

# GOGO INC.

## CHARTER OF THE AUDIT COMMITTEE

Adopted by the Board of Directors

May 31, 2013

Revised February 12, 2015

Revised August 11, 2016

### Purposes

The Board of Directors (the “**Board**”) of Gogo Inc. (the “**Company**”), pursuant to the Company’s bylaws (the “**Bylaws**”), as the same may be amended from time to time, has determined that the Audit Committee of the Board shall assist the Board in fulfilling certain of the Board’s oversight responsibilities. The Board hereby adopts this Audit Committee Charter (this “**Charter**”), to become effective upon the effective date of the Company’s initial public offering of common stock, to establish the governing principles of the Audit Committee (the “**Committee**”). The Committee shall provide assistance to the Board in fulfilling its responsibilities to the Company and its members with respect to the following:

(a) Monitoring (i) the quality and integrity of the financial statements and system of internal controls of the Company, (ii) the qualifications, performance and independence of the independent auditor and the Company’s internal audit function, (iii) the Company’s compliance with regulatory and legal requirements and its standards of business conduct and ethics, (iv) the avenue of communication among the independent auditor, management, the Company’s internal audit function and the Board, and (v) the Company’s policies and processes for assessing significant risk exposures and measures that management has taken to minimize such risks.

(b) Determining whether the Company’s financial statements are complete, accurate and in accordance with generally accepted accounting principles and fairly present the financial position and risks of the Company.

The Committee will fulfill these responsibilities primarily by carrying out the activities enumerated in the section of this Charter entitled “Responsibilities and Duties.” The Committee shall be given full and direct access to the Company’s internal audit function, the Company’s compliance officers, the Board Chairman, and Company executives and independent accountants as necessary to carry out these responsibilities. The Committee’s function, however, is one of oversight only and shall not relieve the Company’s management of its responsibilities for preparing financial statements which accurately and fairly present the Company’s financial results and condition, or the responsibilities of the independent accountants relating to the audit or review of financial statements. The primary responsibility to plan and conduct audits is that of the Company’s independent auditor. Each member of the Committee shall be entitled to rely, to the maximum extent permitted under applicable law, on (a) the integrity of those persons and organizations within and outside the Company from which it receives information and (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 shall be promptly reported to the Board).

### **Composition**

The Committee shall be composed of three or more members of the Board, each of whom will be independent as required by Section 10A(m) of the Securities Exchange Act of 1934 as amended (the “**Exchange Act**”), any rules and regulations promulgated thereunder by the Securities and Exchange Commission (the “**SEC**”) and the rules of The NASDAQ Stock Market (“**Nasdaq**”). No member of the Committee shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the preceding three years.

All members of the Committee shall be financially literate and able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

The members of the Committee shall be appointed by the Board and subject to annual reconfirmation and shall serve until their successors shall be duly elected and qualified or until such member’s earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board.

Unless a Chairperson is elected by the full Board, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership. The Chairperson will chair all regular sessions of the Committee and will, with input from other members of the Committee, and where appropriate, management, set the agenda for the Committee meetings.

### **Meetings and Operations**

The Committee shall meet at least quarterly and additionally as circumstances dictate. Meetings of the Committee shall be at such times and places as determined by the Committee Chairperson and may be held in person, telephonically or by written consent. A majority of the members present shall constitute a quorum and a majority of the members present shall decide any matter brought before the Committee.

The Committee shall meet periodically with the independent auditors, with or without management as the Committee deems appropriate.

All non-management members of the Board who are not members of the Committee may attend meetings of the Committee but may not vote. The Committee may invite to its meetings any management or other personnel of the Company, or any third parties, as it deems appropriate in order to carry out its responsibilities. When desirable, the Committee shall meet in executive session outside of the presence of any non-Committee member. The Chair of the Committee shall report on the activities of the Committee to the full Board.

Except as expressly provided in this Charter, the Company's Bylaws or as required by law or regulation, the Committee shall set its own rules of procedure. Minutes will be kept of each meeting of the Committee.

