

AUDIT COMMITTEE CHARTER

1. PURPOSE

The Audit Committee (the “Committee”) is a standing committee created by the Board of Directors (the “Board”) of APi Group Corporation (the “Company”) primarily for the purpose of assisting the board in its oversight of the integrity of the financial statements of the Company, of the Company’s compliance with legal and regulatory requirements, of the independence and qualifications of the independent auditor, and of the performance of the Company’s internal audit function, if any, and independent auditors.

2. FUNCTION

The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities to the stockholders, potential stockholders, the investment community and others relating to the Company’s financial statements and the financial reporting process, the systems of internal accounting and financial controls, the annual independent audit of the company’s financial statements, corporate governance and the legal compliance and the ethics programs, as established by management and the Board. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee has the authority to conduct or authorize investigations into any matters within the Committee’s scope of responsibilities.

Management is responsible for preparing the Company’s financial statements and the independent auditors are responsible for auditing those financial statements. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits to determine that the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles, nor is it the duty of the Committee to conduct investigations or to assure compliance with laws and regulations. Furthermore, while the Committee is responsible for reviewing the Company’s policies and practices with respect to risk assessment and management, it is the responsibility of the Chief Executive Officer and senior management to determine the appropriate level of the Company’s exposure to risk.

3. COMPOSITION

The Committee shall be comprised of at least three directors as determined by the Board, each of whom shall meet the independence requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (“SEC”). Each member of the Committee must be financially literate, as such qualification is interpreted by the Company’s Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Committee. In addition, at least one member of the Committee must have accounting or related financial management expertise, as the Company’s Board interprets such qualification in its business judgment, and shall be an “audit committee financial expert,” as such term is defined by the rules and regulations of the SEC. The Company shall identify the Committee’s “financial expert(s)” in its annual proxy statement or Annual Report on Form 10-K.

The members and the Chair of the Committee shall be appointed and may be removed by the Board.

Committee members shall not 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 Committee.

4. FREQUENCY OF MEETINGS

The Committee shall meet in person or telephonically at least quarterly with management and the independent auditors and report on such meetings to the Board. A majority of the Committee members present for a meeting of the Committee shall constitute a quorum. A quorum of the Committee shall be present at the meeting at which the Board approves the Company's Annual Report on Form 10-K. For all other meetings, the Chair or the other two (2) members of the Committee together may represent the Committee. Unless otherwise required by law or as provided by the organizational documents of the Company: (i) any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting if all of the members of the Committee consent thereto (a) in writing or (b) by electronic transmission and such writings or transmissions are filed with the minutes of the Committee; and (ii) members of the Committee may participate in a meeting by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence at such a meeting.

To perform its oversight function most effectively, the Committee shall also meet periodically with management, the person or persons responsible for the internal audit function and the independent auditor in separate executive sessions.

5. RESPONSIBILITIES AND PROCESSES

The primary responsibility of the Committee is to oversee the Company's financial reporting on behalf of the Board and report the results of their activities to the Board. 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 should take the appropriate action to set the overall corporate "tone" for quality financial reporting, sound business risk practices and ethical behavior.

The Committee shall be directly responsible for and have the sole authority with respect to the appointment, compensation, retention, and oversight of the work of any 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 Company (including resolution of disagreements between management and the independent auditor). The Committee shall have the sole authority to approve all audit engagement fees and terms, as well as non-audit engagements with the independent auditors.

The Committee shall accordingly determine the (a) compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, (b) compensation to any independent legal, accounting and other advisors, consultants or professionals retained to advise the Committee, and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Company shall be responsible for payment of such fees and expenses.

The Committee shall preapprove all auditing services and permitted non-audit services to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Committee prior to the completion of the audit. Either the Chairman of the Committee acting alone or the other two members acting jointly may grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee or the Board of Directors at its next scheduled meeting.

The following shall be the principal recurring processes of the Committee in carrying out its audit process oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may supplement as appropriate.

