

**CAPITAL PRODUCT PARTNERS L.P.**  
**CHARTER OF THE**  
**AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

**I. Purpose**

The audit committee (the "Audit Committee") is established by and among the board of directors (the "Board of Directors") of Capital Product Partners (the "Partnership") for the primary purpose of assisting the Board of Directors in fulfilling its responsibility to oversee:

- the integrity of the Partnership's financial statements;
- the Partnership's compliance with legal and regulatory requirements;
- significant financial transactions and financial policy and standards;
- the independent auditor's qualifications and independence;
- the performance of the Partnership's independent auditor and internal audit function;
- the independent auditor's annual audit of the Partnership's financial statements; and
- the Partnership's systems of disclosure controls and procedures and internal controls over financial reporting.

Consistent with this function, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Partnership's policies, procedures and practices at all levels. The Audit Committee should also provide for open communication among the independent auditor, financial and senior management, the internal auditing function and the Board of Directors.

The Audit Committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors and experts as deemed appropriate to perform its duties and responsibilities.

The Partnership will provide appropriate funding, as determined by the Audit Committee, for compensation to the independent auditor, to any advisors that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee will primarily fulfill its responsibilities as per the applicable laws, rules, regulations and guidelines in the United States of America and the Marshall Islands and that of any other country that the Partnership may be subjected to in the future, particularly by carrying out the activities enumerated in Section III of this charter. The Audit Committee will report regularly to the Board of Directors regarding the execution of its duties and responsibilities. The duties enumerated hereunder are in addition to the terms of reference and duties, which have been specified in the NASDAQ Stock Market ("NASDAQ") Corporate Governance Certification Form and other applicable laws and regulations, each as may be modified from time to time.

**II. Composition And Meetings**

The Audit Committee will comprise three or more directors as determined by the Board of Directors. Each Audit Committee member will have no material relationship with the Partnership (either directly or as a partner or officer of an organization that has a relationship with the Partnership), as affirmatively determined by the Board of Directors. All Audit Committee members must be independent, including being free of disallowed compensation agreements, under all applicable rules and regulations.

All members of the Audit Committee must comply with all financial literacy requirements of the securities exchange(s) on which the Partnership is listed. The determination of such compliance shall be made by the Board of Directors in keeping with the applicable requirements and definitions of any such exchange. Specifically, since the Partnership is currently listed with the NASDAQ, the Board of Directors will make the determination with respect to any member's qualification to serve on the Audit Committee, including assessments of financial literacy and past accounting or financial management

expertise and will determine whether at least one member of the Audit Committee qualifies as an “audit committee financial expert” in compliance with the criteria established by the Securities Exchange Commission (“SEC”). The qualification of any such member’s qualification to serve as the Audit Committee financial expert, including his or her name and confirmation that he or she is independent, will be disclosed in periodic filings as required by the SEC. Audit committee members are encouraged to enhance their familiarity with finance and accounting by participating in educational programs, including those conducted by the Partnership or by outside consultants.

The members of the Audit Committee will be elected by the Board of Directors at the annual organizational meeting of the Board of Directors to serve until such member’s resignation or removal by a majority vote of the Board of Directors. Unless a chairperson is elected by the full Board of Directors, the members of the Audit Committee shall designate a chairperson by majority vote. Any member of the Board of Directors may attend any Audit Committee meeting at any time at his or her choosing. The Audit Committee may request that any directors or other employees of the Partnership, a representative of the independent auditor or any other persons whose advice and counsel are sought by the Audit Committee, attend any meeting of the Audit Committee to provide such pertinent information as the Audit Committee requests. The Audit Committee may, in its discretion, exclude from its meetings any persons not on the Audit Committee.

The Audit Committee will meet in person or telephonically at least quarterly, or more frequently as circumstances dictate, at such times and places determined by the chairperson, with further meetings to occur or actions to be taken by unanimous written consent. Meetings of the Audit Committee may be called by any member of the Audit Committee. The chairperson shall prepare and/or approve an agenda in advance of each meeting, and such agenda along with notice of the time, date and place of the meeting shall be delivered by the chairperson to the members of the Audit Committee and any invitees as soon as practicable in advance of the meeting. Each regularly scheduled meeting will conclude with an executive session of the Audit Committee without the members of management. As part of its responsibility to foster open communication, the Audit Committee will meet periodically with management, the head of the internal auditing function and the independent auditor in separate executive sessions. In addition, the Audit Committee will meet with the independent auditor and with management to discuss the annual audited financial statements and quarterly financial statements, including the Partnership’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

In carrying out its oversight responsibilities, the Audit Committee may, as it deems necessary or appropriate, act as a whole, through subcommittees or through the committee chair or as may be prescribed by the applicable U.S. and other laws and regulations from time to time. The Audit Committee shall maintain minutes or other records of its meetings and shall give regular reports to the Board of Directors on the meetings of the Audit Committee and on such other matters as the Board of Directors shall from time to time specify. A nominee may be directed by the Audit Committee to act as the secretary of the Audit Committee.

Except as expressly provided in this charter, the Partnership’s organizational documents, or as required by law, regulation or the NASDAQ listing standards, the Audit Committee shall set its own rules of procedure.

No member of the Audit Committee may serve simultaneously on the audit committees of more than two other public companies, unless the Board of Directors determines that such simultaneous service would not impair such director’s ability to serve effectively on the Audit Committee and such determination is disclosed in the Partnership’s annual report filed with the SEC.

### **III. Responsibilities And Duties**

The Audit Committee’s function is not to replace the Partnership’s management, internal auditors and independent auditors, but rather one of oversight. The Audit Committee recognizes that the financial management and the internal and independent auditors have more knowledge and information about the Partnership than do Audit Committee members. Consequently, in carrying out its oversight responsibilities, the Audit Committee cannot provide any expert or special assurance as to the Partnership’s financial statements or internal controls or any professional certification as to the independent auditors’ work. To fulfill its responsibilities and duties, the Audit Committee will:

**A. With respect to documents, reports and/or accounting information:**

1. Review this charter periodically, at least annually, and recommend to the Board of Directors any necessary amendments.
2. Review and discuss with management and the independent auditor the Partnership's annual audited financial statements and quarterly financial statements, including the Partnership's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and all internal controls reports.
3. Review other relevant reports or financial information submitted by the Partnership to any governmental body or to the public, including management certifications as required by the Sarbanes-Oxley Act of 2002 and other applicable statutes, rules and regulations and relevant reports rendered by the independent auditor.
4. Review management's report on internal control and independent auditors' attestation on management's assertions to the extent that they are required under the Sarbanes-Oxley Act of 2002.
5. Discuss earnings press releases, including the type and presentation of information, paying particular attention to adjustments which are not consistent with U.S. GAAP requirements. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made).
6. Discuss financial information and earnings guidance, if any, provided to analysts and ratings agencies. Such discussions may be in general terms (i.e., discussion of the types of information to be disclosed and the type of presentations to be made).
7. Review the regular internal reports to management (or summaries thereof) prepared by the internal auditing department, as well as management's response.

**B. Independent Auditor**

1. Subject to the approval of the unit holders of the Partnership, where required, the Audit Committee shall recommend appointment or reappointment of the independent auditor, as well as determine the compensation of and oversee the work performed by the independent auditor for the purpose of preparing or issuing an audit report or related work.
2. Review the performance, qualifications and independence of the independent auditor. This evaluation should include a review of the experience and qualifications of the lead partner and other senior members of the independent audit team each year and determine that all partner rotation requirements, as promulgated by applicable rules and regulations, are adhered to. The Audit Committee will also consider whether there should be rotation of the firm itself. In making its evaluation, the Audit Committee should take into account the opinions of management and the Partnership's internal auditors (or other personnel responsible for the internal audit function). In response to its evaluation, the Audit Committee shall be entitled to take any action it deems appropriate, including removal of the independent auditor if circumstances warrant. The independent auditor will report directly to the Audit Committee and the Audit Committee will oversee the resolution of disagreements between management and the independent auditor if they arise.
3. Consider whether the auditor's performance of permissible non-audit services is compatible with the auditor's independence. Discuss with the independent auditor the matters required to be discussed under Statement on Auditing Standards (SAS) No. 114.
4. Review with the independent auditor any problems or difficulties and management's response.
5. Review the independent auditor's attestation and report on management's internal control report, from the time that such reports are prepared.

6. Hold timely discussions with the independent auditor regarding the following critical accounting policies and practices, including:

- All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
- Other material written communications between the independent auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.

7. At least annually, obtain and review a report by the independent auditor describing:

- The independent auditor's internal quality-control procedures;
- Any material issues raised by the most recent internal quality-control review or peer review, or by any inquiry or investigation conducted by governmental or professional authorities during the preceding five years with respect to independent audits carried out by the firm and any steps taken to deal with any such issues;
- All relationships between the independent auditor and the Partnership addressing the matters set forth in Independence Standards Board Standard No. 1. This report should be used to evaluate the independent auditor's qualifications, performance and independence.

8. Actively engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the independent auditor and take, or recommend that the full Board of Directors take, appropriate actions to oversee the independence of the independent auditor.

9. Review and pre-approve (pursuant to pre-approval policies and procedures) both audit and non-audit services to be provided by the independent auditor. The authority to grant pre-approvals may be delegated to one or more designated members of the Audit Committee whose decisions will be presented to the full Audit Committee at its next regularly scheduled meeting. Approval of non-audit services will be disclosed to investors in periodic reports required by Section 13(a) of the U.S. Securities Exchange Act of 1934.

10. Set clear hiring policies, compliant with governing laws and regulations, for employees or former employees of the independent auditor.

11. Review the independent auditor's proposed audit scope and approach, including coordination of the audit effort with internal audit.

### **C. Financial Reporting Processes, Accounting Policies and Internal Control Structure**

1. In consultation with the independent auditor and the internal auditor, review the integrity of the Partnership's financial reporting processes, both internal and external, and the internal control structure, including disclosure controls and procedures and internal control over financial reporting.

2. Receive and review any disclosure from the Partnership's management made in connection with the certification of the Partnership's quarterly and annual reports filed with the SEC of:

- all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Partnership's ability to record, process, summarize and report financial data; and
- any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership's internal controls.

3. Review major issues regarding accounting principles and financial statement presentations, including:

- any significant changes in the Partnership's selection or application of accounting principles;
- major issues as to the adequacy of the Partnership's internal controls; and
- any special audit steps adopted in light of material control deficiencies.

4. Review analyses prepared by management (and the independent auditor) setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

5. Review the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Partnership.

6. Ensure that all related-party transactions are reviewed and approved by the Conflicts Committee.

7. Establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

8. Establish procedures for the confidential, anonymous submission by Partnership employees regarding questionable accounting or auditing matters.

#### **D. Internal Audit**

1. Review and advise on the selection and removal of the head of internal audit.

2. Review activities, organizational structure and qualifications of the internal audit function.

3. Annually, review and recommend changes (if any) to the internal audit charter.

4. Periodically review with the head of internal audit any significant difficulties, disagreements with management or scope restrictions encountered in the course of the audit function's work.

5. At least once a year review the performance of the head of internal audit and concur with the annual compensation and salary adjustment.

#### **E. Ethical Compliance, Legal Compliance and Risk Management**

1. Determine whether management has the proper review system in place such that the Partnership's financial statements, reports and other financial information disseminated to governmental organizations and the public satisfy legal requirements.

2. Review, with the Partnership's counsel, legal compliance matters, including corporate securities trading policies.

3. Review, with the Partnership's counsel, any legal matter that could have a significant impact on the Partnership's financial statements.

4. Discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Partnership's major financial risk exposures and the steps management has undertaken to monitor and control them. For any discussion of these matters, as well as for discussion of any financial matters to be submitted to the Board of Directors, the Audit Committee may invite the Chief Executive Officer of the general partner of the Partnership or one representative of the Partnership's majority unit holder to participate in the discussion of such matters

5 .Review the findings of any examinations by regulatory agencies, and any auditor observations.

6. Review the process for communicating the Code of Business Conduct to Company personnel and CSM, with whom the Company has a Technical and Commercial Management Agreement, and monitoring the Company's compliance with this Code.

#### **F. Other Responsibilities**

1. Review with the independent auditor, the internal auditing department and management the extent to which changes or improvements in financial or accounting practices have been implemented.

2. Conduct an annual performance assessment relative to the Audit Committee's purpose, duties and responsibilities outlined herein.

3. Perform any other activities consistent with this charter, the Partnership's agreement of limited partnership and governing law, as the Board of Directors deems necessary or appropriate.

4. Confirm annually that all responsibilities outlined in this charter have been carried out.

#### **IV. Powers**

The Audit Committee shall have the following powers:

1. Unrestricted access to the Partnership's books and records;

2. To seek information from any employee of the Partnership including the management of the Partnership;

3. To investigate any activity within its terms of reference;

4. To obtain the advice of lawyers, accountants or other professionals, including consultants, and to authorize the payment of fees or other compensation to such persons, firms or entities for the provision of any such services.

Adopted January 2018