

## **EMCOR GROUP, INC.**

### **AUDIT COMMITTEE CHARTER**

#### **Purpose**

The Audit Committee is appointed by the Board of Directors (the "Board") to assist the Board in its oversight of (1) the integrity of the financial statements of the Company, (2) the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditor, (4) major risks that are inherent to the Company's business activities and its risk management policies and programs, and (5) the compliance by the Company with legal and regulatory requirements.

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.

#### **Committee Membership**

The Audit Committee shall be comprised of three or more directors as determined by the Board. The members of the Audit Committee shall meet the independence and experience requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), and the rules and regulations of the Commission. At least one member of the Audit Committee shall be an "audit committee 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 unless the Board (i) determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee and (ii) discloses such determination in the Company's annual proxy statement.

The members of the Audit Committee shall be appointed by the Board at the annual organizational meeting of the Board to serve until their successors shall be duly elected and qualified. Audit Committee members may be replaced by the Board. Unless a Chairperson is appointed by the full Board, the members of the Audit Committee may designate a Chairperson by majority vote of the full Audit Committee membership.

#### **Meetings**

The Audit Committee shall meet at such places and as often as it determines, but not less frequently than quarterly. The Audit Committee shall periodically meet separately with management, the internal auditing department and the independent auditor to discuss any matters that the Audit Committee or any of these groups believes should be discussed privately. The Audit Committee may request any officer or employee of the Company or the Company's independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The presence in person of a majority of the Audit Committee members shall be necessary to constitute a quorum of the Audit Committee, provided that participation in a meeting by means of a telephone conference call or other communication medium allowing all members participating in the meeting to hear each other at the same time shall constitute presence in person.

## **Committee Authority and Responsibilities**

The Audit Committee shall have the sole authority to appoint or replace the independent auditor (subject, if applicable, to stockholder 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.

The Audit Committee shall preapprove all auditing services, internal control-related services, and permitted non-audit services (including the fees and terms thereof) 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 services are approved by the Audit Committee prior to completion of the audit. The Audit Committee may delegate authority to one or more members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall have authority to retain independent legal, accounting or other advisors. 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.

The Audit Committee shall make regular reports to the Board, including with respect to any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor, the performance of the internal audit function, and such other matters as are relevant to the Committee's discharging its responsibilities.

The Audit Committee, to the extent it deems necessary or appropriate, shall:

### Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in the Form 10-K Management's Discussion and Analysis ("MDA"). Recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management and the independent auditor the Company's quarterly financial statements including disclosures made in the MDA included in the Form 10-Q. Such discussion shall include the results of the independent auditor's review of the quarterly financial statements.

3. Discuss with management and the independent auditor any major issues regarding accounting principles and financial statement presentation 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 special audit steps adopted in light of material control deficiencies.
4. Review and discuss quarterly reports from the independent auditor on:
  - (a) all critical accounting policies and practices to be used;
  - (b) 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; and
  - (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
5. Review and discuss with management (including the senior internal auditor) and the independent auditor the Company's internal controls report prior to the filing of the Company's Form 10-K.
6. Discuss with management the Company's earnings press releases (including the use of "pro forma" or "adjusted" non-GAAP information) and 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) and need not take place in advance of each earnings release or each instance in which the Company may provide earnings guidance.
7. Review and 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.
8. Discuss with management and the independent auditor major risk exposures identified by management and the Company's guidelines, policies, programs and practices with respect to risk assessment and risk management, including steps management has taken to monitor, control and mitigate such risk exposures.
9. Confirm, together with the Compensation and Personnel Committee of the Board, that the Company's compensation practices and programs do not encourage excessive or unnecessary risk.
10. Discuss with 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 by it in the course of the audit work, any restrictions on its scope of activities or access to requested information, and any

- significant disagreements between it and management and management's response. Review with the independent auditor any accounting adjustments that were noted or proposed by it but were "passed" (as immaterial or otherwise); any communications between the audit team and the independent auditor's national office respecting auditing or accounting issues presented by the engagement; and any "management" or "internal control letter" issued, or proposed to be issued, by the independent auditor to the Company.
11. Review the disclosures made to the Audit Committee by the Company's Chief Executive Officer and Chief Financial Officer 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.

#### Oversight of the Company's Relationship with the Independent Auditor

12. Review and evaluate the lead partner of the independent auditor team, taking into account the opinions of management and the Company's internal auditors.
13. Obtain and review a report by the independent auditor at least annually describing (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 independent auditor, 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 independent auditor, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company.
14. Evaluate the qualifications, performance and independence of the independent auditor, including whether 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. This shall include review of a statement from the independent auditor consistent with Independence Standards Board Standard 1.
15. 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 independent auditing firms on a regular basis.
16. The Audit Committee shall present its conclusions with respect to the independent auditor's qualifications, performance and independence to the Board.
17. Set clear hiring policies for the Company's hiring of employees or former employees of the independent auditor. At a minimum these policies should provide that the independent auditor may not provide audit services to the Company if the chief executive officer, controller, chief financial officer, chief accounting officer or any other person serving in an equivalent capacity for the Company was employed by the independent auditor and participated in the audit of the Company within one year of the initiation of the current audit.

18. Meet with the independent auditor prior to the annual audit to discuss the scope, planning and staffing of the audit.

#### Oversight of the Company's Internal Audit Function

19. Review the appointment and replacement of senior internal auditing personnel.
20. Review the reports to management prepared by the internal auditing department and management's responses and review cooperation of the internal auditing department with the independent auditor.
21. Discuss with the independent auditor and management, separately and collectively, the internal audit department responsibilities, budget and staffing.

#### Compliance Oversight Responsibilities

22. Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.
23. Obtain reports from management, the internal auditing department and the independent auditor that the Company and its subsidiaries are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics.
24. 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.
25. 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.
26. 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.
27. Review, at least on an annual basis with the Company's General Counsel any legal matter that may have significant impact on the Company's financial statements, the Company's compliance policies, and any material reports or inquiries received from regulators and governmental agencies.
28. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review and evaluate its own performance.

### **Limitation of Audit Committee's Role**

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 and the independent auditor.