors determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee.

No member of the Audit Committee (i) may receive any compensation from the Company other than (a) director’s fees, which may be received in cash, stock options or other in kind consideration, and (b) a pension or other deferred compensation for prior service that is not contingent on future service, or (ii) may be an “affiliated” person of the Company or any of its subsidiaries, as defined in Rule 10A-3(b) of the Securities Exchange Act of 1934. Each member of the Audit Committee shall comply with the requirements of Rule 10A-3 promulgated under the Securities Exchange Act of 1934.

The Board of Directors shall designate as Chairman of the Audit Committee one of its members, who shall preside over the meetings of the Committee and shall inform the Board of Directors of the actions taken by the Committee.

- II. Purposes of the Audit Committee: The purposes of the Audit Committee are to:
1. assist Board oversight of (i) the Company’s accounting and financial reporting process, principles and policies; (ii) the Company’s financial statements, (iii) the Company’s independent auditor’s qualifications and independence; and (iv) the performance of the Company’s independent auditors; and

2. prepare any reports required to be prepared by the Audit Committee pursuant to the rules of the SEC for inclusion in the Company's annual proxy statement.

The function of the Audit Committee is oversight of the Company's financial reporting process on behalf of the Board of Directors. The management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. Management is responsible for maintaining and monitoring, respectively, appropriate accounting and financial reporting principles and policies and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The Company's outside auditors are responsible for planning and carrying out proper audits of the Company's annual financial statements as well as reviews of the Company's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q and other procedures, and expressing an opinion as to the conformity of the annual financial statements with generally accepted accounting principles.

In fulfilling their responsibilities hereunder, it is recognized that members of the Audit Committee are not full-time employees of the Company and that they need not be, or represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing including in respect of auditor independence. As such, 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 each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Company from which they receive information, (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors) and (iii) representations made by management as to any information technology and other non-audit services provided by the auditors of the Company.

The Audit Committee has the ultimate authority and responsibility with respect to the Company's selection, evaluation and, when appropriate, replacement (or nomination for stockholder's approval) of the Company's independent auditors, as well as the approval of all audit engagement fees and terms and all non-audit engagements (subject, if applicable, to shareholder ratification).

The outside auditors shall submit to the Company annually a formal written statement (the "Auditors' Statement") describing, to the extent permitted under applicable auditing standards: the auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review or peer review of the auditors, 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 auditors, and any steps taken to deal with any such issues; and (to assess the auditors' independence) all relationships between the outside auditors and the Company, including each permitted non-audit service provided to the Company and at least the matters set forth in Independence Standards Board No. 1.

The outside auditors shall submit to the Company annually a formal written statement of the fees billed in each of the last two fiscal years for the following services: (i) audit fees for the audit of the Company's annual financial statements and the review of the financial statements included in the Company's quarterly reports in form 10-Q or similar services normally provided by accountants in connection with statutory and regulatory filings or engagements for those fiscal years; (ii) audit-related fees for assurance and related services reasonably related to the audit or review of the Company's financial statements, not described in clause (i) above; (iii) tax fees for professional services rendered for tax compliance, tax advice and tax planning; and (iv) all other fees for products and services provided other than those described in clauses (i) to (iii) above.

- III. Meetings of the Audit Committee: The Audit Committee shall meet once every fiscal quarter, or more frequently if circumstances dictate, to discuss with management the annual audited financial statements and quarterly unaudited financial statements, as applicable. The Audit Committee should meet separately at least quarterly with management and the outside auditors to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed privately. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or outside auditors to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

Members of the Audit Committee may participate in a meeting of the Audit Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. A quorum shall consist of a majority of the members of the Committee. The decisions of the Committee shall be adopted by an affirmative vote of the members present at the meeting in which the decision is considered. Minutes of each Committee meeting will be prepared and maintained. The Committee may appoint a Secretary from among its members to prepare minutes of the Committee meetings as well as to help in the preparation of any agendas, reports or other documents prepared in connection with such meetings.