### **Responsibilities and Duties**

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that it deems appropriate. The Committee shall have the authority to retain outside legal, accounting or other advisors for this or any other purpose, including the authority to approve the fees payable to such advisors and any other terms of retention. The Company shall provide appropriate funding, as determined by the Committee in its sole authority, for payment of compensation to such advisors.

The Committee shall be given full access to the Company's management, personnel and independent auditors as necessary to carry out these responsibilities. While acting within the scope of its stated purpose, the Committee shall have all the authority of the Board.

To fulfill its responsibilities and duties the Committee shall:

#### **Financial Statements and Reports Review**

(i) Review with management and the independent auditors, prior to dissemination, the Company's annual audited financial statements and any quarterly financial statements and reports, including the Management Discussion and Analysis portion of the Company's filings and any related proposed earnings press release;

(ii) Review with management, prior to dissemination, any formal financial guidance which the Company may plan to offer; and

(iii) Discuss with the independent accountants the matters required to be discussed by the auditing standards of the Public Company Accounting Oversight Board ("PCAOB"), including (a) the quality as well as acceptability of the accounting principles applied in the financial statements and (b) new or changed accounting policies, significant estimates, judgments, uncertainties or unusual transaction; and accounting policies relating to significant financial statement items.

#### **Independent Auditors**

(iv) Retain (and terminate, as the case may be) the Company's independent auditors and approve the scope of, and fees charged in connection with, the annual audit, quarterly reviews and any non-audit services being provided. The independent auditors shall report directly to the Committee;

(v) Oversee the work of any accounting firm employed by the Company to provide audit services (that is required to be independent of the Company), including the resolution of any disagreement between management and the independent auditor regarding financial reporting, for the purpose of preparing or issuing an audit report or related work;

(vi) Approve, in advance, any audit and any permissible non-audit engagement or relationship between the Company and the independent auditors, as set forth in Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC. The Committee may establish pre-approval policies and procedures, as permitted by Section 10A of the Exchange Act and the rules and regulations promulgated thereunder by the SEC, for the engagement of independent accountants to render services to the Company, including but not limited to policies that would allow the delegation of pre-approval authority to one or more members of the Committee, provided that any pre-approvals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting;

(vii) Review, at least annually, the qualifications, performance and independence of the independent auditors. In conducting its review and evaluation, the Committee should:

(A) obtain and review a report by the Company's independent auditors describing: (1) the auditing firm's internal quality-control procedures; (2) 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, respecting one or more independent audits carried out by the auditing firm, and any steps taken to deal with any such issues; (3) any publicly available reports issued within the past five years by the PCAOB or other governmental or professional authorities concerning the independent auditor; (4) any PCAOB review of the independent auditor, or any inquiry or investigation by governmental or professional authorities within the past five years of the independent auditor, and any steps taken to deal with such issue; and (5) all relationships between the independent auditors and the Company consistent with the applicable requirements of the PCAOB (so as to enable the assessment of the independent auditors' independence);

(B) ensure the rotation of the lead audit partner and reviewing partner on at least that schedule required by any other applicable authority;

(C) take into account the opinions of management and other personnel responsible for any internal audit function; and

(D) receive from the independent auditors such written statements and recommend to the Board and/or management such actions as it deems appropriate to ensure the independence of the external auditors;

(viii) Review with the independent auditors any audit problems or difficulties and management's response;

(ix) Set clear hiring policies to be implemented by the Company for employees or former employees of the independent auditors to ensure independence;

(x) Require the independent auditor to submit to the Committee annually a formal written statement of the fees billed in each of the last two fiscal years for each of the following categories of services rendered by the independent auditor: (i) the audit of the financial statements to be included with the Company's Annual Report on Form 10-K and the reviews of the financial statements included with the Company's Quarterly Reports on Form 10-Q or services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements; (ii) assurance and related services not included in clause (i) that are reasonably related to the performance of the audit or review of the Company's financial statements, in the aggregate and by each service; (iii) tax compliance, tax advice and tax planning services, in the aggregate and by each service; and (iv) all other products and services rendered by the independent auditor, in the aggregate and by each service;

