

**Columbus McKinnon Corporation**  
**(the “Company”)**

**Audit Committee Charter**

**1. Organization**

- a. The Company’s Board of Directors (the “Board”), by resolution dated October 27, 1995, established the Audit Committee (the “Committee”). The Committee adopted this Committee Charter on March 24, 1997, and last amended it on March 29, 2009.
- b. The Audit Committee shall consist of no fewer than three members. The members of the Audit Committee shall meet the independence and experience requirements of Nasdaq, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Commission, including financial literacy. At least one member of the Audit Committee shall be a financial expert as defined by the Commission. Audit committee members shall not simultaneously serve on the audit committees of more than two other public companies.
- c. The members of the Audit Committee shall be appointed by the Board. Audit Committee members may be replaced by the Board.
- d. The potential rotation of the Audit Committee Chair will be reviewed annually by the Committee, in conjunction with procedures determined by the Board of Directors.

**2. Statement of Policy and Responsibilities**

- a. The Audit Committee is appointed by the Board to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the Company’s internal accounting and financial controls, (3) the independent auditor’s qualifications and independence, (4) the performance of the Company’s internal audit function and independent auditors, and (5) the compliance by the Company with legal and regulatory requirements, including all pertinent requirements of the Sarbanes/Oxley Act of 2002 (“SOA”).
- b. The Audit Committee shall have the sole authority to appoint or replace the independent auditor (subject, if applicable, to shareholder ratification). The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- c. The Audit Committee shall pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor (see Appendix A), subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Audit Committee prior to the completion of the audit.
- d. The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.
- e. In discharging its oversight role, the Committee is authorized to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company.

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### 3. Principal Functions

- a. The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances. The Committee will take appropriate action to set the overall Company “tone” for quality financial reporting, sound business risk practices, and ethical behavior. The following functions are set forth as a guide to be supplemented and carried out as the Committee deems necessary and appropriate.
- b. The following shall be the principal recurring functions of the Committee in carrying out its responsibilities for **Financial Statement and Disclosure Matters**:

Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in management’s discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company’s Form 10-K.

Review and discuss with management and the independent auditor the Company’s quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor’s review of the quarterly financial statements.

In conjunction with Board of Directors, review and discuss with management, all financial press releases in advance of issuance and filing,

Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company’s financial statements, including any significant changes in the Company’s selection or application of accounting principles, any major issues as to the adequacy of the Company’s internal controls and any special steps adopted in light of material control deficiencies.

Review and discuss reports from the independent auditors on:

(i) All critical accounting policies and practices to be used.

(ii) 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 auditor.

(iii) Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

Discuss with management the Company’s earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).

Issue written affirmation to NASDAQ regarding Audit Committee independence.

Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company’s financial statements.

In consultation with management and the independent auditor, consider the integrity of the Company's financial reporting processes and controls, both external and internal. Discuss significant financial reporting risk exposures and the steps management has taken to monitor, control and report such exposures, including the Company's risk assessment and risk management policies.

Review investment performance of the Company's pension, 401(k) Plans and CMIC assets.

Review funded status, contributions and assumptions of pension plans.

Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

The Committee shall review management's assertion on its assessment of the effectiveness of internal controls as of the end of the most recent fiscal year, as well as the independent auditor's report on internal control over financial reporting.

On a five year rotational basis, review the status and structure of the Company's wholly owned captive insurance company, CM Insurance Company, Inc.

Review and discuss with management (including the head of internal audit) and the independent auditor the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.

- c. The following shall be the principal recurring functions of the Committee in carrying out its responsibilities for **Pre-Approval of Permitted Non-Audit Services, and the Fees therefor, to be provided by the Company's Independent Auditor:**

Before the beginning of each fiscal year, the Committee will discuss, review, and consider for approval a detailed list of recommended, specific, permitted non-audit services, including budgeted fees therefor, to be provided by the independent auditor during the ensuing fiscal year, ascertaining that such detailed planned services and budgeted fees (i) are consistent with the Company's policy that non-audit fees paid to the Company's independent auditor in any one fiscal year must not exceed the total of audit fees, audit-related fees, and tax compliance and return preparation fees, (ii) will not adversely affect the independence of the independent auditor, and (iii) will not require the independent auditor to audit its own work, to function in the role of management, or to act as advocate for the Company.

During each fiscal year, management, with the assistance of the independent auditor, will be responsible for (i) monitoring actual non-audit services and the fees therefor, (ii) advising the Committee of any significant expected deviations from either the planned

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non-audit services to be performed by the independent auditor or the budgeted fees therefor, (iii) submitting to the Committee, in sufficient detail, any recommended unplanned non-audit services to be provided by the independent auditor and the expected fees therefor, and (iv) providing an annual report to the Committee showing, in sufficient detail, actual results against approved plans.

