

**PETROLOGISTICS GP LLC
CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
Effective as of May 2012**

The Board of Directors (the “Board”) of PetroLogistics GP LLC (the “General Partner”), which is the general partner of PetroLogistics LP (the “Partnership,” and together with its subsidiaries and the General Partner, the “Partnership Group”), has established the Audit Committee of the Board (the “Committee”) with the authority, responsibility and specific duties as described in this Audit Committee Charter (this “Charter”).

This Charter governs the operations of the Committee. The Board shall have sole authority to amend this Charter.

I. Purposes

The purposes of the Committee are to:

- A.** Assist the Board in fulfilling its oversight responsibilities regarding the:
- Integrity of the Partnership’s financial statements;
 - The Partnership Group’s compliance with legal and regulatory requirements;
 - Qualifications, independence and performance of the independent registered public accounting firm engaged for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Partnership (the “independent registered public accounting firm”); and
 - Effectiveness and performance of the Partnership’s internal audit function; and to
- B.** Perform such other functions as the Board may assign to the Committee from time to time.

II. Membership

Subject to the phase-in provisions of the New York Stock Exchange (the “NYSE”) set forth in the NYSE Listed Company Manual (the “NYSE Manual”), the Committee will consist of no fewer than three members of the Board. The members of the Committee will satisfy the independence and experience requirements of the NYSE, the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations of the Securities and Exchange Commission (the “SEC”), in each case subject to any exemptions and exceptions thereunder. At least one member of the Committee will be an “audit committee financial expert” (as defined by applicable rules of the SEC). Committee members may not simultaneously serve on the audit

committees of more than two other public companies, unless the Board determines in each case that such simultaneous service would not impair the ability of such member to serve effectively on the Committee. Committee members and the Chairman of the Committee will be appointed and replaced by the Board in accordance with the General Partner's Limited Liability Company Agreement (as may be amended from time to time).

Notwithstanding the membership requirements set forth above, no action of the Committee shall be invalid by reason of any such requirement not being met at the time such action is taken.

III. Authority and Responsibilities

The Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Committee. Without limiting the generality of such delegation, the Committee shall have the authority, and is entrusted with the responsibility, to take the following actions:

A. Authority

The Committee shall have the authority to:

1. Conduct or authorize investigations into any matter, including, but not limited to, complaints relating to accounting, internal accounting controls or auditing matters, within the scope of the responsibilities delegated to the Committee as it deems appropriate, including the authority to request any officer, employee or advisor of the Partnership Group to meet with the Committee or any advisors engaged by the Committee.
2. Retain and determine funding for independent legal counsel, accounting experts and other advisors, including the sole authority to appoint or replace the independent registered public accounting firm, as it deems necessary or appropriate to fulfill its responsibilities. The Committee may also utilize the services of the Partnership Group's regular outside legal counsel or other advisors. The Partnership Group shall provide for appropriate funding, as determined by the Committee, for payment of (a) compensation to any independent registered public accounting firm engaged for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Partnership; (b) compensation to any advisors employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
3. Delegate to its Chairman, any one of its members or any subcommittee it may form, the responsibility and authority for any particular matter, as it deems appropriate from time to time under the circumstances. However, subcommittees shall not have the authority to engage independent legal counsel, accounting experts or other advisors unless expressly granted such authority by the Committee. Each subcommittee shall keep minutes and regularly report to the Committee.

B. *Responsibilities*

The Committee's responsibilities are limited to oversight. Although the Committee has the responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits or to determine that the Partnership's financial statements and disclosures are either complete and accurate or are in accordance with generally accepted accounting principles ("GAAP") and applicable laws, rules and regulations. These are generally the responsibilities of Partnership Group's management

Relating to the Independent Registered Public Accounting Firm

1. *Appointment and Oversight.* The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the independent registered public accounting firm hired for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Partnership. The independent registered public accounting firm shall report directly to the Committee, and the Committee shall routinely review such firm's performance. In addition, the Committee shall oversee the resolution of any disagreements between management and the independent registered public accounting firm regarding financial reporting.
2. *Pre-Approval of Services.* Before the independent registered public accounting firm is engaged to render audit or non-audit services for the Partnership, the Committee shall pre-approve the engagement. Committee pre-approval of audit and non-audit services is not required, however, if the engagement for the services is entered into pursuant to pre-approval policies and procedures established by the Committee. The chairman of the Committee has the authority to grant pre-approvals, provided such approvals are within the pre-approval policies and presented to the Committee at a subsequent meeting.
3. *Hiring of Employees or Former Employees of Independent Registered Public Accounting Firm.* The Committee shall establish clear policies governing the hiring of employees or former employees of the independent registered public accounting firm.
4. *Independence of Registered Public Accounting Firm.* The Committee shall, at least annually, review the independence and quality-control procedures of the independent registered public accounting firm and the experience and qualifications of the independent registered public accounting firm's senior personnel that are providing audit services to the Partnership. In conducting its review, the Committee shall:
 - a) Obtain and review a report prepared by the independent registered public accounting firm describing: (i) the firm's internal quality-

control procedures; and (ii) 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 address and respond to any such issues.

