

# AIR METHODS CORPORATION

## Charter of the Audit Committee (revised April 27, 2005)

### **Purpose:**

The purpose of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Air Methods Corporation, a Delaware corporation (the “**Company**”) shall be to make such examinations as are necessary to monitor the corporate financial reporting and the internal and external audits of the Company, to provide to the Board the results of its examinations and recommendations derived therefrom, to outline to the Board improvements made, or to be made, in internal accounting controls, to nominate independent auditors, and to provide such additional information and materials as it may deem necessary to make the Board aware of significant financial matters which require the Board’s attention.

### **Composition:**

The Committee shall be comprised of at least three independent members of the Board. A member of the Committee shall be considered independent so long as the member meets the independence requirements of applicable federal securities laws, the Securities and Exchange Commission (“**SEC**”) and The Nasdaq Stock Market, Inc. (“**Nasdaq**”) then in effect. All Committee members shall be financially literate and at least one member shall be an “audit committee financial expert” as defined by both the SEC and Nasdaq. The members of the Committee and its Chairman will be appointed by and serve at the discretion of the Board.

### **Functions and Authority:**

The operation of the Committee shall be subject to the Bylaws of the Company, as in effect from time to time, and Section 141 of the Delaware General Corporation Law. The Committee shall be obligated, and shall have full power and authority, to carry out the following responsibilities:

1. Be directly responsible for the appointment (subject to shareholder ratification), retention, termination and compensation of the independent auditors, who shall report directly to the Committee. The Committee also shall be directly responsible for the oversight of the work of the independent auditors, including resolution of disagreements between management and the auditors regarding financial reporting. The Committee shall confirm the regular rotation of the lead audit partner and reviewing partner as required by law. Management of the Company shall discuss in advance with the Committee the rationale for employing audit firms other than the principal auditors.
2. Obtain and review, at least annually, a report by the independent auditors describing:
  - (a) the accounting 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, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and

(c) all relationships between the independent auditor and the Company, management and Board members, consistent with Independence Standards Board Standard 1, to assess the auditor's independence.

3. Pre-approve all audit and non-audit services provided by the independent auditors. The Committee may delegate pre-approval authority to one or more members of the Committee, and any such member or members shall report any decisions made under that delegation to the full Committee at its next scheduled meeting. The Committee shall not approve any non-audit services by outside auditors that are prohibited by law or by any rules of the SEC or Nasdaq.

4. Evaluate the cooperation received by the independent auditors during their audit examination, including their access to all requested records, data and information, and elicit the comments of management regarding the responsiveness of the independent auditors to the Company's needs.

5. Consult with the independent auditors and discuss with Company management the scope and quality of internal accounting and financial reporting controls in effect.

6. Obtain and review a report by the independent auditors describing:

(a) the outside auditors' internal quality control procedures; and

(b) any material issues raised by the most recent internal quality-control review or peer review of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, with respect to one or more outside audits carried out by the independent auditors, and any steps taken to deal with any such issues.

7. Determine, as regards new transactions or events, the auditors' reasoning in determining the appropriateness of the accounting principles and disclosure practices adopted by management.

8. Assure that the auditors' reasoning is described in determining the appropriateness of changes in accounting principles and disclosure practices.

9. Have familiarity, through the individual efforts of its members, with the accounting and reporting principles and practices applied by the Company in preparing its financial statements, including, without limitation, the policies for recognition of revenue in financial statements.

10. Review new and proposed releases and pronouncements by the Financial Accounting Standards Board (FASB), the American Institute of Certified Public Accountants (AICPA), the Public Company Accounting Oversight Board (PCAOB) and the SEC that may affect current or future financial statements or other disclosures in financial reports.

11. Meet separately with management and the independent auditors, upon completion of their audit, to review, evaluate and discuss the Company's financial results for the year, as reported in the Company's financial statements, or other disclosures, prior to the filing of a Form 10-K.

12. Review and evaluate with the independent auditors and with management, and require the independent auditors to review, the Company's financial results for interim periods, as reported in the Company's financial statements, or other disclosures, prior to the filing of a Form 10-Q.

13. Provide a report in the Company's annual meeting proxy statement and the Company's Form 10-K stating whether the Committee has complied with its responsibilities under the Charter, including without limitation, whether the Committee has reviewed and discussed the Company's audited financial statements with management, whether the Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K, and whether anything came to the attention of the Committee that caused the Committee to believe that the audited financial statements contain any materially misleading information or omit any material information.

14. Provide for disclosure in the Company's annual meeting proxy statement whether the Committee has a written charter, and filing of the Committee's Charter with the Company's annual meeting proxy statement as required by applicable law.

15. Provide oversight of the internal audit function of the Company by establishing a reporting relationship in which the internal auditor reports to the Committee, through its chairman, as well as the Chief Executive Officer of the Company, and provides written reports to the Committee, quarterly and as requested about matters assigned to that office.

16. 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 the Company of concerns regarding questionable accounting or auditing matters.

17. Review and update the Committee's Charter annually.

18. Investigate, review and report to the Board the propriety and ethical implications of any transactions, as reported or disclosed to the Committee by the independent auditors, employees, officers, members of the Board or otherwise, between (a) the Company and (b) any employee, officer or member of the Board of the Company, or any affiliates of the foregoing.

19. Perform such other functions and have such power as may be necessary or convenient in the efficient and lawful discharge of the foregoing.

### **Meetings:**

The Committee will hold at least four regular meetings per year and additional meetings as the Committee Chairman or Committee deems appropriate. The chief executive officer or chief

accounting officer may attend any meeting of the Committee, except for portions of the meetings where his, her or their presence would be inappropriate, as determined by the Committee Chairman.

**Minutes and Reports:**

Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, members of the Board who are not members of the Committee and the Secretary of the Company. The Chairman of the Committee shall report to the Board from time to time, or whenever so requested by the Board.