

CHRISTOPHER & BANKS CORPORATION

AUDIT COMMITTEE CHARTER

I. Statement of Purpose

The Audit Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Christopher & Banks Corporation (the “Company”). The purpose of the Committee is to:

A. Provide assistance to the Board in fulfilling its responsibility to the stockholders, potential stockholders and the investment community with respect to the Board’s oversight of:

- (1) The quality and integrity of the Company’s financial statements;
- (2) The Company’s compliance with the legal and regulatory requirements described below;
- (3) The independent registered public accountant’s qualifications, performance and independence; and
- (4) The performance of the Company’s internal audit function.

While the Committee has the duties and responsibilities set forth in this Charter, the role of the Committee is to provide oversight as described in this Section I.A. The Committee is not responsible for planning or conducting the audit of the Company’s financial statements and any attestation of the Company’s internal controls or determining whether the Company’s financial statements are complete and accurate or in accordance with applicable accounting rules and securities laws. Such activities are the responsibility of management and the Company’s independent registered public accountants.

B. Prepare the Audit Committee Report that the Securities and Exchange Commission (“SEC”) rules require to be included in the Company’s annual proxy statement.

C. Fulfill and perform such other duties and responsibilities as are outlined in the Committee’s Charter or delegated to it from time-to-time by the Board.

II. Organization

A. *Membership and Qualifications.* The Committee shall be comprised of three or more members of the Board, each of whom meets the “Independent Director” requirements of the OTCQX Rules for U.S. Companies and of the Securities and Exchange Act of 1934 and the rules and regulations of the SEC. All members of the Committee shall be “financially literate”, and at least one member of the Committee shall have “accounting or related financial management expertise”, as such qualifications are interpreted by the Board in its business judgment. At least one member of the Committee shall be an “audit committee financial expert” as defined by the SEC, with such determination made by the Board. Each member of the Committee shall be appointed by the Board and shall serve until his or her successor is duly appointed or until the earlier of his or her death,

resignation or removal by the Board. The Board shall designate one of the Committee's members as the Chair of the Committee.

B. Meetings

(1) Frequency. The Committee shall meet at least four times per fiscal year, typically once during each fiscal quarter of the Company, or more frequently as the Committee deems, in its reasonable judgment, to be appropriate.

(2) Meeting Dates, Agendas and Notices. The Board or the Committee, with the assistance of executive management, shall establish the regular meeting dates of the Committee. A list of those meeting dates and times shall be provided to each member well in advance of the meetings. The Chair of the Committee, with the assistance of the Company's executive management, shall establish the meeting agenda. The Committee Chair, any member of the Committee, or the Chief Executive Officer ("CEO") may call a special meeting of the Committee upon 24 hours' prior notice in person, by phone or email or shorter notice if all Committee members attend the meeting or all members not present waive the 24 hour meeting notice.

(3) Holding Meetings. Committee meetings may be held in person or telephonically. Action also may be taken by written consent in accordance with Delaware corporate law and the Company's By-Laws.

(4) Quorum; Action by Committee. A quorum at any Committee meeting shall consist of a majority of the Committee members. All decisions and recommendations of the Committee shall be made by a majority of its members at a meeting duly called and held, except as specifically provided herein (or when only a majority of the Committee members is present, by unanimous vote). Any decision or recommendation of the Committee reduced to writing and signed (including an electronic or pdf signature) by all of the members of the Committee shall be as effective as if it had been made at a meeting duly called and held.

(5) Minutes. Minutes for all meetings of the Committee shall be prepared and subsequently approved by the Committee in order to document the Committee's discharge of its responsibilities.

(6) Meetings in Executive Session. The Committee shall meet separately and periodically with (i) members of executive management, (ii) the Company's employees and/or any third party service provider who are responsible for the Company's internal audit function, and (iii) the Company's independent registered public accountants, to discuss any matters that the Committee or any of these individuals believes would be appropriate to discuss privately. The Committee also shall meet in a Committee members only session at least once annually, and at such other times as it deems necessary or appropriate to provide an opportunity for a Committee member only discussion of matters. The Committee only sessions may also include the other independent members of the Board.

C. Delegation of Authority. The Committee, to the extent it deems appropriate, shall have the authority to delegate any of its responsibilities to subcommittees of one or more persons, as permitted by law.

III. Resources and Authority

The Committee may consult with the Company’s legal counsel at such times as the Committee deems appropriate. The Committee shall have the authority to engage separate independent counsel or accountants or other advisors to assist it in the performance of its duties or the conduct of any investigation the Committee has undertaken. The Committee shall receive appropriate funding from the Company, as determined by the Committee, for payment of (1) compensation to the Company’s independent registered public accountants, (2) compensation to advisors or counsel retained pursuant to the authority set forth in this paragraph, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out the Committee’s duties.