(xi) The Committee shall, at least annually, discuss with the independent auditor, out of the presence of management if deemed appropriate, any problems or difficulties the independent auditor may have encountered during the course of the audit work, including any restrictions on the scope of activities or access to required information or any significant disagreements with management and management's responses to such matters. Among the items that the Committee should consider reviewing with the Independent Auditor are: (i) any accounting adjustments that were noted or proposed by the auditor but were "passed" (as immaterial or otherwise); (ii) any communications between the audit team and the independent auditor's national office respecting auditing or accounting issues presented by the engagement; (iii) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company and (iv) the matters required to be communicated to audit committees in accordance with the auditing standards of the PCAOB, as they may be modified or supplemented, relating to the conduct of the audit, including under Auditing Standard No. 16.

#### Financial Reporting Process and Controls

(xii) Review in consultation with the independent auditors the integrity and effectiveness of the Company's internal and external financial reporting processes and controls. In this regard, the Committee should obtain and discuss with management and the independent auditors all reports from management and the independent auditors regarding:

(A) all critical accounting policies and practices to be used by the Company;

(B) analyses prepared by management and/or the independent auditors 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 the alternative disclosures and treatments, and the treatment preferred by the independent auditors;

(C) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; and

(D) any other material written communications between the independent auditor and the Company's management;

(xiii) Review periodically the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of the Company;

(xiv) Establish regular systems of reporting to the Committee by each of management and the independent auditors regarding any significant judgments made in management's preparation of the financial statements and any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to requested information;

(xv) Review any significant disagreement between management and the independent auditors in connection with the preparation of the financial statements and management's response to such matters;

(xvi) Review and discuss with the independent auditors the responsibilities, budget and staffing of the Company's internal audit function;

(xvii) Be solely responsible for the appointment and termination of the internal auditor and review periodically the performance of the Company's internal auditor;

(xviii) Review and approve the Internal Audit Charter, the organizational independence of the internal audit function and the internal audit plan and take appropriate steps, as determined by the Committee, to facilitate the direct reporting by the internal audit function to the Committee; and

(xix) Meet periodically with the Company's internal auditor to discuss the responsibilities, budget and staffing of the Company's internal audit function and any issues that the internal auditor believes warrant audit committee attention. The Committee shall discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.

#### Legal/Compliance/General

(xx) Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements or operations;

(xxi) Discuss with management and the independent auditors the Company's guidelines and policies with respect to risk assessment and risk management. The Committee should discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;

(xxii) Conduct appropriate reviews of the Company's guidelines and policies with respect to assessing and managing cybersecurity risk, including programs established by management to monitor and control such risk;

(xxiii) Conduct appropriate review and oversight of related party transactions to which the Company is a party;

(xxiv) Oversee the Company's compliance program. This shall include a review and investigation of any matters pertaining to the integrity of management, including conflicts of interest;

(xxv) Review and approve the Company's policies and procedures with respect to Officers' expense accounts and perquisites and confirm annually that the Company's internal auditors, independent auditors or other Company personnel have thoroughly checked the accuracy and propriety of the executive officers' expense accounts and perquisites, including the use of corporate assets;

(xxvi) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(xxvii) Conduct investigations of allegations of management misconduct or other matters within the Committee's scope of responsibilities when deemed necessary or desirable; and

(xxviii) Approve changes to the Company's Delegation of Authority matrix that impact approval levels, or the authority to approve activity, for direct reports of the CEO, the CEO and the Board of Directors.

## Reports

(xxix) Prepare all reports required of it pursuant to and in accordance with applicable rules and regulations;

(xxx) Report regularly to the Board:

(A) with respect to any issues that arise regarding the quality or integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the performance and independence of the Company's independent auditors;

(B) following all meetings of the Committee; and

(C) with respect to such other matters that are relevant to the Committee's discharge of its responsibilities; and

(xxxi) Maintain minutes or other records of meetings and activities of the Committee.

### **Annual Performance Evaluation**

The Committee shall perform a review and evaluation, at least annually, of its performance and its members, including reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable.