

**AARP Funds
AARP Portfolios
(each a “Trust” and together the “
Trusts”)**

**AUDIT COMMITTEE CHARTER
(“Charter”)**

I. PURPOSE

The Committee oversees the Trusts’ accounting, auditing and financial reporting processes. Primary responsibility for the Trusts’ financial reporting and implementation of the Trusts’ disclosure controls and internal control over financial reporting lies with officers of the Trusts, with oversight by the Board. The Committee is responsible for the appointment, compensation, oversight and, if necessary, termination of the independent registered public accounting firm (“Auditor”). In addition, the Committee:

- complies with laws, rules and regulations applicable to audit committees (including rules and requirements adopted by the Securities and Exchange Commission (“SEC”) pursuant to the Sarbanes-Oxley Act of 2002) (“Applicable Law”);
- maintains free and open lines of communication among the Board, the Auditor, the Trusts’ officers, the Trusts’ investment advisers’ accountants and any Trust service providers involved in the preparation of the financial statements for each series of each Trust (each a “Fund” and, together, the “Funds”);
- oversees the Trusts’ disclosure controls and procedures and its internal control over financial reporting for financial reporting purposes; and
- reports its activities to the Board on a regular basis.

In discharging its duties and responsibilities, the members of the Committee are entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) officers of the Trusts whom the members reasonably believe to be competent and reliable in the matters presented, (ii) the Auditor, (iii) outside legal counsel to the Trusts or the Independent Trustees, or (iv) other persons as to matters that the members reasonably believe are within the person’s professional or expert competence.

II. COMPOSITION

The Audit Committee of each Trust (“Committee”) shall be composed solely of Trustees who are not “interested persons” (as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (“1940 Act”)) of the Trust, its investment advisers or principal underwriter and who do not receive any consulting, advisory or other compensatory fees from the Trust (“Independent Trustees”). Such Independent Trustees must also be free of any relationship that,

in the opinion of the Board of Trustees (“Board”), would interfere with the exercise of independent judgment as a member of the Committee.

Once constituted, the Committee shall appoint one of its members to serve as the Chair of the Committee (“Chair”) to serve until such time that he or she resigns from such position, is no longer a member of the Committee or is removed by a majority vote of the members of the Committee or the Independent Trustees. The Committee shall promptly appoint a replacement to fill any vacancy in the position of the Chair.

III. MEETINGS

The Committee shall meet at such times as set forth in the Recurring Agenda of the Board, as amended from time to time, and at such other time or times as the Committee or Board may determine appropriate or necessary. The Committee shall ordinarily meet in person but members may attend meetings telephonically. The Committee may act by written consent, to the extent permitted by law and the Trusts’ by-laws. Special meetings may be called by the Chair or a majority of the members of the Committee upon reasonable notice to the other members of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business at any meeting of the Committee. The action of a majority of the members present at any meeting at which a quorum is present shall be the action of the Committee. Any action permitted to be taken by the Committee may be taken by written action signed by at least a majority of the members of the Committee. The Committee shall maintain minutes of its meetings.

On a semi-annual basis, the Committee shall meet in executive session with representatives of the Trusts’ Auditor, Chief Compliance Officer and Treasurer.

IV. RESPONSIBILITIES

Financial Reporting

The Committee shall:

1. Review, in consultation with the Auditor, the Trusts’ principal financial officer, and/or the service providers to the Trusts, outside legal counsel to the Trusts or the Independent Trustees, including in private meetings, as necessary:
 - (a) the scope, performance, quality, and results of (i) each external audit of the financial statements of the Funds, with respect to annual financial statements and (ii) any performance of agreed upon procedures with respect to quarterly and semi-annual financial statements of the Funds;
 - (b) each of the Funds’ annual and semi-annual financial statements before publication, including any adjustments to such statements recommended by the Auditor;

