

Audit Committee Charter**Firsthand Technology Value Fund, Inc.****Audit Committee Charter**

Adopted:
September 10, 2010

FIRSTHAND TECHNOLOGY VALUE FUND, INC.
AUDIT COMMITTEE CHARTER

1. The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Firsthand Technology Value Fund, Inc. (the “Fund”) shall be composed entirely of Directors who are not “interested” persons of the Fund, any investment adviser or principal underwriter, as defined in the Investment Company Act of 1940, as amended. The full Board shall designate the members of the Committee and shall either designate the Chairman or shall approve the manner of selection of the Chairman.

The Board shall determine annually whether any member of the Committee is an “audit committee financial expert” as defined in Item 3 of Form N-CSR. Any member of the Committee who is determined to be such an expert shall not bear any duties, obligations or liabilities that are greater than the duties, obligations and liabilities imposed on such member as a member of the Committee and the Board in the absence of such determination.

2. The primary responsibilities of the Committee are:
 - (a) to oversee the accounting and financial reporting policies of the Fund and practices, including their internal controls over financial reporting and, as the Committee deems appropriate, the internal controls of key service providers;
 - (b) to oversee the quality and objectivity of, and review the results of, the annual audits of the Fund’s financial statements and the independent audit thereof;
 - (c) to interact with the Fund’s independent auditors (the “Auditors”) on behalf of the full Board and to interact with the appropriate officers of the Fund, and the investment adviser, administrator and other key service providers other than the Auditors (collectively, “Management”) regarding accounting and financial reporting matters;
 - (d) to oversee, or, as appropriate, assist Board oversight of, the Fund’s compliance with legal and regulatory requirements that relate to the Fund’s accounting and financial reporting, internal controls and independent audits; and
 - (e) to approve the Auditors and, in connection therewith, to review and evaluate the qualifications, independence and performance of the Auditors.

The function of the Committee is oversight. Management is primarily responsible for maintaining appropriate systems for accounting and internal control, and the Auditors are primarily responsible for planning and carrying out a proper audit. Specifically, Management is responsible for: (1) the preparation, presentation and integrity of the Fund’s financial statements; (2) the implementation of appropriate accounting and financial reporting principles and policies; and (3) the maintenance of internal controls and procedures designed to assure compliance with all applicable accounting standards, laws and regulations. The Auditors are responsible for

planning and carrying out a proper audit and review. Nothing in this Charter shall be construed to reduce the responsibilities or liabilities of Management or the Auditors.

Although the Committee is expected to take a questioning and deliberative approach to the matters that come before it, the review of the Fund's financial statements by the Committee is not an audit, nor does the Committee's review substitute for the responsibilities of Management for preparing, or the Auditors for auditing, the Fund's financial statements. Members of the Committee are not full-time employees of the Fund and, in serving on the Committee, are not, and do not hold themselves out to be, acting as accountants or auditors. As such, it is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures. In addition, the authority and responsibilities set forth in this Charter do not reflect or create any duty or obligation of the Committee to plan or conduct any audit, to determine or certify that the Fund's financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable laws, or to guarantee any report of the Auditors.

In discharging their duties, 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: (1) one or more officers of the Fund whom the member reasonably believes to be reliable and competent in the matters presented; (2) legal counsel, public accountants, or other persons as to matters the member reasonably believes are within the person's professional or expert competence; or (3) another Board committee on which the member does not sit.

3. To carry out its responsibilities, the Committee shall have the following duties and powers, to be discharged in such a manner as the Committee deems appropriate, in its sole discretion:
 - a) to approve, prior to appointment, the engagement of the Auditors to annually audit and provide their opinion on the Fund's financial statements, to recommend to those Directors who are not "interested persons" (as that term is defined in Section 2(a)(19) of the Act) the selection, retention or termination of the Auditors and, in connection therewith, to (i) review and evaluate matters potentially affecting the independence of the Auditors; (ii) evaluate the independence of the Auditors and to receive and evaluate the Auditors' specific representations as to their independence; and (iii) evaluate the performance of the Auditors and the quality and depth of the professional staff assigned to the Fund;
 - b) to approve, prior to appointment, the engagement of the Auditors to provide non-audit services to the Fund, its investment adviser or any entity controlling, controlled by, or under common control with the investment adviser ("adviser affiliate") that provides ongoing services to the Fund, if the engagement relates directly to the operations and financial reporting of the Fund;
 - c) to separately adopt in the form attached to this Charter as Exhibit A. detailed policies and procedures, that may be amended from time to time solely by the Committee, for pre-approval of the Auditors to provide audit and non-audit services to a Fund and to

