

ADAMS RESOURCES & ENERGY, INC.
AUDIT COMMITTEE CHARTER

I. PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors (the “Board”) in fulfilling its oversight responsibilities to the stockholders and the investment community relating to accounting, reporting practices and the quality and integrity of the financial reports of Adams Resources & Energy, Inc. (the “Company”) by reviewing:

- The financial reports and other financial information provided by the Company to any governmental body or the public;
- The Company’s system of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established; and
- The Company’s auditing, accounting and financial reporting processes generally.

Consistent with this function, the Audit Committee should maintain free and open lines of communication between the Board, the independent auditor(s) and the Company’s accounting and financial management. The Audit Committee’s primary responsibilities and duties are to:

- Serve as an independent and objective party to monitor the Company’s financial reporting process and internal control system;
- Review and appraise the audit efforts of the Company’s independent auditor and internal auditing department;
- Provide an open avenue of communication among the independent auditor, financial and senior management, the internal auditing department and the Board of Directors; and
- Monitor compliance with legal and regulatory requirements, including, but not limited to the Sarbanes-Oxley Act of 2002, and subsequent amendments thereto.

II. COMPOSITION

The Audit Committee is established as a standing committee of the Board of Directors. It will have at least three members. The Audit Committee members will be (or will become within a reasonable time after appointment) financially literate, as the Board interprets such qualifications in its business judgment. At least one member will have accounting or related financial management expertise and shall be deemed the “audit committee financial expert” as defined by the Securities and Exchange Commission. The members of the Audit Committee will be non-employee members of the Board of Directors who have no relationship that may interfere with the exercise of their independence from management and the Company. A person may not serve as a member of the Audit Committee of the Board of Directors if:

- a. That person is or was at any time during the previous three years an employee of the Company, its affiliates, or its subsidiaries.

- b. That person, currently or at any time during the previous three years (1) has or has had a direct business relationship, including commercial, industrial, banking, consulting, legal, accounting or other relationships, with the Company, or (2) is or has been a partner, controlling shareholder, officer or employee of an organization that has a business relationship, including commercial, industrial, banking, consulting, legal, accounting or other relationships, with the Company, unless the Board determines in its business judgment that the relationship described in either (1) or (2) above does not interfere with the member's exercise of independent judgment.
- c. That person is an executive of another corporation, in which corporation any executive of the Company currently serves on its compensation committee.
- d. That person serves on the audit committees of more than two other public companies.
- e. That person is a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law or shares a home with a person who is or has been at any time during the previous three years an executive officer of the Company, any of its affiliates, or its subsidiaries.

Notwithstanding the foregoing the Board may appoint to the Audit Committee one non-employee director that would otherwise be disqualified under (a) or (b) above if the Board determines, in its business judgment, that such director's membership on the Audit Committee will serve the best interests of the Company and its stockholders.

The members of the Audit Committee shall be recommended by the Nominating and Corporate Governance Committee and appointed by the Board. The members of the Audit Committee shall be elected by the Board at the annual meeting of the Board or until their successors shall be duly elected and qualified. Unless a chairman is elected by the Board, the members of the Audit Committee may designate a chairman by majority vote of the full committee membership.

III. MEETING

The Audit Committee shall meet at least four times per year, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee should meet at least annually with management, and the independent auditor in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believe should be discussed privately. In addition, the Audit Committee or at least its designated financial expert should meet with the independent auditor and management quarterly to review the Company's financials.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Audit Committee shall:

Document/Reports Review

1. Review and update this Charter periodically, at least annually, as conditions dictate.
2. Review the Company's annual financial statements and any reports or other financial information submitted to any governmental body, or the public, including any certification, report, opinion or review rendered by the independent auditor.
3. Review with financial management and the independent auditor the 10-Q prior to its filing or prior to the release of earnings.

Independent Auditor

4. Recommend to the Board the selection of the independent accountants, considering independence and effectiveness and approve the fees and other compensation to be paid to the independent auditor. On an annual basis, the Audit Committee should review and discuss with the auditor all significant relationships the auditor has with the Company to determine the auditor's independence.
5. Review and pre-approve both audit and non-audit services to be provided by the independent auditor.
6. Review the performance of the independent auditor and approve any proposed discharge of the independent auditor when circumstances warrant.
7. Periodically consult with the independent auditor out of the presence of management about internal controls and the fullness and accuracy of the Company's financial statements.

Financial Reporting Processes

8. In consultation with the independent auditor and financial management, review the integrity of the Company's financial reporting processes, both internal and external.
9. Consider the independent auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
10. Consider and approve, if appropriate, major changes to the Company's auditing and accounting principles and practices as suggested by the independent auditor, management or internal auditors.
11. Discuss with financial management and the independent auditor effects of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

12. Discuss with financial management the Company's major financial risk exposures and the steps taken to monitor and control such exposure.

Related Party Transactions

13. Review and approve all related-party transactions, including transactions between the Company and its officers or directors or affiliates of officers or directors, unless this responsibility has been assigned or delegated to another committee of independent directors.

Process Improvement

14. Establish regular and separate systems of reporting to the Audit Committee by management and the independent auditor regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.
15. Following completion of the annual audit, review separately with management and the independent auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
16. Review any significant disagreement among management and the independent auditor or any internal auditing department in connection with the preparation of the financial statements.
17. Review with the independent auditor and financial management the extent to which changes or improvements in financial or accounting practices as approved by the Audit Committee have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.

Ethical and Legal Compliance

18. Establish, review and update periodically a Code of Business Ethics (the "Code") and ensure that management has established a system to enforce this Code.
19. Review management's monitoring of the Company's compliance with the Code and ensure that management has the proper review system in place to ensure that the Company's financial statements, reports, and other financial information disseminated to governmental organizations, and the public satisfy legal requirements.
20. Review with the Company's counsel legal compliance matters including corporate securities trading policies.
21. Review with the Company's counsel any legal matter that could have a significant impact on the Company's financial statements.

22. Perform any other activities consistent with the Charter, the Company's By-laws and governing law, as the Audit Committee or the Board deems necessary or appropriate.