

CHARTER OF THE AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS
OF
THESTREET.COM, INC.

As Adopted by the Board on April 25, 2003

1. AUTHORITY

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of TheStreet.com, Inc., a Delaware corporation (the "Company"), is established pursuant to Article III, Section 11 of the Company's Amended and Restated Bylaws and Section 141(c) of the Delaware General Corporation Law. The Committee will have the sole authority to appoint or replace the independent auditors of the Company. The Committee will be directly responsible for the compensation and oversight of the work of the Company's independent auditors (including the resolution of disagreements between management and the independent auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditors will report directly to the Committee. The Committee will have the authority to engage independent counsel and other advisers, as it deems necessary to carry out its responsibilities. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors engaged by the Company for the purpose of rendering or issuing an audit report and to any advisers engaged by the Committee.

2. STRUCTURE OF THE COMMITTEE

The Committee will be comprised of three or more directors as determined from time to time by resolution of the Board. Consistent with the appointment of other Board committees, the members of the Committee will be elected by the Board at the annual organizational meeting of the Board or at such other time as may be determined by the Board. The Chairman of the Committee will be designated by majority vote of the members of the Committee, *provided* that if the Committee does not so designate a Chairman, the Board may designate a Chairman.

The presence in person or by telephone of a majority of the Committee's members will constitute a quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is present.

3. PURPOSE OF THE COMMITTEE

The Committee's purpose is to provide assistance to the Board in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting and internal control functions of the Company and its subsidiaries.

The Committee will oversee the audit efforts of the Company's independent auditors and internal auditors, if any, and, in that regard, will take such actions as it may deem necessary to satisfy itself that the Company's external auditors are independent of management. It is the objective of the Committee to maintain free and open means of communications among the Board, the independent auditors, the internal auditors and the financial and senior management of the Company.

4. COMPOSITION OF THE COMMITTEE

Each member of the Committee will be an "independent" director within the meaning of the Nasdaq Stock Market, Inc. ("Nasdaq") rules applicable to the Company and, as such, is expected to be free from any relationship that may interfere with the exercise of his or her independent judgment as a member of the Committee. All members of the Committee must be financially literate at the time of their election to the Committee. "Financial literacy" will be determined by the Board in the exercise of its business judgment, and will include a working familiarity with basic finance and accounting practices and an ability to read and understand fundamental financial statements. The Board will endeavor to appoint at least one member of the Committee that is an "audit committee financial expert" as that term is defined by the Securities and Exchange Commission (the "SEC"). Committee members, if they or the Board deem it appropriate, may enhance their understanding of finance and accounting by participating in educational programs conducted by the Company or an outside consultant or firm.

5. MEETINGS OF THE COMMITTEE

The Committee will meet with such frequency and at such intervals as it determines is necessary to carry out its responsibilities, but not less frequently than quarterly. As part of its purpose to foster open communications, the Committee will meet at least annually with management and the Company's independent auditors in separate executive sessions to discuss any matters that the Committee or each of these groups or persons believe should be discussed privately. In addition, the Committee will meet or confer with the independent auditors and management quarterly to review the Company's periodic financial statements prior to their filing with the SEC and the Company's earnings releases prior to dissemination. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. The Committee will maintain minutes of its meetings and records relating to those meetings and the Committee's activities. The Committee will report regularly to the Board on its activities and provide copies of its minutes to the Board.

6. ROLES AND RESPONSIBILITIES OF THE COMMITTEE

In carrying out its responsibilities, the Committee's policies and procedures are intended to be and remain flexible, so that it may be in a position to best react or respond to changing circumstances or conditions. The Committee will review and reassess annually the adequacy of the Committee's Charter and recommend any proposed changes to the Board for its approval. The Committee's authority shall include, without limitation, the following:

Appointment and Evaluation of Independent Auditors and Related Matters

- (1) Appoint the firm of independent auditors to audit the books and accounts of the Company and its subsidiaries for each fiscal year;
- (2) Review and approve the Company's independent auditors' annual engagement letter, including the proposed fees contained therein;
- (3) Review and accept, if appropriate, the annual audit plan of the Company's independent auditors, including the scope of audit activities, and monitor such plan's progress and results during the year;
- (4) Confirm through private discussions with the Company's independent auditors and the Company's management that no management restrictions are being placed on the scope of the independent auditors' work;
- (5) Review the performance of the Company's independent auditors and, when circumstances warrant, replace or terminate the independent auditors;
- (6) Ensure the 5-year rotation of audit lead and concurring partners of the independent auditors as required by law;
- (7) Ensure that current or former employees of the independent auditor (whether or not such employees served as members of the Company's audit engagement team) may not be hired by the Company without the Committee's prior approval;
- (8) Pre-approve, on a case-by-case basis, or in the alternative, adopt appropriate policies governing pre-approval of, all audit, review or attest services and permitted non-audit services (including the fee arrangements and terms in respect of such services) to be performed by the independent auditors for the Company, other than a de minimus amount of non-audit services not to exceed, in the aggregate, 5% of total revenues paid by the Company to the independent auditors during the fiscal year in which the non-audit services are provided; provided that such services were not known as non-audit services at the time of the engagement and that such services are promptly made known to the Committee and approved by the Committee prior to completion of the audit;
- (9) Oversee the independence of the Company's independent auditors by, among other things:

- (a) requiring the independent auditors to deliver to the Committee on a periodic basis a formal written statement delineating all relationships between the independent auditors and the Company; and
- (b) actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and recommending that the Board take appropriate action to satisfy itself of the auditors' independence;