- provide non-audit services to the Fund's investment adviser or control affiliate that relate directly to the operations and financial reporting of the Fund;
- d) to consider whether the provision by the Auditors of non-audit services to a Fund's investment adviser or adviser affiliate that provides ongoing services to the Fund, which services were not required to be pre-approved by the Committee, is compatible with maintaining the Auditors' independence;
 - e) to assess the Auditors' independence at least annually; in connection with which, the Committee shall receive and review a report by the Auditors describing all relationships between the Auditors and the Fund, including the disclosures required by any applicable auditing standard;
 - f) to review and discuss with Management the matters about which State of Auditing Standard No. 61 (Codification of Statements on Auditing Standards) requires discussion, including those specifically mentioned in this Charter;
 - g) to review the arrangements for and scope of the Fund's annual audits and any special audits;
 - h) to review and approve the fees proposed to be charged to the Fund by the Auditors for all audit and non-audit services;
 - i) to review with the Fund's principal executive officer and/or principal financial officer, in connection with their certifications of any filings by the Fund on Form N-CSR, any significant deficiencies in the design or operation of disclosure controls and procedures or material weaknesses therein or in internal controls over financial reporting and any reported evidence of fraud involving Management or other employees who have a significant role in the Fund's disclosure controls and procedures;
 - j) to meet with the Auditors, including private meetings, as appropriate, (i) to review the arrangements for and the scope of the annual audit and any special audits or other special services; (ii) to discuss any matters of concern arising in connection with audits of the Fund's financial statements, including any adjustments to such statements recommended by the Auditors, or other results of the audits; (iii) to review the quality and adequacy of the internal accounting staff; (iv) to consider the Auditors' comments with respect to the appropriateness and adequacy of the Fund's financial policies, procedures and internal controls over financial reporting and to review management's responses thereto; and (v) to review with the Auditors their opinions as to the fairness of the financial statements;
 - k) to consider the effect on the Fund of: (i) any changes in accounting principles or practices proposed by Management or the Auditors; (ii) any changes in service providers, such as fund accountants or administrators, that could impact the Fund's internal controls; or (iii) any changes in schedules (such as fiscal or tax year-end changes) or structures or transactions that require special accounting activities or resources;

- l) to investigate or initiate investigation of reports of improprieties or suspected improprieties in connection with the Fund’s accounting or financial reporting;
 - m) to report its activities to the full Board on a regular basis and to make such recommendations with respect to the matters described above and other matters as the Committee may deem necessary or appropriate;
 - n) serve as a “qualified legal compliance committee” (as such term is defined in 17 CFR Part 205), the duties of which are listed on Exhibit B to this Charter; and
 - o) to perform such other functions and to have such powers as may be necessary or appropriate in the efficient and lawful discharge of the foregoing.
4. The Committee shall meet at least twice annually, and is empowered to hold special meetings as circumstances require. The Committee shall record minutes of its meetings and shall invite Directors who are not members of the Committee, Management, counsel and representatives of service providers to attend meetings and provide information as the Committee, in its sole discretion, considers appropriate.
 5. The Committee shall be available, as reasonable, to meet with appropriate officers of the Fund, and with internal accounting staff, and individuals with internal audit responsibilities, for consultation on audit, accounting and related financial matters.
 6. The Committee shall be given the resources and shall have the authority appropriate to discharge its responsibilities, including the authority to retain special counsel and other experts or consultants at the expense of the Fund.
 7. The Committee shall review this Charter as often as it deems appropriate, and recommend any changes to the Board that it deems appropriate. The Committee shall have such further responsibilities as are given to it from time to time by the Board. The Committee shall consult, on an ongoing basis, with Management, the Auditors and counsel as to legal or regulatory developments affecting its responsibilities, as well as relevant tax, accounting and industry developments.
 8. Nothing in this Charter shall be interpreted as diminishing or derogating the responsibilities of the full Board.

