



Audit Committee Charter

Mission Statement

The Audit Committee of the Board of Directors (the “**Committee**”) of Assembly Biosciences, Inc. (the “**Company**”) is established pursuant to Article IV, Section 4.1 of the Bylaws of the Company. The Committee will assist the Board of Directors of the Company (the “**Board**”) in fulfilling its oversight responsibilities. The Committee will oversee and appraise the accounting and financial reporting process, the audit process, and the Company’s process for monitoring compliance with laws, regulations and the Company’s codes of conduct and ethics. The Committee will take, or recommend that the Board take, appropriate action to oversee the qualifications, independence and performance of the Company’s independent auditors and will prepare the reports required by the rules of the Securities and Exchange Commission (the “**SEC**”). In performing its duties, the Committee will maintain effective working relationships with the Board, management, any internal audit provider, and the independent auditors. To properly perform his or her role, each Committee member will have an understanding of the responsibilities of Committee membership as well as familiarity with the Company’s business, operations, and risks.

Although 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. That is the responsibility of management and the independent auditors. Nor is it the duty of the Committee to assure compliance with laws and regulations and the Company’s codes of conduct and ethics.

Organization

The Committee will be comprised of not less than three independent members of the Board (subject to any applicable exceptions permitted under the listing standards of the Company’s principal stock exchange). The members of the Committee must be “independent” as defined in Rule 5605(a)(2) under of the NASDAQ Stock Market Rules. The members of the Committee must meet the criteria of independence set forth in Rule 10A-3(b)(1) promulgated under Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act. The members of the Committee must not have participated in the preparation of the financial statements of the Company or a current subsidiary of the Company at any time during the past three years.

Notwithstanding the foregoing, one director who (1) is not “independent” as defined in Rule 5605(a)(2) under the NASDAQ Stock Market Rules; (2) satisfies the criteria for independence set forth in Section 10A(m)(3) of the Exchange Act and the rules thereunder; and (3) is not a current officer or employee or a Family Member (as defined in 5605(a)(2) under the

NASDAQ Stock Market Rules as a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home) of such officer or employee, may be appointed to the Committee, if the Board, under exceptional and limited circumstances, determines that membership on the Committee by the individual is required by the best interests of the Company and its stockholders, and the Board discloses, in the annual proxy statement for the Company's annual meeting of stockholders subsequent to such determination (or, if the Company does not file a proxy statement, in its Form 10-K), the nature of the relationship and the reasons for that determination. A member appointed under this exception may not serve on the Committee for more than two years and may not chair the Committee.

Each Committee member must be able to read and understand the Company's fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. At least one member of the Committee must be an "audit committee financial expert" as defined under Item 407 of Regulation S-K having past employment experience in finance or accounting, professional certification in accounting, or comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

The Committee members may be replaced or removed by the Board with or without cause. Resignation or removal of a Director from the Board, for whatever reason, shall automatically and without any further action constitute resignation or removal, as applicable, from the Committee. The Board will appoint a Chairperson of the Committee. Any vacancy on the Committee, occurring for whatever reason, may be filled only by the Board.

Meetings

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter, but not less frequently than quarterly, and shall meet at such times and places as it deems advisable. A majority of the members of the Committee shall constitute a quorum for purposes of holding a meeting and the Committee may act by a vote of a majority of the members present at such meeting. In lieu of a meeting, the Committee may act by unanimous written consent.

The Committee will report to the Board after each meeting of the Committee. The independent auditors and any internal audit provider will have the right to appear before and be heard by the Committee. The Committee has the right, for the purpose of the proper performance of its functions, to meet at any reasonable time with the independent auditors or any of the officers or employees of the Company.

Compensation and Funding

The Committee has the authority to engage and determine funding for independent counsel and other advisors as it deems necessary to carry out its duties. The Committee must determine, in its capacity as a committee of the Board, and the Company must provide for, appropriate funding for the payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company; (ii) compensation to any advisors employed by the Committee as provided above; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Board or any other committee established by the Board, receive directly or indirectly any consulting, advisory or other compensatory fee from the Company.

