

AUDIT COMMITTEE CHARTER
of the
Audit Committee of the
Board of Directors
of
Spartan Stores, Inc.

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board") to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the compliance by the Company with legal and regulatory requirements, (3) the independence and performance of the Company's Independent Auditors, including that the Independent Auditors are ultimately responsible to the Board of Directors and the Audit Committee, (4) the performance of the Company's internal audit function, and (5) the Company's system of disclosure controls and procedures and internal controls over financial reporting.

Membership

Number and Independence

The Committee shall be comprised of three or more directors, as determined by the Board, one of whom shall be designated by the Board as Chairman. The Board shall affirmatively determine that each member of the Committee is independent and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director or member of the Committee.

Each member of the Committee shall be an "Independent Director" as defined by NASD rules. A director shall not be considered independent and may not be a member of the Committee if he or she:

- Is an Affiliate of the Company or any of its subsidiaries, or owns or Controls 10% or more of the Company's voting securities;
- Is, or at any time during the past three years was, employed by the Company or by any subsidiary of the Company;
- Accepted, or who has a Family Member who accepted, any payments from the Company or any subsidiary of the Company in excess of \$60,000 during the current or any of the past three fiscal years, other than the following:
 - Compensation for Board or Committee service;
 - Payments arising solely from investments in the Company's securities;
 - Compensation paid to a Family Member who is a non-executive employee of the Company or subsidiary of the Company;

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- Benefits under a tax-qualified retirement plan or non-discretionary compensation; or
- Loans permitted under Section 13(k) of the Securities Exchange Act of 1934;
- Accepted, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any subsidiary of the Company, provided that, compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service);
- Is a Family Member of an individual who is, or at any time during the past three years was, employed by the Company or by any subsidiary of the Company as an executive officer;
- Is, or has a Family Member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the Company made or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following:
 - Payments arising solely from investments in the Company's securities; or
 - Payments under non-discretionary charitable contribution matching programs;
- Is, or who has a Family Member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the Company served on the compensation committee of such other entity;
- Is, or has a Family Member who is, a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years; or
- Participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

If a member of the Committee ceases to be independent due to circumstances beyond his or her reasonable control, the Company must regain compliance with the independence requirements by the earlier of its next annual shareholders' meeting or one year from the occurrence of the event that caused the loss of independence. If such loss of independence occurs and the Company relies on this grace period, the Company must provide notice to NASDAQ immediately upon learning of the event or circumstance that caused the loss of independence.

Knowledge and Experience of All Members

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

Audit Committee Financial Expert

At least one member of the Committee must be a person whom the Board has determined is an "audit committee financial expert." An "audit committee financial expert" is a person who has the following attributes:

- An understanding of generally accepted accounting principles and financial statements;
- The ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;
- Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;
- An understanding of internal controls and procedures for financial reporting;
- An understanding of audit committee functions; and
- General financial sophistication.

An audit committee financial expert must have acquired such attributes through any one or more of the following:

- Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions;
- Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;
- Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or
- Other relevant experience.

Responsibilities and Authority

General

The Committee shall have the following responsibilities and authority:

- Prepare minutes of each meeting and distribute the minutes to all directors;
- Hold a minimum of four meetings each year;
- Review new or proposed rules and regulations issued by relevant regulatory authorities, for the purpose of considering amendments to the Audit Committee Charter;
- Review and reassess the adequacy of the Audit Committee Charter on an annual basis;
- Review and approve certifications prepared by the Company for NASDAQ regarding the Committee's membership and Charter;
- Review with management and the Independent Auditors the Company's annual audited financial statements and related footnotes to be included in the Company's Annual Report on Form 10-K and Annual Report to Shareholders and the Company's quarterly unaudited financial statements and related footnotes to be included in the Company's quarterly report on Form 10-Q before they are filed with the SEC;
- Review with management all quarterly and annual press releases and any Form 8-K filed to report material non-public information regarding the Company's results of operations or financial condition for an annual or quarterly fiscal period that has ended;
- Prepare the Audit Committee's report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement;
- Review the financial statements, periodic reports and other financial information that the Company files with the SEC or distributes to the public;
- Consider major changes and other questions regarding the appropriate auditing and accounting principles and practices for the Company;
- Meet periodically with management to review the Company's major financial risk exposures;
- Meet in executive sessions with internal auditors, legal counsel and Independent Auditors to discuss any matter that the Committee or any of these persons believe should be discussed privately with the Committee; and
- Review with the Company's counsel legal matters which may result in a material impact on the Company's financial statements or condition and any material reports or inquiries by regulators or governmental agencies.