EXHIBIT A
PRE-APPROVAL PROCEDURES

The Committee hereby delegates to the Chairman of the Committee the authority to grant pre-approvals of audit and “permissible” non-audit services to be provided by the Auditors to the Fund, subject to the ratification of the full Committee at its next regularly scheduled meeting. Both the Auditors and Fund counsel will be responsible for informing the Committee whether they believe that a particular non-audit service is permissible or prohibited pursuant to applicable regulations and standards.

The specific types of non-audit services that the Chairman may pre-approve include, but are not limited to: reviewing the Fund’s internal controls over financial reporting; providing tax-related services; reviewing and/or developing an anti-money laundering program; and issuing comfort letters, based on agreed-upon procedures, in connection with any Fund reorganization.

Pre-approval for a non-audit service provided to the Fund is not required if: (i) the aggregate amount of all such non-audit services provided to the Fund constitutes not more than 5% of the total amount of revenues paid by the Fund to the Auditors during the fiscal year in which the non-audit services are provided; (ii) such services were not recognized by the Fund at the time of the engagement to be non-audit services; and (iii) such services are promptly brought to the attention of the Committee and are approved by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee prior to the completion of the audit (the “De Minimus Exceptions”).

The Committee shall also pre-approve any non-audit services proposed to be provided by the Auditors to (i) the Fund’s investment adviser and (ii) any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the Fund, if the Auditors’ engagement with the investment adviser or any such control persons relates directly to the operations and financial reporting of the Fund. The De Minimus Exceptions applies to pre-approvals under this paragraph as well, except that the “total amount of revenues” calculation is based on the total amount of revenues paid to the Auditors by the Fund and any other entity that has its services approved under this paragraph (*i.e.*, the investment adviser or any control person).

EXHIBIT B
QLCC DUTIES AND RESPONSIBILITIES

- An attorney reporting a “material violation” under 17 CFR Part 205 (“Reporting Attorney”), is permitted to report evidence of such a material violation directly to the qualified legal compliance committee, which is comprised of all audit committee members (“QLCC”).
 - The QLCC shall direct that the CLO provide contact information to all attorneys who provide services to the Fund and would be deemed to be practicing before the SEC under the Attorney Rules for one or more members of the QLCC so that confidentiality can be ensured for any attorney who reports evidence of a material violation.
 - The QLCC shall designate an appropriate repository for the retention of materials generated in connection with the receipt of any report of a material violation by the QLCC.
 - Once a report of evidence of a material violation by the Fund, its officers, directors, employees or agents has been received by the QLCC, the QLCC has the authority and responsibility:
 - (i) to inform the CLO and CEO of such report (except in the case where the reporting attorney reasonably believes that it would be futile to report evidence of a material violation to the CLO and CEO, and has informed the QLCC of such belief); and
 - (ii) to determine whether an investigation is necessary or appropriate, and, if it determines an investigation is necessary or appropriate, to:
 - (A) notify the full Board of Directors;
 - (B) initiate an investigation, which may be conducted either by the CLO or by outside attorneys; and
 - (C) retain such additional expert personnel as the QLCC deems necessary;
- and, at the conclusion of such investigation,
- (A) recommend, by majority vote, that the Fund implement an appropriate response to evidence of a material violation; and
 - (B) inform the CLO and the CEO and the Board of Directors of the results of any such investigation and the appropriate remedial measures.
- (iii) by majority vote, to take all other appropriate action, including notifying the U.S. Securities and Exchange Commission in the event that the Fund fails in any material respect to implement an appropriate response that the QLCC has recommended.