

**MARVEL ENTERTAINMENT, INC.
CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

PURPOSE

The Board of Directors (the “Board”) of Marvel Entertainment, Inc. (the “Company”) has constituted and established an Audit Committee (the “Committee”) with authority, responsibility, and specific duties as described in this Audit Committee Charter (the “Charter”).

The primary purpose of the Committee is to:

(A) directly appoint, retain, compensate, evaluate and, where appropriate, terminate the Company’s independent auditors (the “Independent Auditors”). In connection with this duty, the Committee shall have the sole authority to approve all audit engagement fees and terms. The Committee may submit its appointment of the Independent Auditors for stockholder ratification in the Company’s annual proxy statement;

(B) assist the Board’s oversight of:

- (1) the integrity of the Company’s financial statements,
- (2) the Company’s compliance with legal and regulatory requirements,
- (3) the Independent Auditors’ qualifications and independence, and
- (4) the performance of the Company’s internal audit function and the Independent Auditors; and

(C) prepare the report required by the Securities and Exchange Commission’s (“SEC”) proxy rules to be included in the Company’s annual proxy statement.

While the Committee has the powers and responsibilities 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 the Independent Auditors and management, respectively.

The Committee shall also serve as the Qualified Legal Compliance Committee of the Board (the “Qualified Legal Compliance Committee”) if authorized to do so by the Board.

ORGANIZATION

1. COMMITTEE COMPOSITION:

- *Number and Financial Acumen of Committee Members* – The Committee shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee and shall be comprised of not less than three members of the Board. The Committee’s composition will meet the audit committee requirements of the corporate governance standards set forth in the Listed Company Manual of the New York Stock Exchange (the “NYSE”), as amended from time to time.
- *Independence of Committee Members* – All of the members of the Committee will be directors who are “independent” within the meaning of Rule 10A-3(b)(1) under the Securities Exchange Act of 1934 (the “Exchange Act”) and Section 303A.02 and 303A.06 of the NYSE Listed Company Manual . and who otherwise comply with the requirements for Committee membership outlined in such sections.
- *Audit Committee Financial Expert* – At least one member of the Committee shall be an “audit committee financial expert” as such term is defined in Item 401(h) of Regulation S-K and is “independent” as such term is used in Item 7(d)(3)(iv) of Schedule 14A.

2. GENERAL ORGANIZATION AND MEETINGS

- *Committee Chairperson* – The Chairman of the Board shall appoint one member of the Committee as Chairperson, such appointment to be subject to the approval of the Board.
- *Meetings* – The Committee will meet on a quarterly basis and as often as necessary to carry out its responsibilities. A majority of members shall constitute a quorum of the Committee and shall be empowered to act on behalf of the Committee. The Committee may delegate its authority, other than its authority to act as the Qualified Legal Compliance Committee, to any subcommittee or member when appropriate. The Committee shall report regularly to the Board and shall review with the Board any issues which arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Independent Auditors, or the performance of the internal audit function.

3. ANNUAL REVIEW PROCESS

- *Board Determination of Committee Member Independence* – The Board will determine annually that the Committee's members are independent, as defined by law and relevant SEC and NYSE rules.
- *Board Evaluation of Committee Performance*- The Board will evaluate the performance of the Committee annually.
- *Assessment of Charter* – The Committee and the Board will review and assess the adequacy of this Charter annually.

FUNCTIONS

The Committee's job is one of oversight and it recognizes that the Company's management is responsible for preparing the Company's financial statements and that the Independent Auditors are responsible for auditing those financial statements.

Additionally, the Committee recognizes that financial management, including the internal audit staff, as well as the Independent Auditors, have more time, knowledge and more detailed information about the Company than do Committee members; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the Independent Auditors' work.

In performing its duties, the Committee will maintain free and open communication, including private executive sessions at least annually, with the Independent Auditors, internal auditors and management as required by the NYSE Listed Company Manual. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books and records of the Company and the power to retain outside legal, accounting or other advisors, at the expense of the Company. The Committee shall be provided by the Company with appropriate funding for the payment of compensation to the Independent Auditors and to any legal, accounting or other advisors retained by the Committee, and for the payment of the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The following functions shall be the common recurring activities of the Committee in carrying out its oversight function. These functions are set forth as a guide with the understanding that the Committee may diverge from this guide as appropriate given the circumstances:

1. OVERSIGHT OF AUDITORS

- *Direct Oversight of Independent Auditors* – The Committee shall directly appoint, retain, compensate, evaluate and, where appropriate, terminate the Company’s independent auditors. The Independent Auditors shall report directly to the Committee. The Committee shall be directly responsible for oversight of the Company’s Independent Auditors, including resolution of disagreements between the Company’s management and the Independent Auditors. The Committee’s evaluation shall include the review and evaluation of the lead audit partner of the Independent Auditors. In addition to assuring the regular rotation of the lead audit partner as required by law, the Committee shall consider whether, in order to insure continuing auditor independence, there should be regular rotation of the audit firm itself. The Committee shall present its conclusions with respect to the Independent Auditors to the full board.
- *Obtaining Annual Statement from Independent Auditors* – The Committee will obtain annually from its Independent Auditors a formal written statement to the Committee (i) describing the Independent Auditors’ internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review of the Independent Auditors 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 Independent Auditors, and any steps taken to deal with any such issues, and (ii) setting forth all relationships between the Independent Auditors and the Company, consistent with the Independence Standards Board Standard No. 1. The Committee will discuss with the Independent Auditors any disclosed relationships or services which may impact the objectivity and independence of the Independent Auditors.