Assistance from Advisors and Personnel

The Company's chief financial officer will serve as a resource to the Committee. In addition, the Committee may request any officer or employee of the Company to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee has the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

Funding

The Company shall provide appropriate funding, as determined by the Committee, for payment of:

- Compensation to the Independent Auditors;
- Compensation to any advisers employed by the Committee; and
- Ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Independent Auditors

The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of any Independent Auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company. The Committee is also directly responsible for the resolution of disagreements between management and the Independent Auditors regarding financial reporting. Independent Auditors shall report directly to the Committee.

The Committee shall review the performance of the Independent Auditors of the Company at least annually. The Committee shall also review the independence, effectiveness and objectivity of the Independent Auditors of the Company at least annually. The Committee shall discuss with the Independent Auditors any relationships or services that may affect the Independent Auditors' objectivity or independence. If the Committee is not satisfied with the Independent Auditors' assurances of independence, it shall take or recommend to the full Board appropriate action to ensure the independence of the Independent Auditors.

The Committee shall require receipt of, and shall review, a formal written statement from the Independent Auditors delineating all relationships between the Independent Auditor and the Company, consistent with the Standards of the Independence Standards Board. The Committee shall actively engage in a dialogue with the Independent Auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the Independent Auditor and for taking, or recommending that the Board take, appropriate action to oversee the independence of the Independent Auditor.

No Independent Auditor may provide audit services to the Company if:

- The lead (or coordinating) audit partner (having primary responsibility for the audit), or the audit partner responsible for reviewing the audit, has performed audit services for the Company in each of the five previous fiscal years of the Company; or
- If the Company's chief executive officer, controller, chief financial officer, chief accounting officer or any person serving in an equivalent position for the Company was employed by such Independent Auditor and participated in any capacity in the audit of the Company during the 1-year period preceding the date of the initiation of the audit.

The Committee shall require receipt of, and shall review, a report from the Independent Auditors that addresses the following:

- Critical accounting policies and practices to be used;
- Alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditors; and
- Other material written communications between the Independent Auditors and the management of the Company, including any management letters or schedules of unadjusted differences.
- Attestation on management's assessment of the Company's internal control over financial reporting (when required).

The Committee shall discuss with the Independent Auditors the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, relating to the conduct of the audit and any qualifications in the Independent Auditors' audit opinion.

Approval of Audit and Non-Audit Services

The Committee has the authority and responsibility to pre-approve all audit and permissible non-audit services provided to the Company by the Company's Independent Auditors. Approval of a permissible non-audit service to be performed by the Company's Independent Auditors shall be disclosed to the Company's investors in its periodic reports. No pre-approval of permissible non-audit services is required if all of the following conditions exist:

- The aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its Independent Auditors during the fiscal year in which the non-audit services are provided;
- Such non-audit services were not recognized by the Company at the time of the engagement to be non-audit services; and

- Such non-audit services are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

The Committee may establish policies and procedures for pre-approving audit and permissible non-audit services by the Independent Auditors. All pre-approvals of audit and permissible non-audit services granted by the Committee shall be reasonably detailed as to the particular services to be provided and shall not result in the delegation of the Committee's pre-approval responsibilities to management. Pre-approvals of services granted by the Committee must not use monetary limits as the only basis for pre-approval and must not provide for broad categorical approvals. Any pre-approval policies or practices adopted by the Committee must be designed to ensure that the Committee knows what particular services it is being asked to pre-approve so that it can make a well-reasoned assessment of the impact of the service on the Independent Auditors' independence.

The Committee may delegate to one or more designated members of the Committee the authority to grant pre-approvals of permissible non-audit services. The decisions of any Committee member to whom authority is delegated under this paragraph to pre-approve permissible non-audit services shall be reported to the full Committee.

Permissible non-audit services provided by the Company's Independent Auditors shall not include any of the following:

- Bookkeeping or other services related to the accounting records or financial statements of the Company;
- Financial information systems design and implementation;
- Appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
- Actuarial services;
- Internal audit outsourcing services;
- Management functions or human resources;
- Broker or dealer, investment adviser, or investment banking services;
- Legal services and expert services unrelated to the audit; or
- Any other service that the Public Company Accounting Oversight Board determines, by regulation, is impermissible.

