

NATIONAL RETAIL PROPERTIES, INC.

AUDIT COMMITTEE POWERS AND RESPONSIBILITIES CHECKLIST

		WHEN PERFORMED				
		Meetings				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	A/N*
A. Independent Auditors						
1.	In the sole discretion of the Committee, retain or terminate the Company's independent auditor and pre-approve all fees and terms of the audit engagement.					X
2.	Approve in advance all tax and non-audit services which may legally be provided to the Company by its independent auditor, including the fees and terms for such services in accordance with Section 10A(i) of the Securities Exchange Act of 1934 (the "Exchange Act") and the rules and regulations promulgated by the Securities and Exchange Commission (the "SEC") thereunder. The chairman of the Committee shall have the right to pre-approve all such tax and non-audit services on behalf of the Committee and shall promptly advise the remaining members of the Committee of such approval at the next regularly scheduled meeting.	X	X	X	X	X
3.	Meet with the independent auditor to review the scope of the annual audit and the audit procedures to be utilized.				X	
4.	At the conclusion of the audit, review such audit, including any comments or recommendations of the independent auditor. The review will cover any audit problems or difficulties encountered by the independent auditor and management's response to those items. Items to be reviewed would include: any restrictions on the scope of the independent auditor's activities or on access to requested information, any significant disagreements between the independent auditor and management, any accounting adjustments that were noted or proposed by the independent auditor, but were passed (as immaterial or otherwise); any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company, and management's responses to such letters; and relevant current accounting rules and developments.	X				
5.	Review with the independent auditor and the Company's financial management the adequacy and effectiveness of the Company's internal control over financial reporting, and management's report, if any, on any significant deficiencies and material weaknesses in internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial data and report on any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.	X	X	X	X	X

		WHEN PERFORMED				
		Meetings				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	A/N*
6.	Review the independent auditor's ability to attest to and report on management's assertion on its assessment of the effectiveness of the Company's internal control over financial reporting in its Annual Report on Form 10-K.	X				
7.	Obtain and review, at least annually, a report by the independent auditor describing the auditor's internal quality-control procedures, and any material issues raised by the most recent internal quality-control review or peer review of the auditor, 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 auditor and any steps taken to deal with any such issues.				X	
8.	Review with the Company's financial management and the independent auditor at least annually the Company's critical accounting policies and practices and significant accounting judgments and estimates to be used.				X	X
9.	Confirm quarterly that the Company's independent auditor has no conflict of interest with the Company under Section 10A(l) of the Exchange Act and the rules and regulations of the SEC promulgated thereunder.	X	X	X	X	
10.	Review the annual written disclosure and statement from the independent auditor required by the applicable requirements of the Public Accounting Oversight Board regarding the independent auditor's communications with the Audit Committee concerning independence and delineating all relationships between the independent auditor and the Company, and discussing any relationships which may impact the continued objectivity and independence of the independent auditor.				X	
11.	Evaluating the independent auditor and the lead audit partner on an annual basis, taking into account the opinions of the Company's management and internal auditor or others performing similar functions.	X				
12.	Consider whether, in order to assure continuing auditor independence, there should be regular rotation of the lead audit partner or the independent auditor.	X				
13.	Report the Committee's conclusions to the full Board with respect to the independent auditor's qualifications, performance and independence.	X			X	X

