



The Transportation Logistics Company

**J.B. HUNT TRANSPORT SERVICES, INC.
AUDIT COMMITTEE CHARTER
As amended January 28, 2003**

I. PURPOSE AND ROLE

The primary function of the Committee (the "Committee") is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing with its auditors: (a) the financial reports and other financial information provided by J.B. Hunt Transport Services, Inc. (the "Company") to any governmental body or the public; (b) the Company's systems of internal controls regarding finance and accounting that management and the Board have established; and (c) the Company's auditing, accounting and financial reporting processes generally.

All of the requirements in this Charter are qualified by the understanding that the role of the Committee is to act in an oversight capacity and is not intended to require a detailed review of the work performed by the independent auditors unless specific circumstances are brought to its attention warranting such a review.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities and it has direct access to the independent auditors as well as anyone in the organization. The Committee has the ability to retain, at the Company's expense, specific advisors, consultants or experts it deems necessary in the performance of its duties.

II. COMPOSITION

The Committee shall be comprised of three or more directors as determined by the Board. All of the members of the Committee must (a) be free of any relationship to the Company that may interfere with the exercise of their independence from management and the Company and, (b) not be subject to any of the other restrictions on independence set forth in rules or regulations, prescribed by NASDAQ, SEC or the Public Accounting Oversight Board.

All members of the Committee shall possess a basic understanding of financial statements, including a company's balance sheet, income statement and cash flow statement or be able to do so within a reasonable period of time after his or her appointment to the Committee. At least one member of the Committee shall have accounting or related financial management expertise, as the Board, in its business judgement, interprets such qualification.

The members of the Committee shall be elected by the Board at the annual or any regular meeting of the Board. The members of the Committee shall serve until their successors shall be duly elected and qualified or their earlier resignation or removal. If a Chair is not elected by the full Board or is not present at a particular meeting, the members of the Committee may designate a Chair by majority vote of the Committee membership in attendance.

III. MEETINGS

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Committee should meet at least annually with management, the independent auditors and as a Committee, in separate executive sessions, to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee, or at least the Chair, should meet with the independent auditors and financial management quarterly, either in person or telephonically, to review the Company's interim financial statement consistent with Section IV.3 below. The Committee Chair shall prepare and/or approve the agenda in advance of each meeting.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Committee shall perform the following:

Documents/Reports Review

1. The Committee has adopted this Charter following its approval by the Board of Directors based upon the recommendation of the Committee. The Committee shall review, and reassess the adequacy of, this Charter at least annually. The Charter shall be included as an appendix to the Company's Proxy Statement for its Annual Meeting of Stockholders at least once every three years.
2. Review and discuss with management and the independent auditors the Company's annual audited financial statements prior to filing or distribution. This review and discussion should encompass the results of the audit, including significant issues regarding accounting principles, practices and judgements.
3. Review with financial management the quarterly financial results prior to the earlier of the release of earnings or the filing of the Quarterly Report on Form 10-Q. The Chair of the Committee may represent the entire Committee for purposes of this review. In connection with such review, the Committee should ensure that the communications and discussions with the independent auditors contemplated by Statement of Auditing Standards No. 71 have been received and held.

Independent Accountants

4. Recommend to the Board of Directors the selection of independent auditors, considering independence and effectiveness and approve the fees and other compensation to be paid to the independent accountants.
5. Make clear that the independent auditors for the Company are ultimately accountable to the Committee and the Board of Directors, that the Committee and Board of Directors have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent accountants or to nominate the independent auditor to be proposed for shareholder approval in any proxy statement.
6. Require the independent auditors to submit on a periodic basis (but at least annually) to the Committee a formal written statement in accordance with Independence Standards delineating all relationships between them and the Company, actively engage in a dialogue with them with respect to any disclosed relationships or services that may impact their objectivity and independence, and recommend that the Board of Directors take appropriate action in response to the report of the independent auditors to satisfy itself of the outside auditors' independence.

7. Review the performance of the independent auditors and approve any proposed discharge of the independent auditors when circumstances warrant.
8. Discuss with the independent auditors their audit plan.
9. Review and approve in advance all non-audit services performed by the auditing firm.

Financial Reporting Processes

10. In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk reporting exposures including off balance sheet arrangements and/or special purpose entities and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors together with management's response.
11. Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors.
12. Discuss with the independent auditors the matters contemplated by Statement of Auditing Standards No. 61, including, without limitation, the independent accountant's judgements about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting.
13. Based on the review and discussions referred to previously, recommend to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K.
14. Prepare a report of the Committee to be included in the Company's Proxy Statement for its Annual Meeting of Stockholders.

Other

15. Nothing in this Charter will, or be deemed to, decrease or modify any manner adverse to any member of the Committee, such member's right to rely on statements and certifications made by Corporation's officers, employees, agents, counsel, experts and auditors.
16. Nothing in this charter will, or will be deemed to, adversely affect in any manner the rights of members of the Committee to indemnification and advancement of expenses under the Certificate of Incorporation or Bylaws of the Corporation or under any contract, agreement, arrangement or understanding benefiting such member.
17. Notwithstanding any other provision of this Charter, no provision of this Charter will, except to the extent required by applicable law, rule or regulation, be construed to create any duty, liability or obligation on the part of the Committee or its members

The Committee relies on the expertise and knowledge of management, the internal auditors, and the public accounting firm in carrying out its oversight responsibilities. Management of the Company is responsible for determining that the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles. The public accounting firm is responsible for auditing the Company's financial statements. It is not the duty of the Committee to plan or conduct audits, to determine that the financial statements are complete, accurate and are in accordance with generally accepted accounting principles, to conduct investigations, or to assure compliance with laws and regulations of the Company's internal policies, procedures or controls.