Oversight of Financial Reporting, Annual Audit and Quarterly Reviews

(10) Review with management and the independent auditors the Company's annual audited financial statements, including disclosures made in management's discussion and analysis, prior to the filing of its Form 10-K;

(11) Review with management and the independent auditors the Company's quarterly financial statements, prior to the filing of any Form 10-Q, including the results of the independent auditors review report on such quarterly financial statements;

(12) Review the Company's earnings press releases with management;

(13) Review the results of the year-end audit of the Company, including (as applicable):

- (a) the audit report, the published financial statements, the management representation letter, any auditor's letter or other, similar memorandum prepared by the Company's independent auditors regarding accounting procedures and internal controls, any other pertinent reports and management's responses concerning the same;
- (b) the qualitative judgments of the independent auditors about the appropriateness, not just the acceptability, of accounting principles and financial disclosure practices used or proposed to be adopted by the Company and, particularly, about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates;
- (c) the methods used to account for significant unusual transactions;
- (d) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;
- (e) management's process for formulating sensitive accounting estimates and the reasonableness of these estimates;
- (f) significant recorded and unrecorded audit adjustments;

- (g) significant risks and exposures and the plans to minimize such risks;
- (h) any material accounting issues among management and the independent auditors, including those with respect to audit adjustments; and
- (i) other matters required to be communicated by the independent auditors to the Committee under generally accepted auditing standards, as amended;

(14) Review with management and the Company's independent auditors such accounting policies (and changes therein) of the Company, including any financial reporting issues which could have a material impact on the Company's financial statements, as are deemed appropriate for review by the Committee prior to any interim or year-end filings with the SEC or other regulatory body;

(15) Review, upon receipt, the report (oral or written) of the independent auditors on:

- (a) all critical accounting policies and practices;
- (b) all alternative accounting treatments within GAAP for policies and practices related to material items that have been discussed with management (including ramifications of the use of such alternative treatments and disclosures, and the treatment preferred by the accounting firm);
- (c) material written communications between the accounting firm and management, such as any management letter or schedule of unadjusted audit differences;

(16) Review disclosures, if any, made to the Committee by the Company's CEO and CFO in connection with their certification of periodic reports;

Oversight of Internal Controls

(17) Review the Company's accounting and internal control policies and procedures through inquiry and discussions with the Company's independent auditors, internal auditors and management;

(18) Require that the independent auditors, internal auditors and management keep the Committee informed about fraud, illegal acts, deficiencies in internal control, and similar matters;

(19) Consider whether internal control recommendations made by internal auditors and independent auditors have been implemented by management;

(20) Review with management on at least an annual basis the Company's administrative, operational and accounting internal controls insofar as the same relate to accounting and financial reporting, including controls and security of the computerized information systems;

(21) Review with management and the independent auditors any reportable conditions and material weaknesses, as defined by the American Institute of Certified Public Accountants, affecting internal control;

(22) Receive periodic reports from the Company's independent auditors and management of the Company to assess the impact on the Company of significant accounting or financial reporting developments proposed by the Financial Accounting Standards Board or the SEC or other regulatory body, or any other significant accounting or financial reporting related matters that may have a bearing on the Company;

(23) Establish and maintain free and open means of communication between and among the Board, the Committee, the Company's independent auditors and management;

Oversight of Internal Audit Functions

(24) Review on at least an annual basis the necessity for the creation of a department or dedicated staff to be responsible for internal audit matters;

(25) Review the appointment, replacement or dismissal of the appropriate level executives in the finance department responsible for internal audit matters;

(26) Review significant reports to management prepared by the finance department with respect to internal audit matters and management's responses;

(27) Discuss with the independent auditor and management the internal audit responsibilities of the appropriate senior finance department executives, budget and staffing of the internal audit functions, and any recommended changes in the planned scope of the internal audit function;

Other Responsibilities

(28) Meet annually with the general counsel, and outside counsel when appropriate, to review legal and regulatory matters, including any matters that may have a material impact on the financial statements of the Company;

(29) Prepare a report to be included in each annual proxy statement (or, if not previously provided during the fiscal year, any other proxy statement or consent statement relating to the election of directors) of the Company which states, among other things, whether:

- (a) the Committee has reviewed and discussed with management the audited financial statements to be included in the Company's Annual Report on Form 10-K;
- (b) the Committee has discussed with the Company's independent auditors the matters that the auditors are required to discuss with the Committee by Statements on Auditing Standard No. 61, (as it may be modified or supplemented);

- (c) the Committee has received the written disclosures and the letter from the Company's independent auditors required by Independence Standards Board Standard No. 1, as may be modified or supplemented, and has discussed with the independent auditors their independence; and
- (d) based on the review and discussions described in subsections (i), (ii) and (iii) above, the Committee has recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for the last fiscal year for filing with the SEC.

(30) Obtain from the independent auditors any information pursuant to Section 10A of the Securities Exchange Act of 1934, as amended;

(31) Establish and maintain 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;

(32) Conduct or authorize investigations into any matters within the Committee's scope of responsibilities, including retaining outside counsel or other consultants or experts for this purpose; and

(33) Perform such additional activities, and consider such other matters, within the scope of its responsibilities, as the Committee or the Board deems necessary or appropriate.

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While the Committee has the responsibilities set forth in this Charter, the Committee is not responsible for planning or conducting the audit or for determining whether the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. These are the responsibilities of management and the independent auditors.