The Committee shall set the agenda of items to be addressed at each upcoming meeting. In addition, at the first meeting of the Audit Committee held following the annual meeting of shareholders, the chair, in consultation with the other members of the Audit Committee, shall determine the list of items to be addressed by the Audit Committee during the coming year.

- IV. Duties and Powers of the Audit Committee: To carry out its purposes, the Audit Committee shall have the following duties and powers:

1. with respect to the Company's outside auditor, to:
 - (i) appoint (subject, if applicable, to shareholder ratification), retain, evaluate, terminate, if necessary, determine compensation and oversee the work of the independent auditors;

- (ii) resolve disagreements between management and the independent auditors regarding financial reporting;
- (iii) approve all audit engagement fees and terms, as well as those for permitted non-audit services;
- (iv) ensure that the outside auditors prepare and deliver annually an Auditors' Statement (it being understood that the outside auditors are responsible for the accuracy and completeness of this Statement), and to discuss with the outside auditors any relationships or services disclosed in this Statement that may impact the quality of audit services or the objectivity and independence of the Company's outside auditors;
- (v) review and evaluate the qualifications, performance and independence of the lead partner of the outside auditors;
- (vi) take into account the opinions of management in assessing the outside auditors' qualifications, performance and independence;
- (vii) instruct the outside auditors that they are accountable to the Audit Committee and must report directly to the Audit Committee;
- (viii) pre-approve all auditing services and all non-audit services authorized by law or regulation to be provided to the Company by the outside auditors and to consider whether the outside auditors' provision of non-audit services to the Company is compatible with maintaining the independence of the outside auditors. The Audit Committee may, in its discretion, delegate to one or more of its members the authority to pre-approve any audit or non-audit services to be performed by the outside auditors, provided that any such approvals are presented to the Audit Committee at its next scheduled meeting;
- (ix) obtain from the outside auditors in connection with any audit a timely report relating to the Company's annual audited financial statements describing: (i) all critical accounting policies and practices to be used; (ii) all alternative treatments of financial information within GAAP that have been discussed with management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the outside auditors; and (iii) any other material written communications between the outside auditors and the management of the Company, such as any management letter or schedule of unadjusted differences;
- (x) discuss with management the timing and process for implementing the rotation of the lead audit partner and the reviewing partner, which rotation must occur not less than once every five fiscal years, and consider whether there should be a regular rotation of the audit firm itself; and

- (xi) establish a policy addressing the Company's hiring of employees or former employees of outside auditors who are or were engaged on the Company's account;
2. with respect to financial reporting principles, policies, controls and procedures, to:
- (i) advise management and the outside auditors that they are expected to provide to the Audit Committee a timely analysis of significant financial reporting issues and practices;
 - (ii) consider any reports or communications (and management's responses thereto) submitted to the Audit Committee by the outside auditors required by or referred to in SAS 61 (as codified by AU Section 380), as may be modified or supplemented, including reports and communications related to:
 - deficiencies noted in the audit in the design or operation of internal controls;
 - consideration of fraud in a financial statement audit;
 - detection of illegal acts;
 - the outside auditor's responsibility under generally accepted auditing standards;
 - any restrictions on audit scope;
 - significant accounting policies;
 - significant issues discussed with the national office;
 - management judgments and accounting estimates and assumptions;
 - adjustments arising from the audit including those that were noted or proposed by the outside auditor but were "passed" (as immaterial or otherwise);
 - the responsibility of the outside auditor for other information in documents containing audited financial statements;
 - disagreements with management;
 - consultation by management with other accountants;
 - major issues discussed with management prior to retention of the outside auditor;
 - difficulties encountered with management in performing the audit;