Internal Auditors

The Committee has the authority and responsibility to oversee the internal auditors. The Committee shall:

- Review the appointment or replacement of the internal auditor;
- Review the independence of the internal auditors;
- Review the activities and performance (effectiveness, objectivity, and independence) of the internal auditors at least annually;
- Meet with the internal auditors at each Committee meeting and review any reports prepared by the internal auditors for the Committee; and
- Establish and maintain channels for internal auditors to communicate directly with the Committee.

Internal Controls and Procedures

Establishing and maintaining the Company's disclosure controls and procedures and internal control over financial reporting is the responsibility of the Company's management. The Committee has the authority and responsibility to oversee the Company's disclosure controls and procedures and internal controls over financial reporting and shall consult with the Company's management, internal auditors and Independent Auditors regarding the adequacy of such internal controls.

Disclosure Controls and Procedures. The Committee shall oversee the Company's management in establishing controls and other procedures that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the Exchange Act's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the chief executive and chief financial officers, and persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting. The Committee shall oversee the Company's management in establishing policies and procedures that will provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Management's Internal Control Report. The Committee shall review management's internal control report to be included in the Company's Annual Report to Shareholders, when it is required. This report shall contain:

- A statement of management's responsibility for establishing and maintaining adequate internal control over financial reporting for the Company;
- A statement identifying the framework used by management to conduct the required evaluation of the effectiveness of the Company's internal control over financial reporting;
- Management's assessment of the effectiveness of the Company's internal control over financial reporting as of the end of the Company's most recent fiscal year, including a statement as to whether or not the Company's internal control over financial reporting is effective. The assessment must include disclosure of any material weaknesses in the Company's internal control over financial reporting identified by management. Management is not permitted to conclude that the Company's internal control over financial reporting is effective if there are one or more material weaknesses in the Company's internal control over financial reporting; and
- A statement that the Independent Auditors that audited the financial statements included in the annual report has issued an attestation report on management's assessment of the Company's internal control over financial reporting.

Related Party Transactions

It is the responsibility of the Company's management to conduct an appropriate review of all related party transactions for potential conflicts of interest situations on an ongoing basis. All such transactions must be evaluated and approved by the Committee.

Code of Ethics for Senior Financial Officers

The Committee has the authority and responsibility to adopt and maintain a code of ethics for senior financial officers of the Company, including the chief executive officer, chief financial officer, principal accounting officers and persons performing similar functions. The code of ethics shall be reasonably designed to deter wrongdoing and promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company;
- Compliance with applicable governmental laws, rules and regulations;

- The prompt internal reporting to an appropriate person or persons identified in the code of violations of the code; and
- Accountability for adherence to the code.

The code must provide for an enforcement mechanism to be administered by the Committee that ensures prompt and consistent enforcement of the code, protection for persons reporting questionable behavior, clear and objective standards for compliance, and a fair process by which to determine violations. Any waivers of the code for directors or executive officers shall be evaluated by the Committee and submitted to the Board for consideration.

Procedures for Handling Complaints

The Committee shall establish 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 the Company of concerns regarding questionable accounting or auditing matters, including the following:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Deficiencies in or noncompliance with the Company's internal accounting controls;
- Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- Deviation from full and fair reporting of the Company's financial condition.

The Committee has the authority to investigate and, if necessary, retain outside experts, with respect to any such complaints or concerns that may be brought to the attention of the Committee.

Scope of Responsibility

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 the Company'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 Auditors. It is not the duty of the Committee to conduct investigations or to assure compliance with laws and regulations. The duties and responsibilities of a member of the Committee are in addition to those duties applicable to members of the Board.

Definitions

“*Affiliate*” means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. A person will be deemed not to be in control of the person specified if the person:

- Is not the beneficial owner, directly or indirectly, of more than 10% of any class of voting equity securities of the person specified; and
- Is not an executive officer of the person specified.

The following will be deemed to be affiliates:

- An executive officer of an affiliate;
- A director who also is an employee of an affiliate;
- A general partner of an affiliate; and
- A managing member of an affiliate.

“*Control*” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

“*Family Member*” means a person’s spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person’s home.

“*Independent Auditors*” means any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

“*Indirect acceptance by a member of an audit committee of any consulting, advisory or other compensatory fee*” includes acceptance of such a fee by a spouse, a minor child or stepchild or a child or stepchild sharing a home with the member or by an entity in which such member is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary of the Company.

“*Related party transaction*” means any transaction required to be disclosed pursuant to SEC Regulation S-K, Item 404.

Effective Date: May 12, 2004