

LENNOX INTERNATIONAL INC.
AUDIT COMMITTEE CHARTER

PURPOSES

The primary purposes of the Audit Committee (the “Committee”) of the Board of Directors are to:

1. Oversee the integrity of the Company’s financial statements and related systems of internal control.
2. Oversee the Company’s compliance with legal and regulatory requirements.
3. Oversee the independent auditor’s qualifications and independence.
4. Oversee the performance of the Company’s internal audit function and independent auditor.
5. Oversee the implementation and effectiveness of the Company’s ethics and compliance program.

In performing its role, the Committee will maintain effective working relationships with the Board, management, the internal auditors and the independent auditor.

ORGANIZATION AND STRUCTURE

The Committee:

1. Will be comprised of no less than three Directors.
2. Will be appointed by the Board annually and serve until their successors are appointed and qualified. The Board of Directors will have the power at any time to change the membership of the Committee, fill vacancies and appoint one member to serve as Committee Chair.
3. Will consist exclusively of independent directors who satisfy the independence requirements of the New York Stock Exchange and the rules and regulations of the Commission.
4. Will consist of all members who are financially literate and at least one member of the Committee must be a financial expert as defined by the Commission.
5. May not have members that simultaneously serve on the audit committees of more than two other public companies unless the Board has determined that simultaneous service would not impair the ability of such member to effectively serve on the Company’s Committee, and discloses such determination in the Company’s annual proxy statement.
6. Will call regular meetings according to the schedule approved by the Committee for the year. The Committee shall fix its own rules of procedure. Special meetings of the Committee can be called by the Committee Chair, a majority of the members of the Committee or the Chairman of the Board.
7. Will present timely reports to the Board concerning the Committee’s actions.
8. May invite nonmembers to attend Committee meetings if it determines the nonmember’s attendance may be beneficial to meeting the Committee’s responsibilities.
9. May form and delegate authority to subcommittees.

COMMITTEE RESPONSIBILITIES

The Committee has the following responsibilities:

General Responsibilities

1. Review the Company's accounting, financial reporting, audit, legal compliance and internal control practices.
2. Oversee guidelines and policies to govern the process to assess and manage significant enterprise risk exposure, and ensure that management periodically reports such activity to the Board.
3. Review insurance matters, including coverages carried by the Company.
4. Meet at least annually with internal audit, management, and the independent auditor in separate executive sessions to discuss any matters that the Committee or they believe should be discussed privately with the Committee.
5. Review this Charter annually and recommend any proposed changes to the Board Governance Committee for approval by the Board.
6. Perform an annual performance evaluation of the Committee.
7. Perform any other activities consistent with this Charter, the Company's Bylaws, the Company's Corporate Governance Guidelines and applicable law, as the Committee deems appropriate or as requested by the Board

Internal Control

1. Review with the independent auditor, the Company's internal control procedures, financial and accounting personnel and the adequacy and effectiveness of the accounting and financial controls, and elicit recommendations for improvement.

Financial Reporting Process

1. Review analyses prepared by management or the independent auditor concerning any significant accounting and reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any analysis of the effects of alternative GAAP methods on the financial statements, any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Review and discuss with management and the independent auditor the Company's annual audited financial statements and quarterly financial statements, and annual and quarterly filings with the SEC, including disclosures made in management's discussion and analysis of financial condition and results of operations.
3. Review with the independent auditor any audit problems or difficulties and management's response.
4. Discuss with management the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
5. Review the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements.
6. Review disclosures made to the Committee by the Chief Executive Officer and Chief Financial Officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal controls or material

weaknesses, and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Compliance with Laws, Regulations and Policies

1. Review with the Company's in-house legal counsel legal matters, including litigation and claims, that could have a significant impact on the Company's financial statements.
2. Review, at least annually, the ethics and compliance function, including responsibilities, resources, program implementation, and assessment of program effectiveness, and review any significant occurrences of non-compliance with the Company's Code of Conduct.
3. Establish and review 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 or auditing matters.
4. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.
5. Obtain from the independent auditor assurance that Section 10A(b) of the Securities Exchange Act of 1934 has not been implicated.
6. Review and approve all related party transactions for potential conflict of interest situations.

Internal Audit

1. Review the appointment and replacement of the senior internal auditing executive.
2. Review and approve the process for establishing the annual internal audit plan, and confirm the plan is sufficiently linked to the Company's overall business objectives and associated risks.
3. Review with the senior internal auditing executive and management the following:
 - a) The Internal Audit Department Charter.
 - b) The Department structure, budget, staffing level and qualifications.
 - c) A summary of activities and significant findings during the year.
 - d) Any changes required in the scope of the audit plan.
4. Review the overall effectiveness of the internal audit function, and review a summary of the significant reports to management prepared by the internal auditing department and management's responses.

Independent Auditor

1. The Committee has the sole authority to: (a) appoint or replace the independent auditor (subject, if applicable, to shareholder ratification); (b) review and pre-approve (which may be pursuant to pre-approval policies and procedures) both audit and non-audit services to be provided by the independent auditor; (c) approve compensation of the independent auditor; and (d) direct the dismissal of the independent auditor when circumstances warrant action.
2. Review the scope and approach of the annual audit with the independent auditor, including its process for identifying and responding to key audit and internal control risks.

3. Evaluate the lead partner of the independent auditor's team.
4. Evaluate with management and internal audit the independent auditor's qualifications, performance and independence.
5. Obtain and review a report from the independent auditor at least annually regarding: (a) the independent auditor's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent 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 independent auditor; (c) any steps taken to deal with any such issues; and (d) all relationships between the independent auditor and the Company.
6. Assure the regular rotation of the lead audit partner as required by law and consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself.
7. Set a policy for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.

REPORTING RESPONSIBILITIES

The Committee will:

1. Cause the Company to affirm annually, in writing, to the New York Stock Exchange that:
 - a) The members of the Committee meet and will continue to meet, the membership requirements.
 - b) The Board has adopted a written charter for the Committee that complies with the New York Stock Exchange's corporate governance rules.
 - c) The Company has established an internal audit function that complies with the New York Stock Exchange's corporate governance rules.
2. Disclose, or cause to be disclosed, in the Company's proxy statement or Annual Report on Form 10-K, as applicable, information required by the Commission and the New York Stock Exchange, including without limitation, that:
 - a) All Committee members are independent.
 - b) The Committee is governed by a written charter.
3. Include in the Company's proxy statement a report from the Committee that states that it has:
 - a) Reviewed and discussed the Company's audited financial statements with management and the independent auditor.
 - b) Discussed the quarterly financial statements, including the quality of accounting principles, with the independent auditor.
 - c) Discussed with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61.
 - d) Received the required written independence disclosures from the independent auditor.
 - e) Recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K.

COMMITTEE AUTHORITY

1. The Committee has the power to conduct or authorize investigations into any matters within the Committee's scope of responsibility.
2. The Committee has unrestricted access to members of management, the independent auditor, and all information relevant to its responsibilities.
3. The Committee is empowered to retain independent counsel, accountants or others as they deem appropriate from time to time.
4. The Company will provide for appropriate funding of such services deemed appropriate by the Committee, for payment of a) compensation to any 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, b) compensation to any advisors employed by the Committee retained as set forth above, and c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
5. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor. Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the members of the Committee to rely, in discharging their oversight role, on the records of the Company and on other information presented to the Committee, the Board or the Company by its officers or employees, or by outside experts.