- *Pre-Approval of Services Provided by the Independent Auditors* – As required by the SEC, generally the Committee approves all audit and non-audit services provided by the Independent Auditors including the compensation to be paid. The SEC permits certain limited exceptions to the general rule which the Committee may apply. Details of this pre-approval process are outlined in the Committee’s “Policy Regarding Pre-Approval of Audit and Non-Audit Services.” The Committee may delegate this responsibility to a member or subcommittee which will report any pre-approvals made to the full Committee at its next meeting.
- *Guidelines for Hiring Former Employees of the Independent Auditors* – The Committee shall set clear hiring policies for employees or former employees of the Independent Auditors.

2. AUDIT COMMITTEE’S REVIEW FUNCTION

- *Review Audited Financial Statements* – The Committee will review the Company’s audited financial statements (including the Company’s disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”) and discuss them with management and the Independent Auditors. Based on the review, the Committee shall make its recommendation to the Board as to the inclusion of the Company’s audited financial statements in the Company’s Annual Report on Form 10-K.
- *Review Quarterly Financial Statements* – The Committee will review with management and the Independent Auditors the Company’s quarterly financial information (including the Company’s disclosure under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”) prior to the Company’s filing of its Quarterly Report on Form 10-Q.

- *Review Alternative Treatments and Critical Accounting Policies* – In connection with each review or examination of the Company’s financial statements, the Committee will require that the Independent Auditors timely report to and document for the Committee: (i) all critical accounting policies and practices to be used; (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management; (iii) the ramifications of the use of such alternative disclosures and treatments; and the treatment preferred by the Independent Auditors; (iv) and other material written communications between the Independent Auditors and management, such as any management letter or schedule of unadjusted differences; (v) major issues regarding accounting principals and financial statement presentations, including any significant changes in the Company’s selection or application of accounting principles, and major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in light of material control deficiencies; and (vi) analysis prepared by management and/or the Independent Auditors 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. The Committee shall review with Independent Auditors any differences encountered in the course of the audit work including any restrictions on the scope of the Independent Auditors activities or on access to requested information and any significant disagreement with management.
- *Review of Internal Controls* – The Committee will review with management, internal auditors and the Independent Auditors their assessments of the adequacy of internal controls and the resolution of identified material weaknesses and reportable conditions in internal controls.

- *Discuss Regulatory Initiatives and Off-Balance Sheet Structures* – The Committee will discuss with management and the Independent Auditors the effects of regulatory and accounting initiatives as well as off-balance sheet structures on the Company’s financial statements.
- *Discuss Earnings Press Releases and Guidance* – The Committee will discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies including a discussion of the type and presentation of information to be included in earnings press releases (paying particular attention to any use of “pro forma” or “adjusted” non-GAAP information). The Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.
- *Discuss Pending Litigation* – The Committee will discuss with management, corporate counsel and the Independent Auditors, and shall review, material pending litigation and taxation matters and other areas of oversight in the legal and compliance area that may have a material impact on the Company’s financial statements, as appropriate.
- *Discuss Policies with Respect to Risk Assessment and Risk Management* – The Committee will discuss the Company’s guidelines and policies that govern risk assessment and risk management.

3. COMPLAINT PROCEDURES

- *Complaint Procedures* – The Committee will implement procedures for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (2) the confidential, anonymous submission by employees of the Company

regarding questionable accounting or auditing matters. The current complaint procedures can be found in the Committee's "Complaint Procedure for Accounting and Audit Matters" which shall be made publicly available.

4. ANNUAL REPORT

- *Annual Report for Inclusion in Proxy* – The Committee will issue annually a report to be included in the Company's proxy statement (including appropriate oversight conclusions) for the submission to stockholders.

5. POST-AUDIT REVIEW

- *Management Letter* – The Committee will review with management and the Independent Auditors the annual Management Letter comments and management's responses to each.

6. OVERSIGHT OF INTERNAL AUDIT FUNCTION

- *Oversight of Internal Audit Function* – The Committee will review the activities, organizational structure, and qualifications (including a discussion of the responsibilities, budget and staffing) of the Company's internal audit function. The most senior internal auditor shall have a direct line of communication to the Committee. The Committee will provide the most senior internal auditor the authority to examine all records and issue independent reports in order to supply objectivity to the internal audit process.
- *Review of Adequacy of Internal Audit Function* – The Committee will review with management, the Independent Auditors and the most senior internal auditor the adequacy of the Company's internal audit function.

- *Review of Internal Audit Reports* – The Committee will receive and review internal audit reports which will be prepared at least once every quarter.

7. QUALIFIED LEGAL COMPLIANCE COMMITTEE

- *Qualified Legal Compliance Committee*- When authorized by resolution of the Board to serve as the Qualified Legal Compliance Committee, the Committee shall also have the authority and responsibility provided in that Board resolution.

8. OTHER ACTIVITIES

- *Other Activities* – The Committee will perform any other activities required by applicable law, rules or regulations, including the rules of the SEC and the NYSE, and perform such other activities that are consistent with this Charter, the Company’s Certificate of Incorporation, By-Laws, as amended and restated from time to time, and governing laws, as the Committee or the Board deems necessary or appropriate.