Each member of the Committee shall be entitled to rely on (A) the integrity of those persons and organizations within and outside of the Company from which it receives information, (B) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which knowledge shall be promptly reported to the Board), and (C) representations made by management as to any audit and non-audit services provided by the independent registered public accountants to the Company.

IV. Responsibilities

The Committee shall have the responsibilities described below in carrying out its stated purposes.

Document/Reports Review

A. *Financial Statements and MD&A.* Review and discuss with management and the independent registered public accountants, prior to public dissemination, the Company’s Reports on Form 10-K and Form 10-Q which contain the annual audited financial statements and quarterly financial statements, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and whether to recommend to the Board of Directors that the audited financial statements be included in the Company’s annual report on Form 10-K. The Committee and the independent registered public accountants shall discuss the matters required to be discussed by Public Company Accounting Oversight Board (“PCAOB”) Auditing Standard No. 16, Communications with Audit Committees, and other professional auditing standards.

B. *Earnings Press Releases and Guidance.* Prior to disclosure, review and discuss with management the financial results to be communicated in the Company’s quarterly earnings press releases (paying particular attention to the use of any “pro forma” or “adjusted” non-GAAP information). The Committee shall also review, prior to disclosure, any other material financial information and disclosures of revisions to prior earnings guidance to be provided to the general public, and the Chair of the Committee may represent the entire Committee for purposes of this review; provided, however, so long as the Company complies with Regulation FD, reaffirmation of prior earnings guidance in connection with an investor conference or investor meetings does not require prior review with the Committee or the Committee Chair.

C. *Review of Internal Controls and Certification Disclosures.* Review and discuss with management, the internal auditors and the independent registered public accountants (i) disclosures, if any, by the Company’s CEO and Chief Financial Officer (“CFO”) in connection with their certification of the Company’s periodic reports or annual financial statements and (ii) the adequacy

of the Company's internal controls, including (1) any significant deficiencies in the design or operation of internal controls or material weakness therein, (2) any fraud involving management or other associates who have a significant role in the Company's internal controls, and (3) any significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation. Also, review and discuss with management and the Company's independent registered public accountants the report of management on internal control over financial reporting and to the extent applicable, the independent auditors' report on internal control over financial reporting prior to the filing of the Company's Report on Form 10-K.

Selection and Oversight of Independent Registered Public Accountants

D. *Selection and Engagement of Independent Registered Public Accountants.* The Committee has the sole authority and direct responsibility for the appointment, compensation, retention and oversight of the Company's independent registered public accountants (including the resolution of disagreements between management and the independent registered public accountants regarding financial reporting), and the independent registered public accountants shall report directly to the Committee. The Committee, in conjunction with the Board, shall determine whether the selection of independent registered public accountants shall be submitted for ratification by the Company's stockholders.

E. *Approval of Services by Independent Registered Public Accountants.* Review and, in its sole discretion, pre-approve the independent registered public accountants' annual engagement letter and all audit, audit-related, tax and other permissible services proposed to be provided by the independent registered public accountants in accordance with NYSE and SEC rules and regulations. Pre-approval of permissible non-audit services may be pursuant to policies and procedures established by the Committee for the pre-approval for such services, such as pre-approval by the Committee Chair, provided that any such pre-approved non-audit services are reported to the full Committee at its next scheduled meeting. Prior to the establishment of such policies and procedures, approval of all services to be provided by the independent registered public accountants shall be made by the Committee.

F. *Qualification, Performance and Independence of the Independent Registered Public Accountants.* Review, at least annually, the qualifications, performance and independence of the independent registered public accountants and present its conclusions with respect to the independent registered public accountants to the Board. In conducting its review and evaluation, the Committee should:

(1) Obtain and review a report by the Company's independent registered public accountants describing (a) the firm'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, with respect to one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (c) the most recent PCAOB reports with respect to the firm;

(2) Obtain and review (a) a report from the independent registered public accountants delineating all relationships between the Company and the independent registered public accountants; and (b) the written disclosures and the letter from the independent registered public accountants required by applicable requirements of the PCAOB regarding the independent registered public accountants' communications with the Committee concerning independence, and actively

engage in a dialogue with the firm's members with respect to the independence of the firm and take, or recommend that the full Board take, appropriate action to oversee the independence of the firm;

(3) Ensure the rotation of the lead audit partner as required by law or regulation;

(4) Review and evaluate the performance and qualifications of the lead audit partner of the independent registered public accountants on an annual basis;

(5) Review and recommend to the Board clear policies for the Company's hiring of employees or former employees of the independent registered public accountants, which shall meet the applicable requirements of the PCAOB; and

(6) Provide and facilitate an open avenue of communications among the Company's independent registered public accountants, the Board, senior management and the Company's finance department.