Roles and Responsibilities

The Committee shall have the following roles and responsibilities:

Financial Reporting and Annual Audit

General

- The Committee shall oversee the accounting and financial reporting processes of the Company.
- The Committee shall review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- The Committee shall discuss with management and the independent auditors and any internal audit provider significant risks and exposures and the plans to minimize such risks. The Committee shall discuss the guidelines and policies that govern the process by which the Company's exposure to risk is assessed and managed by management.
- The Committee shall evaluate whether management is appropriately communicating the importance of internal controls.
- The Committee shall appraise the extent to which the independent auditors and any internal audit provider examine computer systems and applications, the security of such systems and contingency plans for processing financial information in the event of a systems breakdown.
- The Committee shall determine whether management responds in a timely fashion to internal control recommendations made by the independent auditors and any internal audit provider.

- The Committee shall ensure that the independent auditors and any internal audit provider have access to the Committee with regard to issues of fraud, deficiencies in internal controls and related matters.
- The Committee shall oversee and approve the Company's investment policy with respect to its funds.

Annual Financial Statements

- The Committee shall consider the annual financial statements and determine whether they are consistent with the information known to Committee members.
- The Committee shall discuss judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of revenue recognition, tax valuation allowances and tax liabilities, long-lived assets and share-based compensation.
- The Committee shall meet with management and the independent auditors together and separately to discuss the financial statements, the results of the audit, and any significant financial reporting issues that have arisen in connection with the preparation of such financial statements.
- The Committee shall review and discuss with management (including the Company's principal accounting officer) and with the independent auditors the Company's annual audited financial statements, including (i) all critical accounting policies and practices used or to be used by the Company, (ii) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" prior to the filing of the Company's Annual Report on Form 10-K, and (iii) any significant financial reporting issues that have arisen in connection with the preparation of such audited financial statements.
- The Committee shall review the overall audit plan (both internal and independent) with the independent auditors and the members of management who are responsible for preparing the Company's financial statements, including the Company's principal financial officer and/or principal accounting officer.
- The Committee shall review:
 - any analyses prepared by management, any internal audit provider 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 Generally Accepted Accounting Principles ("GAAP") methods on the financial statements. The Committee may consider the ramifications of the use of such alternative disclosures and treatments on the financial statements, and the treatment preferred by the independent auditors. The Committee may also consider other material written

communications between the registered public accounting firm and management, such as any management letter or schedule of unadjusted differences;

- major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
 - major issues regarding accounting principles and procedures and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; and
 - the effects of regulatory and accounting initiatives, as well as off-balance sheet transactions and structures, on the financial statements of the Company.
- The Committee shall review and discuss with the independent auditors (outside the presence of management) how the independent auditors plan to handle their responsibilities under the Private Securities Litigation Reform Act of 1995, and request assurance from the independent auditors that Section 10A(b) of the Exchange Act has not been implicated.
 - The Committee shall review and discuss with the independent auditors any audit problems or difficulties and management's response thereto. This review shall include (i) any difficulties encountered by the independent auditors in the course of performing their audit work, including any restrictions on the scope of their activities or their access to information, (ii) any significant disagreements with management and (iii) a discussion of the responsibilities, budget and staffing of the Company's internal audit function.
 - The Committee shall discuss with the independent auditors those matters brought to the attention of the Committee by the independent auditors pursuant to Statement on Audit Standards No. 61, as amended ("**SAS 61**").
 - The Committee shall review and discuss with the independent auditors the report required to be delivered by such auditors pursuant to Section 10(A)(k) of the Exchange Act.
 - The Committee shall obligate the independent auditors to communicate all other required matters to the Committee.
 - If brought to the attention of the Committee, the Committee shall discuss with the principal executive officer and principal financial officer of the Company (i) 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 Company's ability to record, process, summarize and report financial information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, within the time periods specified in the SEC's rules and forms, and (ii) any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

- Based on the Committee’s review and discussions (i) with management of the annual audited financial statements, (ii) with the independent auditors of the matters required to be discussed by SAS 61, and (iii) with the independent auditors concerning the independent auditors’ independence, the Committee shall make a recommendation to the Board as to whether the Company’s audited financial statements should be included in the Company’s Annual Report on Form 10-K for the prior fiscal year.
- The Committee shall review the Annual Report before its release and consider whether the information contained therein is consistent with members’ knowledge about the Company and its operations.
- The Committee shall prepare the Committee report required by Item 407(d) of Regulation S-K (or any successor provision) to be included in the Company’s annual proxy statement.

