

VIRTUAL PIGGY, INC.
BOARD OF DIRECTORS
AUDIT COMMITTEE CHARTER
ADOPTED APRIL 12, 2013

PURPOSE

The Audit Committee (“Committee”) is appointed by the Board of Directors (“Board”) of Virtual Piggy, Inc. (“Company”) and charged with assisting the Board in its oversight of: (a) the integrity of the Company’s financial statements and internal controls, (b) compliance with legal and regulatory requirements, including the Company’s ethical standards and policies, (c) the qualifications, independence and performance of the Company’s independent auditor, (d) the process relating to internal risk management and control systems, (e) the performance of the Company’s internal audit function (as required pursuant to applicable exchange listing rules) and its independent auditors, and (f) preparing the Audit Committee report to shareholders for inclusion in the Company’s annual proxy statement.

MEMBERSHIP

The Committee will consist of no fewer than three members. All of the Committee members will meet the independence and experience requirements of Rule 10A-3 under the Securities Exchange Act of 1934 and applicable exchange listing rules.

Each member of the Committee will be financially literate, as such qualification is interpreted by the Board in its business judgment, or become financially literate within a reasonable time after appointment to the Committee. At least one member of the Committee will qualify as financially sophisticated and have accounting or related financial management expertise, as such qualification is interpreted by applicable exchange listing rules. The designation or determination by the Board of a person as an Audit Committee financial expert will not impose on such person individually, on the Committee, or on the Board as a whole, any greater duties, obligations or liability than would exist in the absence of such designation or determination.

No member of the Committee can have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements at any time during the past three years.

The members, including the Chairman, will be appointed by the Board from time to time. Audit Committee members may be removed by the Board at any time in its complete discretion.

ORGANIZATION

The Committee will meet at least four times during each year, or more frequently as it deems necessary to carry out its responsibilities. Meetings of the Committee may be called by the Chairman or a majority of the members of the Committee. A majority of the

Committee members will constitute a quorum, except as may be otherwise required by law or the Company's Certificate of Incorporation or Bylaws. The act of a majority of the Committee members present at any meeting at which a quorum is present will be the act of the Committee.

The Committee will regularly meet privately in separate sessions with senior management, the independent auditor, and the senior internal audit executive, as applicable, and will meet in executive session as necessary or appropriate. The Board authorizes the Committee to request information from the Chief Executive Officer, or any officer or employee of the Company or its outside legal counsel or independent auditors or to request that any such persons attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In discharging its responsibilities, the Audit Committee will have the resources and authority to cover ordinary administrative costs and to engage any registered public accounting firm, independent counsel and other advisors or professionals it deems appropriate at the expense of the Company; it will inform the Chairman of the Board in advance.

The Committee will regularly report to the Board, and will report each year with respect to the activities of the Committee and compliance with this charter. It will reassess the adequacy of this charter annually and may propose changes to the Board for approval.

The Committee will annually review its own performance and report the results to the Board.

While the Committee has the responsibilities and powers set forth in this charter, the role of the Committee is assisting the Board in its oversight responsibilities. It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") and applicable rules and regulations. Likewise, it is not the Committee's responsibility to conduct investigations, or to assure that the Company complies with specific legal requirements or the Company's code of ethics. Each member of the Committee will be entitled to rely, to the fullest extent permitted by law, upon the integrity of those persons or organizations within and outside the Company from whom it receives information, and the accuracy of the information.

DUTIES AND RESPONSIBILITIES

The primary responsibilities of the Committee are set forth below. The Committee will:

A. Oversight of Independent Auditors

1. Require the independent auditor to report directly to the Committee. Appoint, oversee the work of, evaluate the qualifications, performance and independence of, determine compensation for, and where appropriate, terminate, replace, or rotate, the independent auditor. In evaluating the performance of the independent auditor, the Committee will

evaluate the performance of the independent auditor's lead partner and will consider whether the provision of non-audit services is compatible with maintaining the auditor's independence, and ensure the rotation of audit partners as required by law. The Committee will present its conclusions with respect to the independent auditor to the Board.

2. Review and pre-approve, to the extent required by applicable laws and regulations, the scope and general extent of the independent auditor's services, audit and non-audit, the significant audit procedures that will be used, and the estimated fees for its audit services. The Chairman of the Committee may grant any required pre-approval of specific services as required, provided that the full Committee is advised of such approval at the next regularly scheduled Committee meeting.

3. Obtain and review a report by the independent auditor, at least annually, regarding: (a) the independent auditor's quality control procedures, (b) any material issues raised by the most recent internal quality control or peer review, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting an independent audit conducted by the firm, (c) any step taken to address such issues, and (d) all relationships between the independent auditor and the Company. Discuss with the independent auditor whether any disclosed relationships or services may impact the objectivity and independence of the independent auditor and make appropriate recommendations to the Board concerning such matters.

4. Obtain and review a report by the independent auditor, at least annually, containing: (a) the auditor's conclusions regarding the Company's critical accounting principles and the application of those principles, (b) all alternative treatments of financial information within U.S. GAAP that have been discussed with management and the ramifications of the use of such alternative treatments, (c) the critical accounting principles preferred by the independent auditor, and (d) other matters required to be discussed with the independent auditor by applicable laws and regulations.

5. Review and monitor the Company's hiring of employees or former employees of the independent auditor.

6. Review with the independent auditor any problems or difficulties in auditing the Company's financial statements and management's responses. The Committee will make efforts to resolve any disagreements between management and the independent auditor regarding financial reporting.

7. Facilitate open communications among the Company's independent auditor, management, the internal audit division and the Board.

B. Oversight of Internal Auditors

As required under applicable exchange listing rules:

1. Establish a direct line of communication with the senior internal audit executive. Review the findings of significant reports to management made by the internal audit division and management's responses. Review and approve internal audit plans and recommended changes to the plans, including as such plans relate to the structure, qualification and activities of the internal audit function and the scope of internal audit responsibilities in relation to the independent auditor's duties. Assess the effectiveness of the internal audit function at least once a year.
2. Recommend for Board approval the appointment and replacement of the senior internal audit executive, and all matters related to responsibilities, budget and staffing of the internal audit division.

C. Financial Statement and Disclosure Matters

1. Meet to review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K to be filed with the SEC.
2. Meet to review and discuss with management and the independent auditor the Company's quarterly financial statements including disclosures made in management's discussion and analysis prior to the filing of its Form 10-Q, release of earnings information, including the results of the independent auditor's review of the quarterly financial statements.
3. Review with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the Company's critical accounting principles and any significant changes to those principles or their application, the effect of off-balance sheet structures on the Company's financial statements, and material or non-financial arrangements that do not appear in the Company's financial statements. Discuss the effect of regulatory and accounting initiatives on the Company's financial statements.
4. Review with management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
5. Review with management and the independent auditor the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.
6. Prepare the Audit Committee report to shareholders for inclusion in the Company's annual proxy statement.

7. Review disclosures made by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about the results of their evaluation of the effectiveness of disclosure controls and any significant deficiencies in the design or operation of internal controls or material weaknesses, and any fraud involving management or other employees who have a significant role in the Company's internal controls.

8. Discuss the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-U.S. GAAP information (as applicable), as well as financial information and earnings guidance provided to analysts and rating agencies.

9. Review the preparation of any financial statements or reports, reports on internal controls, information relating to statutory auditors and the like, to be provided to the relevant regulatory authority.

D. Corporate Oversight

1. Discuss the Company's major financial and other significant risk exposures or deficiencies, and the steps management has taken to monitor and control or mitigate such exposures and deficiencies. Discuss the Company's risk assessment and risk management policies.

2. Periodically assess whether the Company has implemented the appropriate internal risk management and internal control culture.

3. Review and recommend for Board approval the Code of Ethics and Business Conduct and any other appropriate codes of conduct or compliance policies. Review annually the implementation and effectiveness of the ethics and compliance program, and any significant deviations by officers and employees from the Code of Ethics and Business.

4. Establish "whistleblowing" procedures, i.e., 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 concerns regarding questionable accounting or auditing matters. Review any such significant complaints or concerns.

5. Review periodically, but not less than annually, the Company's insurance programs.

6. Review with the General Counsel and others, as appropriate and at least annually, legal matters that may have a material impact on the Company's financial statements and any material reports or inquiries received from regulators or governmental agencies.

7. Direct and oversee, as appropriate, investigations into any matter brought to its attention within the scope of its duties.

8. Assess periodically and at least annually the Company and its subsidiaries' compliance with any regulatory financial commitments.

9. Review and require prior approval authority for transactions with related persons. In addition, assure that Company has adopted a written policy and procedures for review, approval and monitoring of transactions involving the Company and "related persons" (directors and executive officers or their immediate family members, or stockholders owning five percent or greater of the Company's outstanding Common Stock) to ensure that all such transactions are conducted at "arm's length" and in the best interests of the Company and are identified, reported and approved in a timely manner.

The Committee's charter will be published on the Company's website.