

**AUDIT COMMITTEE CHARTER OF STONEMOR GP LLC
DATED NOVEMBER 24, 2014**

Purpose

There shall be a committee of the board of directors (the "Board") of StoneMor GP LLC, the general partner of StoneMor Partners L.P. (the "Company"), to be known as the audit committee. The audit committee's purpose is to:

- (A) assist Board oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications and independence, and (iv) the performance of the Company's internal audit function and independent auditors; and
- (B) prepare the disclosure required by Item 407(d)(3)(i) of Regulation S-K.

Composition

The audit committee shall be composed of at least three (3) directors, each of whom shall satisfy the independence and financial literacy requirements of the New York Stock Exchange and all other applicable regulatory requirements. In addition, at least one member of the audit committee shall have the required accounting or related financial management expertise, as the Board interprets such qualification in its business judgment. No member of the audit committee shall simultaneously serve on the audit committee of more than three public companies unless the Board determines that such simultaneous service would not impair the ability of such audit committee member to effectively serve on this audit committee and discloses such determination either on or through the Company's website or in the Company's annual proxy statement or, if the Company does not file an annual proxy statement, in the Company's annual report on Form 10-K filed with the SEC.

The Board shall elect or appoint a chairperson of the audit committee (or, if it does not do so, the audit committee members shall elect a chairperson by vote of a majority of the full committee); the chairperson will have authority to act on behalf of the audit committee between meetings.

Duties and Responsibilities

The duties and responsibilities of the audit committee shall be as follows:

- (A) be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and each such registered public accounting firm must report directly to the audit committee;
- (B) 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 Company employees of concerns regarding questionable accounting or auditing matters;
- (C) have the authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties;
- (D) receive appropriate funding from the Company, as determined by the audit committee in its capacity as a committee of the Board, for 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 attest services for the Company; (ii) compensation to any advisers employed by the audit committee; and (iii) ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties;
- (E) at least annually, obtain and review a report by the independent auditor describing: the firm's

internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the Company;

(F) review and discuss the Company's annual audited financial statements and quarterly financial statements with management and the independent auditor, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";

(G) discuss the types of information to be disclosed and the type of presentation to be made by the Company with respect to the Company's earnings press releases and financial information and earnings guidance, if any, provided to analysts and rating agencies;

(H) discuss policies with respect to risk assessment and risk management;

(I) meet separately, periodically, with management, with internal auditors (or other personnel responsible for the internal audit function) and with independent auditors;

(J) review with the independent auditor any audit problems or difficulties and management's response;

(K) set clear hiring policies for employees or former employees of the independent auditors;

(L) report regularly to the Board;

(M) make an annual performance evaluation of the audit committee;

(N) review and reassess the adequacy of the audit committee's charter annually;

(O) if no other committee of the Board has been delegated with the responsibility of reviewing and approving related party transactions for potential conflict of interest, the audit committee shall conduct such review and approval; and

(P) provide oversight over the management's implementation of the updated *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

Meetings

The audit committee shall meet at least four times per year on a quarterly basis, or more frequently as circumstances require. One or more meetings may be conducted in whole or in part by telephone conference call or similar means, as permitted by state corporate law, if it is impracticable to obtain the personal presence of each audit committee member. The Company shall make available to the audit committee, at its meetings and otherwise, such individuals and entities as may be designated from time to time by the audit committee, such as members of management including (but not limited to) the internal audit and accounting staff, the independent auditors, inside and outside counsel, and other individuals or entities (whether or not employed by the Company and including any corporate governance employees and individuals or entities performing internal audit services as independent contractors).

Delegation

Any duties and responsibilities of the audit committee, including, but not limited to, the authority to preapprove all audit and permitted non-audit services of the auditor, may be delegated to one or more members of the audit committee or a subcommittee of the audit committee. The decisions of any member to whom authority is delegated to preapprove an audit or permitted non-audit service of the auditor shall be presented to the full audit

committee at each of its scheduled meetings.

Limitations

The audit committee is responsible for the duties and responsibilities set forth in this charter, but its role is oversight and therefore it is not responsible for either the preparation of the Company's financial statements or the auditing of the Company's financial statements. The members of the audit committee are not employees of the Company and may not be accountants or auditors by profession or experts in accounting or auditing. Management has the responsibility for preparing the financial statements and implementing internal controls and the independent auditors have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls, subject, in each case, to the oversight of the audit committee described in this charter. The review of the financial statements by the audit committee is not of the same character or quality as the audit performed by the independent auditors. The oversight exercised by the audit committee is not a guarantee that the financial statements will be free from mistake or fraud. In carrying out its responsibilities, the audit committee believes its policies and procedures should remain flexible in order to best react to a changing environment.