

IKON OFFICE SOLUTIONS, INC.

AUDIT COMMITTEE CHARTER

I. Purpose

The Audit Committee of IKON Office Solutions, Inc. (the “Company”) shall report to the Board of Directors of the Company (the “Board”) and shall assist the Board in fulfilling its responsibilities to shareholders relating to the quality and integrity of corporate accounting and reporting, internal controls, the audit process, and the Company’s compliance with legal and regulatory requirements. The Committee shall, on behalf of the Board, (i) assess the independence, qualifications and performance of the Company’s internal and external audit functions, and (ii) review management’s and the auditors’ assessment of the accounting and financial reporting processes of the Company and audits of the financial statements of the Company, including the adequacy of the system of internal controls and the adequacy of financial disclosures to shareholders. Additionally, the Committee may perform other oversight functions as requested by the Board.

The Audit Committee shall report its activities to the full Board regularly and issue annually a summary report to be included in the Company’s proxy statement that discloses that the Audit Committee has:

- reviewed and discussed the audited financial statements with management and the independent accountants;
- discussed matters outlined in SAS 61 (Communications with Audit Committee); and
- discussed with the independent accountants their independence relative to the Company and received their annual disclosure in the form of a written affirmation.

This report shall also disclose whether the Audit Committee recommends to the Board that the audited financial statements be included in the Company’s Annual Report on Form 10-K.

The names of the Audit Committee members shall be printed in the Company’s proxy statement beneath the annual Audit Committee report. Also, the Audit Committee Charter shall be disclosed in the Company’s proxy statement appendix once every three years.

II. Membership

The Audit Committee shall be composed of not less than three members, appointed annually by the Board. All of the members of the Audit Committee shall be independent directors, as such term is defined by the Securities and Exchange Commission (the “SEC”) and under the listing standards of the New York Stock Exchange and shall satisfy any other applicable regulatory requirements. Audit Committee members are not permitted to serve on the Audit Committees of more than three public companies unless approved by the Board.

Each member of the Audit Committee shall have general knowledge about financial and auditing matters, with at least one member being a financial expert as defined by the SEC and having accounting or related management expertise as determined by the Board.

III. Meetings and Orientation/Ongoing Training

The Audit Committee shall meet at least quarterly.

The Audit Committee shall be briefed from time to time by top management, risk managers, compliance managers, information technology leaders, and internal and external auditors on key topics, such as business and financial risks, exposures, complex transactions, operational issues, and legal or regulatory issues. New members shall, as deemed necessary, have access to the Company's management and specific information to get the requisite background on key business practices, policies, risks and issues.

IV. Responsibilities and Duties

Relationship with Independent Accountants

- The Audit Committee shall have the sole authority to retain and terminate independent accountants and to approve any non-audit relationship with the independent accountants. The Audit Committee shall have authority to investigate any activity of the Company, and it is empowered to retain, and determine the compensation of persons having special competence as necessary to assist the Audit Committee in fulfilling its responsibilities.
- Annually review the qualifications of the Company's independent accountants. In connection with such duties, the Audit Committee shall have the sole authority to approve all audit engagement fees and terms. The Audit Committee shall affirm that the independent accountants are in fact independent by obtaining written affirmation from the independent accountants delineating all relationships between the independent accountants and the Company. The Audit Committee shall also review annually the type and extent of non-audit services performed by the independent accountants and consider their relevance to the issue of independence.
- Provide for direct communication between the Audit Committee and the independent accountants in order to assure their independence. The independent auditors will report directly to the Audit Committee. The Audit Committee will provide immediate access through the Audit Committee Chairman for the independent accountants to report any special matters they believe should be brought to the attention of the Audit Committee.
- Maintain free and open communication with the independent accountants, including discussions of any disclosed relationships or services that may impact the objectivity and independence of the independent accountants. Hold individual private sessions with the independent auditors at least quarterly.
- Review with the independent accountants the scope and nature, as well as the rigor, of the audit process. Emphasis should be placed on their examination

with regards to the accounting and financial areas where the Audit Committee, management or the accountants believe special attention should be directed.

