

ATN HOLDINGS INC.
CHARTER OF AUDIT COMMITTEE

I. Organization

The Audit Committee of ATN Holdings, Inc., (“ATN”), shall have at least three members, comprised solely of members of the Board of Directors (the “Board”) of ATN. Each member of the Committee shall, in the judgment of the Board, be financially literate and at least one member of the Committee shall have the required level of accounting or related financial management expertise as determined by the Board in accordance with applicable law. The designation of any person as “financial expert” shall not impose any greater responsibility or liability on that person than the responsibility and liability imposed on such person as a member of the Committee, nor does it decrease the duties and obligations of other Committee members or the Board. Committee members shall be appointed by the Board in accordance with the ATN’s Articles of Incorporation and By-Laws, as amended (the “Articles”), on the recommendation of the Nominating and Corporate Governance Committee. Committee members shall hold their offices for one year or until their successors are elected and qualified, or until their earlier resignation or removal. All vacancies in the Audit Committee shall be filled by the Board in accordance with the Articles. The Board shall designate one of the members of the Audit Committee as Chairman of the Committee and the Committee shall keep a separate book of minutes of their proceedings and actions. The Audit Committee shall meet at least four times each year or more frequently as circumstances dictate. To foster open communication, the Audit Committee should meet at least annually with management and the internal audit staff and the independent auditor in separate sessions. All meetings shall be at the call of the Chairman of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. Meetings may be held by telephone or by other appropriate means in accordance with the Articles of Incorporation of ATN. The Committee may form one or more subcommittees, each of which may take such actions as may be delegated by the Committee. The Committee shall periodically report on its activities to the Board and make such recommendations and findings as it deems appropriate. The Committee members shall perform an annual evaluation of the Committee, as administered by the Nominating and Corporate Governance Committee. The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditor as well as anyone in the organization. The Committee may, in its sole discretion and at ATN’s expense, retain and terminate legal, accounting or other consultants or experts it deems necessary in the performance of its duties and without having to seek the approval of the Board.

II. Purpose

The Committee's primary duties and responsibilities shall be:

- To oversee the integrity of ATN's financial reporting process and systems of internal controls regarding finance, accounting and legal compliance.
- To oversee the independence and performance of ATN's independent auditor and monitor the performance of ATN's internal audit function.
- To make the decision to hire or terminate ATN's auditor and approve any non-audit work performed by ATN's auditor.
- To provide an avenue of communication among the independent auditor, management and the Board of Directors.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that ATN's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Committee to conduct general investigations or to assure compliance with laws and regulations and ATN's compliance policies.

III. Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

A. Review Procedures

1. Review and reassess the adequacy of this Charter at least annually. Submit this Charter to the Board for approval and publish this Charter on ATN's web-site and have the document published at least every three years in accordance with regulations promulgated by the SEC, as applicable.
2. Review ATN's annual audited financial statements and quarterly financial statements and any other reports or documents containing financial information prior to filing with the SEC or distribution to shareholders, lenders, and the public. Such review should include discussion with management and the independent auditor of significant issues regarding accounting principles, practices and judgments, including ATN's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Based on review and discussions, the Committee will recommend to the Board whether ATN's annual financial statements should be filed with the SEC or distributed to member-owners, lenders, note-holders and the public.

3. Discuss earnings press releases generally, including the use of “pro forma” or “adjusted” non-GAAP presentations, as well as financial information and earnings guidance provided to analysts and ratings agencies.

B. Independent Auditor

1. Make the decision to appoint, retain and replace the independent auditor and approve all audit plans, engagement fees and terms (including providing comfort letters in connection with securities underwritings) and all non-audit engagements with the independent auditor. The Audit Committee may consult with management but shall not delegate these responsibilities. Ensure the rotation of the lead audit partner every five (5) years or as required by law and consider whether to rotate the audit firm itself. The independent auditor shall be accountable to the Committee.
2. Establish and observe pre-approval policies and procedures for the engagement of the independent auditor to provide permitted audit and non-audit services.
3. On an annual basis, review, assess and discuss with the independent auditor all relationships they have with ATN that could impair the auditor’s independence. Except to the extent permitted by applicable law, ATN’s independent auditor may not perform the following services for ATN:
 - Accounting or bookkeeping services;
 - Internal audit services related to accounting controls, financial systems or financial statement;
 - Financial information systems design implementation;
 - Broker, dealer, investment banking or investment adviser services;
 - Appraisal or valuation services;
 - Actuarial services;
 - Management services or human resources;
 - Legal or other expert services; and
 - Any other service the Public Company Accounting Oversight Board shall determine by regulations is not permitted.
4. Review the independent auditor’s audit plan. Discuss scope, staffing, locations, reliance upon management and general audit approach. Request, receive and/or review any report submitted by the auditor to the Committee, including without limitation: (a) all critical accounting policies and practices used by ATN, (b) all material alternative accounting treatments within generally accepted accounting principles that have been discussed with management; and (c) other material written communications between the auditor and management, including management letter(s) and schedule of unadjusted differences. Review with

the independent auditor any problems or difficulties the auditor may have encountered in the conduct of the audit and resolve any disagreements between the auditor and management.

