

AUDIT COMMITTEE CHARTER
OF
KLDiscovery INC.

I. PURPOSE

The Audit Committee (the “*Committee*”) is appointed by the Board of Directors (the “*Board*”) of KLDiscovery Inc. (the “*Company*”) for the purposes of, among other things, assisting the Board in monitoring: (i) the integrity of the annual, quarterly, and other financial statements of the Company; (ii) the independent auditor’s qualifications and independence; (iii) the performance of the Company’s internal audit function and independent auditor; and (iv) the compliance by the Company with legal and regulatory requirements. The Committee shall also review and approve all related-party transactions and prepare the report required by the rules of the Securities and Exchange Commission (“*Commission*”) to be included in the Company’s annual proxy statement.

II. COMPOSITION

The Committee shall consist of at least three members, each of whom must satisfy the independence requirements of the New York Stock Exchange (the “*NYSE*”) and the more rigorous independence rules for members of the Audit Committee issued by the Commission. Each Committee member must be financially literate as determined by the Board in its business judgment. In addition, at least one member of the Committee must be a financial expert as defined under the Commission’s rules.

No Committee member may simultaneously serve on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of the member to effectively serve on the Committee and this determination is disclosed in accordance with NYSE rules.

The members of the Committee shall be appointed by the Board and may be removed from the Committee at any time, with or without cause, by the Board. Unless a chairperson (the “*Chair*”) is elected by the Board, the members of the Committee shall designate a Chair by majority vote of the full Committee membership. The Chair of the Committee shall be a member of the Committee and, if present, shall preside at each meeting of the Committee. The Chair shall advise and counsel with the executives of the Company, and shall perform such other duties as may from time to time be assigned to him or her by the Committee or the Board.

As provided in the stockholders’ agreement to be entered into in connection with the business combination (the “*Stockholders’ Agreement*”), by and among the Company and CEOF II DE I AIV, L.P., CEOF II Coinvestment (DE), L.P. and CEOF II Coinvestment B (DE), L.P. (collectively, the “*CEOF Funds*”), if requested by the CEOF Funds, at least two members of the Committee shall be individuals designated by the CEOF Funds, unless such designation would violate any legal restriction on the Committee’s composition or the rules and regulations of the New York Stock Exchange.

III. MEETINGS, OPERATIONS AND AUTHORITY

The Committee shall meet as often as necessary to enable it to fulfill its responsibilities, but at least once during each fiscal quarter.

The Committee shall meet periodically with management, with the internal auditor (or other personnel responsible for the internal audit function) and with the independent auditor in separate executive sessions.

The Committee shall determine its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee, including (i) designation of a chairperson pro tempore in the absence of the Chair and (ii) designation of a secretary. The secretary need not be a member of the Committee and shall attend Committee meetings and prepare minutes. The Company Secretary of the Company shall be the secretary of the Committee unless the Committee designates otherwise. The Committee shall keep written minutes of its meetings, which shall be recorded or filed with the books and records of the Company. The Committee shall report its minutes from each meeting to the Board.

The 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.

The 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 (i) payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services, (ii) payment of compensation to any advisors employed by the Committee and (iii) payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of the duties and responsibilities delegated to the Committee.

In addition to the duties and responsibilities expressly delegated to the Committee in this charter, the Committee may exercise any other powers and carry out any other responsibilities consistent with this charter, the purposes of the Committee and the Company's bylaws.

IV. RESPONSIBILITIES

Oversight of the Company's Relationship with the Independent Auditor

The Committee shall have the sole authority to appoint or replace the independent auditor. The Committee shall be directly responsible for determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) and any other registered public accounting firm engagement for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company. The

independent auditor and each such other registered public accounting firm shall report directly to the Committee. In connection with these responsibilities, the Committee shall:

- Pre-approve all auditing services and permitted non-audit services to be performed for the Company by its independent auditor, including the fees and terms thereof (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 Committee prior to the completion of the audit).
- At least annually, obtain and review a report from the independent auditor, consistent with the rules of the Public Company Accounting Oversight Board, regarding (i) the independent auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review or peer review of the auditing firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years relating to any independent audit carried out by the firm, and any steps taken to deal with any such issues, and (iii) all relationships and services between the independent auditor and the Company in order to assess the independent auditors' independence. Evaluate the qualifications, performance and independence of the independent auditor, including 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 the internal auditor. The Committee shall present its conclusions with respect to the independent auditor to the Board.
- Verify 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.
- Oversee and set clear policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.
- Be available to the independent auditor during the year for consultation purposes.

Financial Statement and Disclosure Matters

- Meet with the independent auditor prior to the audit to review the scope, planning, and staffing of the audit.
- Review and discuss with management and the independent auditor the annual audited financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K (or

the annual report to the shareholders if distributed prior to the filing of the Form 10-K).

- Provide the Company with the report of the Committee with respect to the audited financial statements for inclusion in the Company's annual proxy statement.
- 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 and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- Discuss with management and the independent auditor, as appropriate, 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;
 - the Company's critical accounting policies and practices;
 - all alternative treatments of financial information within generally accepted accounting principles ("**GAAP**") that have been discussed with management and the ramifications of the use of such alternative 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; and
 - any 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 generally, including the use of "pro forma" or "adjusted" non-GAAP information, and any financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be general and include the types of information to be disclosed and the types of presentations to be made.
- Discuss with management and the independent auditor the effect on the Company's financial statements of (i) regulatory and accounting initiatives and (ii) off-balance sheet structures.
- Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

- Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 (or any successor accounting standard) 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 Committee by the Company's Chief Executive Officer and Chief Financial Officer (or individuals performing similar functions) during their certification process for the annual reports on Form 10-K and quarterly reports on Form 10-Q about any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

Compliance Oversight Responsibilities

- Obtain assurance from the independent auditor that Section 10A(b) of the Exchange Act has not been implicated.
- Review and approve all related-party transactions.
- Inquire and discuss with management the Company's compliance with applicable laws and regulations and with the Company's Code of Ethics in effect at such time, if any, and, where applicable, recommend policies and procedures for future compliance.
- Establish procedures (which may be incorporated in the Company's Code of Ethics, in effect at such time, if any) for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission by Company 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 that 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 all payments made to the Company's officers and directors or its or their affiliates. Any payments made to members of the Committee will be reviewed and approved by the Board, with any interested director or directors abstaining from such review and approval.
- Regularly report to the Board regarding the activities of the Committee.

- Conduct an annual performance evaluation of the Committee.
- Periodically review and reassess this charter and submit any recommended changes to the Board for its consideration.

V. DELEGATION OF DUTIES

The Committee shall have authority to form and delegate any of its responsibilities to one or more subcommittees as the Committee may from time to time deem 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 Committee at its next scheduled meeting.

VI. LIMITATION OF COMMITTEE'S ROLE

While the Committee has the responsibilities and powers set forth in this charter, the Committee's responsibilities are limited to oversight. It is not the duty of the Committee to plan or conduct audits, to prepare the Company's financial statements or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and other applicable rules and regulations. These are the responsibilities of management and the independent auditor.

VII. STOCKHOLDERS' AGREEMENT

For so long as the Stockholders' Agreement is in effect, this charter will be interpreted to be consistent with such agreement.