		WHEN PERFORMED				
		Meetings				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	A/N*
B. Annual and Quarterly Financial Results and Statements and Public Announcements of Financial Information						
1.	<p>Review the annual and quarterly financial results and statements, including the disclosure in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” with management and the independent auditor prior to any filing with the SEC. The review will include the following items:</p> <ul style="list-style-type: none"> ⇒ any material accounting issues identified by management or the independent auditor and their impact on the financial statements; ⇒ any audit problems or difficulties encountered by the independent auditor and management’s response to those items; ⇒ the independent auditor’s evaluation of the quality of the disclosure and the content of the financial statements; ⇒ any changes in accounting principles and significant judgments and estimates; ⇒ the effect of any regulatory and accounting initiatives; ⇒ any related party transactions; ⇒ any pending litigation and other contingent liabilities; ⇒ all off-balance sheet arrangements that either have, or are reasonably likely to have a current or future effect on financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenue or expenses; ⇒ the report of the independent auditor required by Section 10A(k) of the Exchange Act and the rules and regulations of the SEC promulgated thereunder, including the critical accounting policies and practices used, all alternative methods of financial accounting within GAAP that have been discussed with management, the treatment preferred by the independent auditor, and other material written communications with management; and ⇒ other matters required to be communicated by the independent auditor to the Committee under generally accepted auditing standards. 	X	X	X	X	
2.	<p>Review, prior to announcement or distribution to analysts or rating agencies, Company earnings releases and earnings guidance for the purpose of ensuring that such press releases and guidance properly disclose financial information presented in accordance with GAAP and, to the extent pro forma information or non-GAAP financial measures are included, adequately disclose how such pro forma information or non-GAAP financial measure differs from the comparable GAAP information and that such pro forma information or non-GAAP financial measure is not given undue prominence, and to ensure that such press releases and guidance do not otherwise provide misleading presentations of the Company’s results of operations or financial condition.</p>	X	X	X	X	

		WHEN PERFORMED				
		Meetings				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	A/N*
C. Other Reports and Certifications						
1.	Report to the entire Board, annually, or more often as deemed necessary, on the activities and findings of the Committee, including its recommendation on inclusion of the Company's audited financial statements into the Company's Annual Report on Form 10-K.	X				X
2.	Prepare the annual report of the Committee's oversight responsibilities for inclusion in the Company's annual proxy statement.	X				
3.	Review the Company's proxy statement disclosure concerning the independence of the members and the charter of the Committee.	X				
4.	Review and approve the Company's certification to the New York Stock Exchange (the "NYSE") concerning the meetings, membership requirements and charter of the Committee.					X
5.	Review the annual certification of the Company's chief executive officer (the "CEO") to the NYSE that he is not aware of any violation of the NYSE's listing standards, which certification is to be included in the Company's Annual Report delivered to shareholders.					X
D. Internal Audit Function						
1.	Oversee the internal audit function.					X
2.	Review annually the internal audit plan.	X				
3.	Review the results of the work performed, the adequacy and effectiveness of the controls tested, and any recommendations or problems encountered and management's response to those items.				X	
4.	Report the Committee's conclusions to the full Board with respect to the performance of the internal audit function.				X	
E. Other Powers and Responsibilities						
1.	Review with management, the independent auditor's and the internal auditor's significant risks or exposures, including categories of risks, risk concentrations and risk interrelationships as well as the likelihood of occurrence, discussing guidelines and policies to govern this process and assessing steps management has taken to minimize such risks to the Company.				X	X
2.	Review with the other board committees and management the board's expectations as to each group's respective responsibilities for risk oversight and management of specific risks to ensure a shared understanding as to accountabilities and roles.				X	X
3.	Review the Company's REIT tax compliance.	X	X	X	X	
4.	Review and/or reassess the Committee charter and checklist periodically, at least annually, and amend the charter and checklist as conditions dictate.	X				X

		WHEN PERFORMED				
		Meetings				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	A/N*
5.	Obtain advice and assistance from outside legal, accounting or other advisors, as appropriate. The Committee has full power and authority to retain, at the Company's expense, such outside legal, accounting and other advisors as the Committee deems necessary or appropriate.					X
6.	Meet separately, periodically, with each of management, with those responsible for internal audit function and with the independent auditor, to identify issues warranting Committee attention.					X
7.	Establish, and review on a periodic basis, procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting and auditing matters and investigate any matter relating thereto, with full access to all of the Company's books, records, facilities and personnel.					X
8.	Meet quarterly with the Company's chief financial officer (the "CFO") to ascertain the ability of the CFO and the CEO to sign the certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002, including the reports of the effectiveness of disclosure controls and procedures and any changes in internal control over financial reporting.	X	X	X	X	
9.	Review and approve, in advance, the hiring of any employee or former employee of the independent auditor.					X
10.	Conduct an evaluation of the Committee's performance on an annual basis.				X	

Last revised: February 16, 2011
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