5. Develop and recommend to the Board objective policies for the ATN's hiring of employees or former employees of the independent auditor in accordance with applicable law and with due regard for the continuing independence of such auditor.
6. Obtain and review a report by the independent auditor describing the auditor's internal quality-control procedures and all material issues raised by the most recent internal quality-control review, or peer review of the accounting 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 all steps to deal with such issues.

C. *Financial Reporting Process*

1. Discuss matters required to be communicated to audit committees in accordance with rules of the SEC, including such things as management judgments' and accounting estimates, significant changes in ATN's accounting practices, significant audit adjustments, disagreements with management and difficulties encountered in performing the audit.
2. Consider the independent auditor's judgments about the quality (not just the acceptability) and appropriateness of ATN's accounting principles as applied in financial accounting. Inquire as to the independent auditor's views about whether management's choices of accounting principles appear reasonable from the perspective of income, asset and liability recognition, and whether those principles are common practices or minority practices.
3. In consultation with management and the independent auditor, consider the integrity of ATN's financial reporting process and controls, both external and internal. Discuss significant financial risk exposures and the steps management has to take to monitor, control and report such exposures, including ATN's risk assessment and risk management policies. Review significant findings prepared by the independent auditor together with management's responses, including the status of previous recommendations.
4. Review (a) the accounting treatment accorded significant transactions; (b) any significant accounting issues, including any second opinions sought by management on accounting issues, (c) the development, selection and disclosure of critical accounting estimates and analyses of the effects of alternative GAAP methods, regulatory and accounting initiatives, and off-balance sheet transactions and structures on the financial statements of ATN and (d) ATN's use of reserves and accruals, as reported by management and the independent auditor.

D. *Internal Controls and Legal Compliance*

1. Review and approve the budget, plan, changes in plan, activities, organizational structure and qualifications of the director of the internal audit department's office and internal audit group, as needed. Review significant reports prepared by the director of the internal audit department's office and internal audit group, together with management's response and follow-up to these reports.
2. Review the appointment, performance and replacement of senior personnel responsible for financial reporting.
3. Review and approve the appointment, performance, and replacement of the director of the internal audit.
4. Evaluate whether management is setting the appropriate tone at the top by communicating the importance of internal controls and evaluate whether the appropriate individuals possess an understanding of their roles and responsibilities with respect to internal controls.
5. Consider and review with management, the internal audit group and the independent auditor the effectiveness or weakness in ATN's internal controls. Develop in consultation with management a timetable for implementing recommendations to correct identified weaknesses.
6. Review the coordination between the independent auditor and internal auditor; the risk assessment processes, scopes and procedures of ATN's internal audit work; whether such risk assessment processes, scopes and procedures are adequate to attain the internal audit objectives as determined by ATN's management and approved by the Committee; and the standards for determining the quality and composition of ATN's internal audit staff.
7. Establish, maintain and periodically review procedures for (a) the receipt, retention and treatment of complaints received by ATN regarding accounting, internal controls and auditing matters and (b) the confidential and anonymous submission by employees of ATN of concerns with questionable accounting or auditing matters.
8. Review management's monitoring of ATN's compliance with laws, Code of Ethical Business Conduct and Officer Code of Ethics and ensures the management has proper review systems in place to ensure that ATN's financial statements, reports and other information disseminated to governmental organizations, and the public, satisfy legal requirements.
9. Request and obtain from the independent auditor assurance that Section A (audit requirements) of the Securities Exchange Act of 1934 has not been implicated.

10. Request and receive reports on the design and implementation of internal controls. Monitor significant changes in internal controls and address any known weaknesses.
11. Prepare any report or other disclosure by the Audit Committee required to be included in any proxy statement under the rules of the SEC.

E. *Miscellaneous*

1. The Audit Committee may from time to time in its sole discretion obtain advice and assistance from independent counsel and other advisers as the Committee considers necessary to carry out its duties, without being required to seek board approval.
2. The Audit Committee shall have the authority to receive appropriate funding from ATN, as determined by the Committee, for payment of compensation to any registered accounting firm engaged for audit purposes, independent counsel and other advisers, and ordinary administrative expenses of the Audit Committee.
3. The Audit Committee may perform any other activities consistent with this Charter, ATN's Articles and governing law, as the Audit Committee deems appropriate or necessary.
4. The Audit Committee shall receive and review concerns or questions raised by internal and external legal counsel.

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