Financial Reporting Process

G. *Integrity of Financial Reporting Process.* In consultation with the independent registered public accountants, management and the internal auditors or any third party service provider responsible for the Company's internal audit function, the Committee shall periodically review the integrity of the Company's financial reporting processes relied upon to prepare SEC and other regulatory filings. In that connection, the Committee should obtain and discuss with management and the independent registered public accountants quarterly reports from management and the independent registered public accountants regarding, to the extent applicable: (1) critical accounting policies and practices used by the Company; (2) analyses prepared by management and/or the independent registered public accountants setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Company's management, the ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the independent registered public accountants; (3) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; (4) significant issues relating to the adequacy of the Company's internal controls and specific audit policies or procedures adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting; and (5) any other material written communications between the independent registered public accountants and Company's management.

H. *Effect of Regulatory and Accounting Initiatives.* Review periodically the effect of regulatory and accounting pronouncements, as well as off-balance sheet structures, on the financial statements of the Company.

I. *Audit Problems, Difficulties and Disagreements.* Review with the independent registered public accountants during the regular course of meetings or in an executive session (1) any audit problems or other difficulties encountered by the auditor in the course of the audit process, including any restrictions on the scope of the independent registered public accountants' activities or on access to the requested information, and any significant disagreements with management and (2) management's responses to such matters. The Committee shall resolve any disagreements between

management and the independent registered public accountants regarding financial reporting. The Committee expects that its independent registered public accountants will discuss with the Committee material issues on which the national office was consulted and significant matters for which the auditor consulted outside the engagement team.

J. *Internal Audit Function.* Provide oversight of the internal audit function and the head of internal audit shall report functionally directly to the Committee and administratively directly to the CFO. Such oversight shall include:

- review of the appointment, evaluation and replacement of the senior internal audit position;
- the review of reports to management prepared by the internal audit department; and
- the review and approval of the internal audit charter, plan, and staffing of the Company's internal audit function and any changes in the scope of the internal audit plan for the current fiscal year.

Meet periodically with the Company's internal auditor (and any others responsible for the internal audit function) to discuss (i) the internal audit plan and the status of individual projects; (ii) the responsibilities, budget and staffing of the Company's internal audit function; and (iii) any issues that the internal auditor believes warrant the attention of the Committee.

Legal Compliance/General

K. *Tax Matters.* Discuss with management the Company's position with respect to income and other tax obligations, and review periodic reports from management with respect to tax compliance matters.

L. *Legal and Regulatory Matters; Investigations.* In connection with the Committee's review of the fiscal year-end results and financial reporting, the Committee is expected to inquire about and review with management any legal and regulatory matters that may have a material impact on the Company's financial statements or financial reporting practices, including any correspondence or other action by regulators or governmental agencies, or any complaints or reports that raise issues about the Company's financial statements, accounting or auditing matters.

The Committee shall have the authority and funding to initiate and conduct investigations regarding matters within the scope of the Committee's responsibilities as it shall deem appropriate.

M. *Risk Assessment and Risk Management.* Periodically discuss with management and the internal auditors the Company's guidelines and policies with respect to risk assessment and risk management, the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures and shall review, typically on a bi-annual basis, the risk management status of the Company. Note: An enterprise-wide risk assessment and risk management are also topics that may be reviewed and discussed periodically by the entire Board.

N. *Submission of Complaints.* Establish and periodically review the procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting,

internal accounting controls, or auditing matters, and (2) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

Reports

O. Audit Committee Report. Review and approve an Audit Committee Report for inclusion in the Company's proxy statement for each annual meeting of stockholders pursuant to the rules governing such reports.

P. Reports to the Board. Report regularly to the full Board on:

(1) Any issues that arise with respect to the quality or integrity of the Company's financial statements, application of accounting principles, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent registered public accountants or the performance of the internal audit function;

(2) The matters addressed at all meetings of the Committee, including the Committee's conclusions following its annual review of the performance of the independent registered public accountants; and

(3) Such other matters as are relevant to the Committee's discharge of its responsibilities.

Recommend action by the Board, as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee as designated by the Committee to make such report. No report is to be made if all of the Board members attended the Committee meeting.

Other Matters

Q. Related-Party Transactions. With input from executive management and the Board, establish procedures for the review of related-party transactions involving executive officers and directors such that, consistent with such procedures, related-party transactions entered into by the Company are approved or ratified by the disinterested members of the Committee or the disinterested members of the Board.

R. Performance Evaluation. Perform a review and evaluation, at least bi-annually, of the performance of the Committee and its advisors. Report to the full Board on the results of such reviews and evaluations and make any recommendations it deems appropriate to further enhance the Committee's performance.

S. Annual Review of this Charter. The Committee is expected to at least bi-annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for its review, consideration and approval.

This Audit Committee Charter was revised and adopted by the Audit Committee on December 6, 2019 and by Board of Directors of the Company on December 11, 2019.