Interim Financial Statements

- The Committee shall discuss with management and the independent auditors, prior to the filing of the Company’s Quarterly Reports on Form 10-Q, (i) the Company’s quarterly financial statements and the Company’s related disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” (ii) such issues as may be brought to the Committee’s attention by the independent auditors pursuant to Statement on Auditing Standards No. 100, and (iii) any significant financial reporting issues that have arisen in connection with the preparation of such financial statements.
- The Committee shall understand how management develops and summarizes quarterly financial information, and the extent to which the independent auditors review quarterly financial information.
- The Committee shall meet with management and, if a pre-issuance review was completed, with the independent auditors, either telephonically or in person, to discuss the interim financial statements and the results of the review (this may be done by the Committee Chairperson or the entire Committee).

Compliance with Laws and Regulations; Legal Matters and Risk Management

- The Committee shall appraise the effectiveness of the system for monitoring compliance with laws and regulations and the results of management’s investigation and follow-up (including disciplinary action) on any fraudulent acts of accounting irregularities.
- The Committee shall periodically obtain updates from management, the corporate compliance liaison and the Company’s tax director regarding compliance.
- The Committee shall review the findings of any examinations by regulatory agencies such as the SEC.

- The Committee may discuss with management legal matters (including pending or threatened litigation) that may have a material effect on the Company's financial statements or its compliance policies and procedures.
- The Committee shall consider and oversee the guidelines and policies that govern the process by which the Company's exposure to risk is assessed and managed by management.

Code of Ethics and Whistleblower Policy

- The Committee shall maintain a written code of ethics and obligate management to communicate them to all employees.
- The Committee shall evaluate whether management is appropriately communicating the importance of the code of ethics.
- The Committee shall review the program for monitoring compliance with the code of ethics.
- The Committee shall periodically obtain updates from management and the corporate compliance liaison or general counsel regarding compliance with the code of ethics.
- The Committee shall investigate possible violations of the Company's code of ethics, including conflicts of interest and shall report the results and recommendations of such investigations to the Board or to such other persons or entities as the Committee may deem appropriate in the event of any conflict of interest or investigation involving the Board.
- The Committee shall review and approve any potential conflict of interest under the company's code of ethics.
- The Committee shall establish and administer the Company's employee complaint procedures for accounting and auditing matters, commonly known as the "whistleblower policy."

Internal Audit

- The Committee shall review the qualifications of the internal audit provider, if any, and concur in the appointment, replacement, reassignment or dismissal of that party, as applicable.
- At least annually, the Committee shall evaluate the performance, responsibilities, budget and staffing of the Company's internal audit function, if any, and review the internal audit plan. Such evaluation may include a review of the responsibilities, budget and staffing of the Company's internal audit function, if any, with the independent auditors.

Independent Audit

- The Committee shall be solely responsible for the appointment, compensation, retention and oversight of the independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Committee may consult with management in fulfilling these duties, but may not delegate these responsibilities to management.
- The Committee shall be directly responsible for oversight of the work of the independent auditors (including resolution of disagreements between management and the independent auditors regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.
- The Committee shall instruct the independent auditors that the Committee, as the stockholders' representative, is the independent auditors' client.
- The Committee shall review the independent auditors' proposed audit scope and approach.
- The Committee shall instruct the independent auditors that the independent auditors shall report directly to the Committee.
- The Committee shall pre-approve the provision by the independent auditors to the Company of all auditing services and the terms thereof (which may include providing comfort letters in connection with securities underwritings) and non-audit services (other than non-audit services prohibited under Section 10A(g) of the Exchange Act or the applicable rules of the SEC or the Public Company Accounting Oversight Board (the "PCAOB")); provided, however, the pre-approval requirement is waived with respect to the provision of non-audit services for the Company if the "de minimus" provisions of Section 10A(i)(1)(B) of the Exchange Act are satisfied. This authority to pre-approve non-audit services may be delegated to one or more members of the Committee, who shall present all decisions to pre-approve an activity to the full Committee at its first meeting following such decision.
- The Committee shall review and evaluate the qualifications, independence, and performance of the independent auditors to determine whether to retain or discharge the independent auditors, and shall present its conclusions with respect to the independent auditors to the full Board. As part of such evaluation, at least annually, the Committee shall:
 - obtain and review a report or reports from the independent auditors describing (i) the auditor's internal quality-control procedures, (ii) any material issues raised by the most recent internal quality-control review or peer review of the auditors or by any inquiry or investigation by government or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the auditors, and any steps taken to address any such issues, and (iii) in order to

assess the auditor's independence, all relationships between the independent auditors and the Company;