- review and discuss with the outside auditors the matters required to be discussed by SAS 90, including whether the Company’s accounting principles as applied are conservative, moderate or aggressive from the perspective of income, assets and liability recognition and whether or not those principles affect common or minority practices;
 - the outside auditor’s judgments about the quality of the entity’s accounting principles; and
 - reviews of interim financial information conducted by the outside auditor and any material modification that needs to be made to the interim financial information to conform it with GAAP;
- (iii) establish procedures as required by applicable rules, regulations or listing requirements for:
- the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (iv) review periodic summary reports of complaints and other submissions regarding questionable financial accounting or auditing practices, ensuring appropriateness and consistency of Management’s follow-up and disciplinary actions, as well as any remediation action;
- (v) meet with management and/or the outside auditors, as appropriate, to:
- review the results of the annual audit and management’s response;
 - review and discuss the annual audited financial statements and quarterly unaudited financial statements, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”;
 - review, discuss and approve, before publication, all of the Company’s quarterly and annual earnings press releases (paying particular attention to any use of non-GAAP information);
 - discuss the financial information and earnings guidance provided to analysts and ratings agencies. The responsibility to discuss such information and earnings guidance may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made). The audit committee need not discuss

in advance each instance in which the Company may provide financial information or earnings guidance;

- discuss any significant matters arising from any audit or report or communication referred to in this charter, whether raised by management or the outside auditors, relating to the Company's financial statements;
 - review the form of opinion the outside auditors propose to render to the Board of Directors and shareholders;
 - discuss significant changes to the Company's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the outside auditors or management;
 - inquire whether the financial statements fairly present, in all material respects, the financial condition, results of operations and cash flows of the Company as of and for the periods presented; and
 - discuss policies and processes with respect to risk assessment and risk management, and steps taken to monitor and control such exposures;
- (vi) inquire of the Company's principal executive officer and principal accounting officer as to the existence of any significant deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, any material weaknesses in internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls;
- (vii) review with management and the independent auditors market, operational and financial risk assessments and management policies and practices, including related corporate approval requirements and audit initiatives to minimize such risks. To the extent deemed appropriate by management and the Committee, outside professionals may be engaged to assist in identifying key risk exposures and recommend remedial measures to reduce such exposures. They may also provide the internal audit capability required to review the effectiveness of the Company's internal control structure and provide assurance that the indentified risks are being appropriately managed. The engagement of such outside professionals should be approved by the Audit Committee and they should review the scope of their work with the Committee as well as their subsequent reports and findings. They should be instructed that they are accountable to the Audit Committee and that they report directly to Audit Committee.
- (viii) obtain from the outside auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Securities Exchange Act of

1934, as amended, which sets forth certain procedures to be followed in any audit of financial statements required under the Securities Exchange Act of 1934;

- (ix) approve all related party transactions;
- (x) inquire as to the outside auditor's view of the accounting treatment related to significant new transactions or other significant matters or events not in the ordinary course of business;
- (xi) review the effectiveness of the Company's policies and procedures for receiving and investigating information provided by "whistleblowers" ;
- (xii) coordinate with the Company's Disclosure Committee to evaluate the effectiveness of the Company's disclosure controls and procedures and to determine whether such disclosure controls and procedures are in compliance with the applicable rules and regulations of the SEC; and
- (xiii) discuss with the Company's General Counsel or outside counsel any significant legal matters that may have a material effect on the financial statements, the Company's compliance policies, including material notices to or inquiries received from governmental agencies.

3. with respect to reporting and recommendations, to:

- (i) prepare any report or other disclosures, including any recommendation of the Audit Committee, required by the rules of the SEC to be prepared by the Audit Committee and included in the Company's annual proxy statement;
- (ii) review this Charter at least annually and recommend any changes to the Company's Board of Directors;
- (iii) review at least annually the compliance with the adequacy of and any requests for waivers under the Company's code of business conduct and ethics;
- (iv) review and address conflicts of interest of directors and executive officers;
- (v) review its own performance annually; and
- (vi) report its activities to the Board of Directors on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate.

V. Resources and Authority of the Audit Committee: The Audit Committee shall have the resources and authority appropriate to discharge its responsibilities, including the

authority to engage outside auditors for special audits, reviews and other procedures, and to retain independent counsel and other experts or consultants, without seeking approval of the Board of Directors or management, and to determine the compensation to be paid by the Company to such auditors, counsel, experts or consultants.

- VI. Effective Date: This Charter will become effective immediately upon its approval by the Board of Directors.
- VII. Amendments: This Charter may only be amended by a resolution duly adopted by the Board of Directors.