- The Committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Company's stockholders. The Committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, replace the independent auditors.
- The Committee shall review and approve the scope of the annual audit.
- The Committee shall review and approve the independent auditor's audit fees on an annual basis, based upon recommendations from management.
- The Committee shall review all non-audit related work provided by the Company's independent auditors and the fees associated with such work to ensure that they are reasonable and proper and do not jeopardize the auditors' independence.
- The Committee shall review the interim financial statements and information with management and the independent auditors, including the Company's specific management's discussion and analysis disclosures, prior to the public filing or disclosure of such to the stockholders and the public and prior to the filing of the Company's Quarterly Report on Form 10-Q. Also, the Committee will discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- The Committee shall review with management and the independent auditors the financial statements, and the Company's specific management's discussion and analysis disclosures, to be included in the Company's Annual Report on Form 10-K (or the annual report to stockholders if distributed prior to the filing of Form 10-K), including their judgments about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosure in the financial statements. Also, the Committee will discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
- The Committee shall review and assess any management letter(s) received from the independent auditors addressing matters relating to internal controls and procedures.
- The Committee shall ensure that management addresses any reportable conditions or material weaknesses.
- The Committee shall oversee the Company's policies and procedures with respect to risk assessment and risk management.
- The Committee shall 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.
- The Committee shall obtain and review a report from the independent auditor at least annually regarding:
 - All critical accounting practices to be used.
 - 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.
 - Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
 - The independent auditor's internal quality-control procedures.
 - 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, and any steps taken to deal with any such issues.
 - All relationships between the independent auditor and the Company.
 - Whether in the course of conducting the audit, the independent auditor detected or otherwise became aware of information indicating that an illegal act (whether or not perceived to have a material effect on the Company's financial statements) has or may have occurred.
- In connection with the Committee's review of the report from the independent auditor and the Committee's evaluation of such auditor's independence, the Committee shall:
 - Ensure the rotation of the audit partners 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.
 - Review on a case by case basis the Company's hiring of employees or former employees of the independent auditor to ensure there is no issue with auditor independence resulting from such hire.
- The Committee shall discuss with the independent auditors and/or management:
 - All critical accounting policies and practices to be used and any significant financial reporting issues.
 - All alternative treatments of financial information within generally accepted accounting principles including the ramifications of the use of such alternative disclosures and treatments.
 - The effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
 - 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.
- The Committee shall discuss with the independent auditors any difficulties encountered by the auditor in the course of the audit work, including any restrictions on the scope of activities or access to requested information, any significant disagreements with management, accounting adjustments that were noted or proposed by the auditor but were not recorded by the Company, any "management" or "internal control" letter issued, or proposed to be issued, by the audit firm to the Company.
- The Committee shall review with management and the independent auditor any reports or disclosures made to the Committee by management as contemplated by the certifications required under Section 302 of the Sarbanes-Oxley Act of 2002.
- If the Company does not have an internal audit function, the Committee must:
 - Assist the Board oversight of the design and implementation of an internal audit function.
 - Meet periodically with the Company personnel primarily responsible for designing and implementing the internal audit function.
 - Review with the independent auditors the Company's plans for implementing the internal audit function, including management's plans for internal audit's budget, staff and responsibility.
 - Report regularly to the Board regarding the design and implementation of internal audit.
- If the Company does not have an internal audit function, the Committee shall oversee the Company's internal audit function, review any significant reports to management arising from the function and report to the full Board any related issues.
- The Committee shall assist Board oversight of the Company's compliance with legal and regulatory matters.
- The Committee shall review and approve the Audit Committee Report to be included in the Company's proxy statement.

6. RELATED PARTY TRANSACTIONS

The Committee shall review all related party transactions, as defined under Item 404 of Regulation S-K under the Securities Act of 1933, as amended. Following such review, the Committee shall determine whether such transaction should be approved based on the terms of the transaction, the business purpose for the transaction and whether the transaction is in the best interest of the Company and its stockholders.

No member of the Committee shall participate in any review, consideration or approval of any Related Party Transaction with respect to which such member or any of his or her immediate family members is the Related Party. In the event that the Chief Executive Officer or the Chief Financial Officer determines that it is not practicable or desirable for the Company to wait until the next Committee meeting to review and approve or ratify a Related Party Transaction, the Chairman of the Committee may review and approve or ratify such Related Party Transaction on behalf of the Committee. At the next Committee meeting following such approval or ratification, the Chairman shall describe fully any Related Party Transaction so approved for ratification by the full Committee.

7. RESOURCES, AUTHORITY AND EVALUATION

Subject to applicable law and listing requirements, the Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its sole discretion.

The Committee shall have authority to retain, at the Company's expense, independent counsel and other advisors as the Committee may deem appropriate in its sole discretion to advise it with regard to any of its functions, duties, responsibilities and processes. The Committee shall have sole authority to approve related fees and retention terms, and shall be provided with appropriate funding, as determined by the Committee, for payment of compensation to such counsel or advisors.

The Committee shall regularly report its actions and recommendations to the Board.

The Committee shall periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board. The Committee shall conduct an annual performance evaluation of the Committee.

Approved by the Board of Directors as of October 1, 2019