- (c) the Auditor's review of each of the Funds' accounting and internal control procedures to check compliance with the rules and regulations of the SEC and other applicable requirements;
 - (d) the review by the Auditor or other independent registered public accountants of the accounting and internal control procedures of the Trusts' custodian and transfer agent to check compliance with the rules and regulations of the SEC and other applicable requirements; and
 - (e) any significant changes to an audit plan.
2. Review and resolve any disputes between the Auditor and management or the service providers to the Trusts, outside legal counsel to the Trusts or the Independent Trustees that arise in connection with the audit and/or preparation of those financial statements.
3. On a quarterly basis:
- (a) review the details of any fraud brought to the attention of the Committee, whether or not material, that involves management or other employees who have a role in internal controls;
 - (b) review the report of the principal executive officer and principal financial officer regarding the Trusts' disclosure controls and procedures;
 - (c) review with the Auditor and outside legal counsel to the Trusts or the Independent Trustees, any legal and regulatory matters that may have a material impact on the financial statements and related compliance policies and programs of the Trusts, as well as any reports received from regulators related thereto;
 - (d) investigate any improprieties or suspected improprieties in the operations of the Trusts and;
 - (e) discuss with the Auditor and management the impact of any material weakness and/or significant deficiencies identified during their testing of internal controls, if any, and management's remediation plan for correcting any deficiencies.
4. On at least an annual basis:
- (a) discuss with the Auditor the impact of any material weaknesses and/or significant deficiencies identified during their testing of internal controls;
 - (b) inquire of the Auditor where it believes the greatest financial reporting and internal control risks to the Funds are, how likely these risks are to occur, and if he/she believes anything else should be discussed with the Committee that has not been raised or covered elsewhere;
 - (c) obtain from management explanations of any significant variances between periods in the annual and/or semi-annual financial statements and determine

- (d) inquire about the existence and substance of any significant accounting accruals, reserves, contingencies, or estimates made by management that had a material impact on the financial statements;
- (e) inquire of the Auditor as to the adequacy of the disclosure in the footnotes to the financial statements;
- (f) inquire of management as to any policies undertaken by management to manage and assess risk, including financial reporting risk;
- (g) discuss with management and the Auditor the substance of any significant issues raised with the Committee by internal counsel and/or outside legal counsel to the Trusts or the Independent Trustees concerning litigation, contingencies, claims, or assessments;
- (h) inquire of the Auditor and management as to any questions of choice that have arisen in the respective period with respect to appropriate accounting principles and practices to be used in the preparation of the financial statements of the Funds and the effect on the Funds of any proposed changes in accounting principles or practices;
- (i) discuss with management and the Auditor all critical accounting policies and practices to be used;
- (j) discuss with management and the Auditor all alternative treatments of financial information within generally accepted accounting principles that have been adopted by management of the Trusts, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor;
- (k) inquire as to any other material written communications between the Auditor and management including any management letter comments and obtain a remediation plan and timetable for correction of deficiencies, if any; and
- (l) discuss with management and the Auditor any schedule of unadjusted differences.

Auditor

The Committee shall:

1. Select the Trusts' Auditor (subject to ratification by the Board annually and by shareholders to the extent that a meeting of shareholders is otherwise being held) and negotiate the proposed terms of such engagement.
2. Annually review the performance of the Auditor, discharge and replace the Auditor, if warranted, and periodically assess whether the firm that serves as the Trusts' Auditor should be rotated. In general, it is expected the Auditor will be rotated every 7 to 10 years.
3. With respect to the independence of the registered public accounting firm:
 - (a) request that the Auditor periodically submit a written statement delineating all relationships between the Trusts and the Auditor, including any violations of independence standards issued by the SEC or Public Company Accounting Oversight Board ("PCAOB");
 - (b) discuss with the Auditor any disclosed relationship or service that may impact the objectivity and independence of the Auditor; and
 - (c) take appropriate action in response to the registered public accounting firm's report to satisfy itself of the Auditor's independence.
4. Review, in advance and in consultation with the Auditor, the staffing of the audit of the Funds' financial statements and the Auditor's compliance with the applicable rotation requirements.
5. Request from the Auditor the PCAOB inspection reports on the Auditor, or other regulatory reports as appropriate.
6. Review and pre-approve annual audit plans and audit scope.
7. Receive and review the information regarding fee charges by the Auditor for any audit and non-audit services provided to the Funds as well as non-audit services provided to the Funds' investment adviser or sub-adviser(s) or any entity controlling, controlled by, or under common control with the investment adviser or sub-adviser(s), if those services relate directly to the operations and financial reporting of the Funds.
8. Approve in advance all audit and non-audit services¹ (including fees and terms thereof) to be performed for the Funds by the Auditor to the Funds. It is the general policy of the