- Pre-approve all audit and permissible non-audit services provided by the Company's independent auditors.
- Review and discuss financial statements (including quarterly financial statements), the Company's earnings releases, and financial information and earnings guidance provided to analysts and credit agencies with management, internal auditors and the independent accountants. These discussions should include:
 - quality of earnings;
 - reserves and accruals;
 - all critical accounting policies;
 - suitability of accounting principles;
 - any proposed changes or developments in accounting or financial reporting practices and other significant unusual events;
 - judgmental areas;
 - audit adjustments;
 - management's controls over the quarterly reporting process; and
 - other inquiries where appropriate.
- Review with the independent accountants:
 - significant accounting estimates and the reasonableness of the assumptions;
 - results of their audit, including their opinion on the financial statements;
 - their evaluation of the adequacy and quality of the system of internal control and controls over the financial reporting process;
 - all alternative treatments of financial information within GAAP that have been discussed with management;
 - any audit problems or difficulties and management's response, as well as disputes, if any, with management and all other material written communications between the outside auditors and management; and

- cooperation received from management in the conduct of the audit.
- Annually review the management letter comments and management’s responses.
- Clearly communicate the Audit Committee’s expectations of the independent auditors, at least on an annual basis, including the expected nature, style and timing of communications with the Audit Committee, and any requests for expanded involvement in business, regulatory or other issues. Performance against those expectations shall be measured regularly.
- Set clear hiring policies for current or former employees of the independent accountants.
- Obtain and review a report by the independent accountant describing the following:
 - independent accountant’s internal quality-control procedures;
 - 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, including the Public Company Accounting Oversight Board, within the preceding five years, respecting its internal quality control standards and processes, or one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - all relationships between the independent accountant and IKON.

Relationship with Internal Audit Department

- The Audit Committee shall have the authority to oversee the activities of the Company’s Internal Audit Department (“Internal Audit”). Internal Audit shall report to the Audit Committee with respect to all audit practices and activities.
- Provide for direct communication between the Board and the Internal Audit Department in order to assure its independence. The Audit Committee will provide immediate access, through the Audit Committee Chairman, for the internal auditors to report any special matters they believe should be brought to the attention of the Audit Committee. The Audit Committee will maintain free and open communication with Internal Audit and will hold individual private sessions with Internal Audit at least quarterly.
- Review and affirm the appointment or dismissal of the Vice President, Internal Audit.
- Review Internal Audit’s objectives and resources, its annual budget and audit plan, including its coordination with the examination performed by the independent accountants, and its audit activity reports.
- Review officers’ expenses and benefits for compliance with approved policies and procedures.

- Review the results of Internal Audit activities each quarter and for the year. This review should include evaluation of the quality of internal controls and the adequacy of management's actions to address any control weaknesses.
- Clearly communicate the Audit Committee's expectations of the Internal Auditors, at least on an annual basis, including the expected auditor involvement in reviewing controls, monitoring specific areas of concern, communicating with the Audit Committee, and any requests for expanded involvement in regulatory or other issues. Performance against those expectations shall be measured regularly.

Relationship with Management

- Before publication, review and discuss the quarterly and annual financial statements and related footnotes and "Management's Discussion and Analysis of Financial Condition and Results of Operations", the Company's earnings releases, and financial information and earnings guidance provided to analysts and credit agencies.
- Review any significant changes in accounting principles proposed by management.
- Inquire whether a second opinion regarding a significant accounting matter had been sought and, if so, discuss the accounting selected.
- Review the significant accounting and reporting developments affecting the Company.
- Review the quality of internal controls.
- Maintain free and open communication with management, and hold periodic, individual private sessions with management. Discuss with the Chief Executive Officer and Chief Financial Officer prior to the filing of all periodic report matters related to officer certifications attached to such reports.

Other

- Review periodically with management the program established to monitor compliance with the Company's Code of Ethics.
- Periodically review with management the status of any significant pending litigation, tax matters and other legal and compliance areas involving the Company.
- Discuss policies with respect to risk assessment and risk management.
- Review earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
- Establish procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees

of the Company, and employees of any company providing accounting related services to IKON, of concerns regarding questionable accounting or auditing matters.

- At least annually, perform self-assessment of the Audit Committee's performance.
- Review financial and accounting personnel succession planning within the Company.
- Review and reassess the adequacy of the Audit Committee Charter at least annually.

V. Continuous Flow of Information to Audit Committee Members

The Audit Committee shall identify and routinely access all relevant information necessary to carry out its responsibilities, including key operating reports of the Company. The Audit Committee shall, at its discretion, make use of outside resources including, advice and assistance from outside legal, accounting or other advisors to help review and assess such information.

Limitations

The Audit Committee is responsible for the duties set forth in this Charter but is not responsible for either the preparation of the financial statements or the auditing of the financial statements. Management has the responsibility for preparing the financial statements and implementing internal controls, and the independent accountants have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls. The review of the financial statements by the Audit Committee is not of the same quality as the audit performed by the independent accountants. In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible in order to best react to a changing environment.