During each fiscal year, the Committee, or its designee, will discuss, review, and, using the same criteria as noted above, consider for approval (i) any significant expected deviations from the planned non-audit services to be provided by the independent auditor or the budgeted fees therefor, or (ii) any unplanned non-audit services and the expected fees therefor, that arose after the annual budget was approved.

- d. The following shall be the principal recurring functions of the Committee in carrying out its responsibilities for **Oversight of the Company's Relationship with the Independent Auditor Matters**:

Review and evaluate the lead partner of the independent auditor team.

Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, 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, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and internal auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.

Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.

Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor of the Company.

Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

- e. The following shall be the principal recurring functions of the Committee in carrying out its responsibilities for **Compliance Oversight Responsibilities**:

Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.

Review reports and disclosures of insider and affiliated party transactions. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics.

Establish 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 submission by employees of concerns regarding questionable accounting or auditing matters.

Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports, which raise material issues regarding the Company's financial statements or accounting policies.

Discuss with the Company's General Counsel, legal matters that may have a material impact on the financial statements or the Company's compliance policies.

Review and approve the report of the Internal Auditor's annual examination of the business expenditures of the Company's Named Executive Officers.

Review the financial information set forth within the annual proxy Compensation, Discussion & Analysis report.

- f. The following shall be the principal recurring functions of the Committee in carrying out its responsibilities for **Internal Audit oversight**:

Review scope of annual plan for upcoming year.

Review internal audit budget and actual costs.

Review Conflict of Interest results.

Status of internal audit and 404 activities relative to annual plan.

Review of department staffing and qualifications, including appointment of internal audit executive.

Address "Unsatisfactory" audits and significant deficiencies in internal control.

Address any special investigations or defalcations in internal control.

#### 4. Limitation of Audit Committee's Role

- a. While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management, internal audit and the independent auditor.

#### 5. Other Matters

- a. The Audit Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.
- b. The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any advisors employed by the Committee that are necessary or appropriate in carrying out its duties.
- c. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Audit Committee.
- d. The Audit Committee shall make regular reports to the Board.
- e. The Audit Committee shall review and reassess the adequacy of this Charter annually, including solicitation of feedback from the Company's SEC counsel and independent auditor, and recommend any proposed changes to the Board for approval.
- f. The Audit Committee shall annually review the Audit Committee's own performance.

## 6. Meetings

- a. The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically with management, the internal auditors and the independent auditor in separate executive sessions. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

# COLUMBUS MCKINNON CORPORATION

## Audit Committee Charter

### Appendix A

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The following lists should not be considered all inclusive, rather they contain illustrative examples which can be updated through specific experience, and adjusted as regulations and general practice develop.

**Audit Services**, services required of the independent auditor directly related to the audit, include:

- Audit of consolidated financial statements
- Review quarterly consolidated financial statements
- Audit subsidiaries' financial statements as required by local country statutes
- Issue comfort letters
- Issue consent letters
- Review SEC registration statements
- Review complex transactions and emerging issues as they occur
- Issue compliance letters as required by financing agreements
- Attend annual meeting of shareholders
- Audit the Company's system of internal control as required by SOA Section 404
- Issue a management letter with recommendations for improvements as they arise during the audit

**Non-audit Services**, services closely related to, but not required as part of the audit, include:

**Audit-related Services:**

- Audit of the financial statements of the Company's employee benefit plans
- Audit of the financial statements of CM Insurance Company, Inc.
- Assist with due diligence related to acquisitions and divestitures
- Consult regarding financial and reporting matters not specifically related to the current year

**Tax Compliance Services:**

- International tax compliance matters
- Limited scope review of domestic tax returns
- ETI services
- Research credit analysis
- Expatriate tax services
- IRS audit assistance

**Tax Consulting Services:**

- Domestic and international tax planning
- Advice related to acquisitions and divestitures
- Foreign refinancing / repatriation issues

State tax matters  
Transfer pricing  
Other consulting

**Other Services:**

Such other permissible assignments as from time to time are approved by the Audit Committee

**Prohibited Non-audit Services**, as defined in Section 201 of SOA and/or Rule 2-01(c)(4) of Regulation S-X:

Bookkeeping or other services related to the Corporation's accounting records or financial statements  
Financial information systems design and implementation  
Appraisal or valuation services, fairness opinion or contribution-in-kind reports  
Actuarial services  
Internal audit outsourcing services  
Managerial functions  
Human Resources  
Broker-dealer, investment advisor or investment banking services  
Legal services  
Expert services