¹ "Non-audit services may not include: (i) bookkeeping or other services related to the accounting records or financial statements of the audit client; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions or human resources; (vii) broker or dealer, investment adviser or investment banking services; (viii) legal services and expert services unrelated to the audit; and (ix) any other service that PCAOB determines is impermissible (e.g., tax services provided to persons (other than Independent Trustees))

Audit Committee not to approve non-audit services. In considering whether to approve non-audit services, the Committee will consider the following:

- (a) whether the service is being performed principally for the Committee;
- (b) the effects of the service, if any, on audit effectiveness or on the quality and timeliness of the Trusts' financial reporting process;
- (c) whether the service would be performed by specialists (e.g., technology specialists) who ordinarily also provide recurring audit support;
- (d) whether the service would be performed by audit personnel and, if so, whether it will enhance their knowledge of the Trusts' business and operations;
- (e) whether the role of those performing the service would be inconsistent with the Auditor's role (e.g., a role where neutrality, impartiality and auditor skepticism are likely to be subverted);
- (f) whether the Auditor's personnel would be assuming a management role or creating a mutuality of interest with management;
- (g) whether the Auditor, in effect, would be auditing its own numbers;
- (h) whether the project must be started and completed very quickly and therefore is not a longer term relationship;
- (i) whether the Auditor has unique service expertise in the service that cannot be obtained from another service provider; and
- (j) the size of the fee(s) for the non-audit service(s).

In considering any and all proposals to provide such non-audit services to the Funds, the Auditor shall promptly provide all necessary information to the Committee so that it can appropriately evaluate each such proposal.

- 9.** Have the investment adviser disclose in advance any non-audit services to be provided by the Auditor to the Funds' investment adviser, or any entity controlling, controlled by, or under common control with any investment adviser that provides services to the Funds, if those non-audit services relate directly to the operations and financial reporting of the Funds.
- 10.** The Committee may delegate to one or more of its members ("Delegates") authority to pre-approve non-audit services provided to the Funds. Any pre-approval determination

involved in financial reporting oversight with respect to the Funds or the immediate family members of such persons).

of a Delegate shall be presented to the full Committee at its next regularly scheduled meeting.

11. The Committee shall communicate any pre-approval made by it or a Delegate to the Trusts' investment adviser, who will ensure that the appropriate disclosure is made in the Trusts' periodic reports and other documents as required under the federal securities laws. Nothing in this Charter shall be construed to require pre-approval of non-audit services in circumstances where such pre-approval is not required by applicable law.

Miscellaneous

The Committee shall:

1. Review with the Board, on a periodic basis, the education and experience of the Committee members so that the Board can make the determination, in compliance with its obligations under the federal securities laws, as to whether or not any of the Committee members are "audit committee financial experts" as that term may be defined pursuant to SEC rule or regulation from time to time.
2. Review bi-annually the performance of management and other personnel engaged by service providers who are responsible for preparing or aggregating financial data included in the Funds' financial statements.
3. Review annually the Trusts' policies and procedures for the confidential and anonymous receipt, retention and treatment of complaints received by the Trusts from employees, stockholders, or others regarding fraud, accounting, internal accounting controls, or auditing matters.
4. Perform a self-assessment annually and obtain a certification from the investment adviser with respect to whether the Committee has carried out the responsibilities defined in this Charter, including membership requirements, and take any corrective action.
5. Review this Charter periodically and recommend to the Board any revisions or modifications to this Charter that the Committee deems necessary or appropriate for the effective discharge of its responsibilities.
6. Report to the entire Board periodically, and as otherwise requested, on the performance of its responsibilities and its findings.
7. Perform such other functions as may be assigned to it by the Board, Applicable Law or regulation or by the Trusts' Declarations of Trust or By-Laws, as those instruments may be amended from time to time.

V. RESOURCES AND STAFF ASSISTANCE

1. The principal executive officer and the principal financial officer of the Trusts shall provide, or arrange to provide, such information, data and service as the Committee may

2. The Committee shall conduct interviews or discussions as it deems appropriate with personnel of the Trusts, and/or others whose views would be considered helpful to the Committee. The Committee may ask management and representatives of the service providers to attend meetings as necessary.
3. The Committee shall have the resources and authority appropriate to discharge its responsibilities, including authority to utilize outside legal counsel to the Trusts or the Independent Trustees and to retain experts or other persons with specific competence at the expense of the Trusts.

Adopted: October 14, 2005.

Amended May 15, 2009.