- review and evaluate the performance of the independent auditors and the lead partner (and other members of the independent auditor's audit staff as the Committee shall deem appropriate); and
 - assure the regular rotation of the audit partners (including, without limitation, the lead and concurring partners) as required under the Exchange Act and Regulation S-X.
- The Committee shall (i) request that the independent auditors provide the Committee with the written disclosures and the letter required by PCAOB Rule 3526 ("**Rule 3526**"), (ii) require that the independent auditors submit to the Committee at least annually a formal written statement describing all relationships between the independent auditors or any of its affiliates and the Company or persons in financial reporting oversight roles at the Company that might reasonably be thought to bear on the independence of the independent auditors, (iii) discuss with the independent auditors the potential effects of any disclosed relationships or services on the objectivity and independence of the independent auditors, (iv) require that the independent auditors provide to the Committee written affirmation that the independent auditor is, as of the date of the affirmation, independent in compliance with PCAOB Rule 3520 and (v) based on such disclosures, statement, discussion and affirmation, take or recommend that the Board take appropriate action in response to the independent auditor's report to satisfy itself of the independent auditor's independence. In addition, before approving the initial engagement of any independent auditor, the Committee shall receive, review and discuss with the audit firm all information required by, and otherwise take all actions necessary for compliance with the requirements of, Rule 3526. References to rules of the PCAOB shall be deemed to refer to such rules and to any substantially equivalent rules adopted to replace such rules, in each case as subsequently amended, modified or supplemented.
 - The Committee may consider whether the provision of the services covered in Items 9(e)(2) and 9(e)(3) of Regulation 14A of the Exchange Act (or any successor provision) is compatible with maintaining the independent auditor's independence.
 - The Committee shall obtain from the independent auditor reports required under the Sarbanes-Oxley Act of 2002, as amended.

Earnings Press Releases

- The Committee shall discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts, rating agencies and/or other independent parties, including, in general, the types of information to be disclosed and

the types of presentations to be made (paying particular attention to the use of “pro forma” or “adjusted” non-GAAP information).

Other Responsibilities

- The Committee shall meet with the independent auditors, the internal audit provider and management in separate executive sessions to discuss any matters that the Committee or these groups believe should be discussed privately.
- The Committee shall ensure that significant findings and recommendations made by the independent auditors are dealt with in a timely fashion.
- The Committee shall meet with the independent auditors, the internal audit provider and management to discuss significant changes to the Company’s auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the independent auditors, the internal audit provider or management.
- The Committee shall conduct an appropriate review of all related party transactions for potential conflict of interest situations on an ongoing basis, and the approval of the Committee shall be required for all such transactions. The Committee may establish such policies and procedures as it deems appropriate to facilitate such review.
- The Committee may discuss with management and the independent auditors, and review with the Board, the legal and regulatory requirements applicable to the Company and its subsidiaries and the Company’s compliance with such requirements. After these discussions, the Committee may, if it determines it to be appropriate, make recommendations to the Board with respect to the Company’s policies and procedures regarding compliance with applicable laws and regulations.
- The Committee shall review with the corporate compliance liaison or the Company’s counsel any legal matters that could have a significant impact on the Company’s financial statements.
- The Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting or auditing matters.
- The Committee shall perform other oversight functions outside of its stated purpose as requested by the Board.
- The Committee shall review annually and update the charter of the Committee and receive approval of changes from the Board.
- The Committee may form and delegate authority to subcommittees consisting of one or more of its members as the Committee deems appropriate to carry out its responsibilities and exercise its powers.

- In performing its oversight function, the Committee shall be entitled to rely upon advice and information that it receives in its discussions and communications with management, the independent auditors and such experts, advisors and professionals as may be consulted with by the Committee.
- The Committee is authorized to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditors or any other professional retained by the Company to render advice to the Company attend a meeting of the Committee or meet with any members of or advisors to the Committee.
- The Committee is authorized to incur such ordinary administrative expenses as are necessary or appropriate in carrying out its duties.
- At the direction of the Nominating and Governance Committee, the Committee shall perform an annual performance evaluation of the Committee and report to the Board on the results of such evaluation.

Reporting Responsibilities

- The Committee shall regularly update the Board about the activities and recommendations of the Committee. The Committee shall regularly report to and review with the Board any issues that 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, the performance of the internal audit function and any other matters that the Committee deems appropriate or is requested to review for the benefit of the Board.

Adopted by the Board on October 2, 2015.

Amended by the Board on October 6, 2016.