

THE CORPORATE EXECUTIVE BOARD COMPANY

AUDIT COMMITTEE CHARTER

1. Purpose

There shall be a committee of the Board of Directors (the Board) of The Corporate Executive Board Company (the Company) to be known as the Audit Committee (the Committee). The Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting and reporting practices of the Company, the qualifications and independence of the public accounting firm engaged to prepare or issue an audit report on the financial statements of the Company (the independent auditor), performance of any persons performing internal audit functions, and such other duties as directed by the Board.

2. Membership and Organization

The Committee shall be composed of at least three members, consisting entirely of "independent" directors, each of whom is appointed annually by the Board. For purposes hereof, "independent" will mean a director who meets the independence requirements of The Nasdaq Stock Market, Inc. (NASDAQ), as determined by the Board. Members of the Committee shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. The Board shall designate one member of the Committee as chairperson or delegate the authority to designate a chairperson to the Committee (the Committee Chair).

Each member of the Committee must not have participated in the preparation of the financial statements of the Company at any time during the past three years and be financially literate. In addition, at least one member of the Committee shall be an "audit committee financial expert," as determined by the Board in accordance with Securities and Exchange Commission (SEC) rules.

3. Operations

The Committee will meet as often as may be necessary or appropriate in its judgment, generally four times each year, either in person or telephonically. The Committee will meet periodically in executive session with each of management and the independent auditors. The Committee will cause to be kept adequate minutes of all its proceedings, and shall promptly inform the Board of the actions taken or issues discussed at its meetings. This will generally take place at the Board meeting following a Committee meeting. The majority of the members of the Committee shall constitute a quorum.

4. Authority

The Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions and shall receive appropriate funding, as determined by the Committee, from the Company for payment of compensation to any such advisors. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

5. Communications and Reporting

The independent auditor reports directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor, the Company's internal auditors, and the Company's management. This communication will include periodic separate executive sessions with each of these parties.

6. Responsibilities

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and to ensure to the Board and shareholders that the accounting, reporting and financial practices of the Company are in accordance with all requirements and are of the highest quality. In carrying out these responsibilities, the Committee will:

- a) Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation and oversight of the work of the independent auditor. In this regard, the Committee shall appoint and retain, subject to ratification by the Company's stockholders, compensate, evaluate, and terminate, when appropriate, the independent auditor, which shall report directly to the Committee.
- b) Approve in advance all audit services to be provided by the independent auditor. By approving the audit engagement, an audit service within the scope of the engagement shall be deemed to have been pre-approved.
- c) Establish policies and procedures for the engagement of the independent auditor to provide audit and permissible non-audit services, which shall include pre-approval of all permissible non-audit services to be provided by the independent auditor.
- d) Meet with the independent auditors and financial management of the Company to review and discuss: (i) the scope of the proposed audit for the current year and the audit procedures to be utilized, and at the conclusion thereof review such audit results, any accompanying management letters and any difficulties the auditor encountered in the course of their audit work, including any restrictions on the scope of the independent auditor's activities or on access to requested information, and any significant disagreements with management, and (ii) any reports of the independent auditor with respect to interim periods.

- e) Review with the independent auditors and management the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies in internal controls, significant changes in such controls reported to the Committee by the independent auditor or management, and any recommendations for the improvement of such internal control procedures.
- f) Review and discuss the adequacy and effectiveness of the Company's disclosure controls and procedures and management reports thereon.
- g) Review the Company's annual audited and quarterly unaudited financial statements with management and the independent auditors, including: (i) an analysis of the auditors' judgment as to the quality of the Company's accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements; (ii) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," including accounting policies that may be regarded as critical; and (iii) major issues regarding the Company's accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and financial statement presentations; and receive reports from the independent auditor as required by SEC rules.
- h) Review with the independent auditor, at least annually, the written statement from the auditor of the Company required by Independence Standards Board Standard No. 1 concerning any relationships between the auditor and the Company or any other disclosed relationships or services that may adversely impact the objectivity and independence of the auditor, and based on such review, assess the independence of the auditor.
- i) Recommend to the Board, based on the review and discussion required by SEC rules, whether the financial statements should be included in the Company's annual report on Form 10-K.
- j) Provide reports in the Company's proxy statement required by Securities and Exchange Commission rules.
- k) Review and approve all related party transactions (as defined in applicable NASDAQ listing standards).
- l) Oversee the Company's compliance systems with respect to legal and regulatory requirements and review the Company's code(s) of conduct and programs to monitor compliance with such code(s).
- m) Establish procedures for handling complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential,

anonymous submission of concerns by employees regarding accounting and auditing matters.

- n) Establish policies for the hiring of employees and former employees of the independent auditor.
- o) Annually evaluate the performance of the Committee and assess the adequacy of the Committee Charter.