- b) Discuss with representatives of the independent registered public accounting firm its independence from the Partnership Group, and shall review all additional written disclosures provided by the independent registered public accounting firm describing all relationships between the independent registered public accounting firm and the Partnership Group, consistent with applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Committee concerning independence, and consider the impact that any relationships or services may have on the objectivity and independence of the independent registered public accounting firm.
- c) Review and evaluate the lead partner of the independent registered public accounting firm.
- d) Confirm with the independent registered public accounting firm that the firm is in compliance with the audit partner rotation requirements established by the SEC.
- e) If applicable, consider whether the provision by the independent registered public accounting firm of any permitted information technology services or other non-audit services to the Partnership is compatible with maintaining the independence of the independent registered public accounting firm.
- f) Consider whether, in order to assure continuing independence of the independent registered public accounting firm, it is appropriate to adopt a policy of rotating the independent registered public accounting firm on a regular basis.

Annual Financial Statements and Annual Audit

1. *Meetings with Management, the Independent Registered Public Accounting Firm and the Internal Auditor.* The Committee shall:

- a) Meet with management, the independent registered public accounting firm and the internal auditor in connection with each annual audit to discuss the scope of the audit, the procedures to be followed and the staffing of the audit.
- b) Review and discuss with management and the independent registered public accounting firm: (i) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Partnership's selection or application of accounting principles, and major issues as to the adequacy of the Partnership's internal controls and any special audit steps adopted in light of material control deficiencies; (ii) any analyses prepared by management or the independent registered public accounting firm setting forth significant financial reporting issues and judgments made in connection with the preparation of the Partnership's financial statements, including analyses of the effects of alternative treatments of financial information within GAAP on such financial statements; and (iii) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on such financial statements.
- c) Review and discuss the annual audited financial statements with management and the independent registered public accounting firm, including the disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Partnership's annual report on Form 10-K.

2. *Separate Meetings with the Independent Registered Public Accounting Firm.*
The Committee shall:

- a) Review with the independent registered public accounting firm any problems or difficulties that such firm encountered during the course of the audit work, including any restrictions on the scope of activities or on access to required information or any significant disagreements with management and management's responses to such matters. Among the items that the Committee should consider reviewing with the independent registered public accounting firm are: (i) any accounting adjustments that were noted or proposed by the independent registered public accounting firm but were "passed" (as immaterial or otherwise); (ii) any communications between the audit team and the independent registered public accounting firm's national office respecting auditing or accounting issues presented by the engagement; and (iii) any "management" or "internal control" letter issued, or proposed to be issued, by the independent registered public accounting firm. The review should also include discussion of the

responsibilities, budget and staffing of the General Partner's internal audit function.

- b) Obtain from the independent registered public accounting firm assurances that Section 10A(b) of the Exchange Act of 1934, as amended, (the "Exchange Act") has not been implicated.
 - c) Discuss with the independent registered public accounting firm the report that such firm is required to make to the Committee regarding: (i) all accounting policies and practices to be used that the independent registered public accounting firm identifies as critical; (ii) all alternative treatments of financial information within GAAP for policies and practices related to material items that have been discussed among management and the independent registered public accounting firm, including the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent registered public accounting firm; and (iii) all other material written communications between the independent registered public accounting firm and management, such as any management letter, management representation letter, reports on observations and recommendations on internal control over financial reporting, the independent registered public accounting firm's engagement letter, the independent registered public accounting firm's independence letter, schedule of unadjusted audit differences and a listing of adjustments and classifications not recorded, if any.
 - d) Discuss with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 114, "The Auditor's Communication With Those Charged With Governance," as then in effect.
3. *Recommendation to Include Financial Statements in Annual Report.* Based on the review and discussions in paragraphs 1(c) and 2(d) of this "Annual Financial Statements and Annual Audit" Section, and based on the disclosures received from the independent registered public accounting firm regarding its independence and discussions with representatives of such firm regarding such independence pursuant to subparagraph 4(b) of the "Relating to the Independent Registered Public Accounting Firm" Section, the Committee shall determine whether to recommend to the Board that the audited financial statements of the Partnership should be included in the Partnership's annual report on Form 10-K for the fiscal year subject to the audit.

Quarterly Financial Statements

1. *Meetings with Management and the Independent Registered Public Accounting Firm.* The Committee shall review and discuss the quarterly

financial statements with management and the independent registered public accounting firm, including the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of the Partnership’s quarterly report on Form 10-Q.

Internal Audit

1. *Performance.* Each year, the Committee shall review with the full Board the activities and structure of the internal audit function.
2. *Separate Meetings with the Internal Auditor.* The Committee shall periodically meet separately with the Partnership’s internal auditor to discuss responsibilities, budget and staffing of the Partnership’s internal audit function and any issues that the internal auditor believes warrant the Committee’s attention. In addition, the Committee shall discuss with the internal auditor any significant reports to management prepared by the internal auditor and any responses from management.

Other Powers and Responsibilities

1. The Committee shall review and discuss with management and the independent registered public accounting firm the Partnership’s earnings press releases (paying particular attention to any use of “pro forma” or “adjusted” non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussions may be in general terms (*i.e.*, discussion of the types of information to be disclosed and the types of presentations to be made).
2. The Committee shall discuss with management and the independent registered public accounting firm any correspondence from or with regulators or governmental agencies, any employee complaints or any published reports that raise material issues regarding the Partnership’s financial statements, the financial reporting process, the accounting policies or the internal audit function.
3. The Committee shall meet separately with management on a periodic basis to discuss matters related to the Partnership’s internal control over financial reporting and other matters related to the Partnership’s internal audit function.
4. The Committee shall review, and discuss with management and the independent registered public accounting firm, the Partnership’s report on internal control over financial reporting prior to filing the Partnership’s annual report on Form 10-K.
5. The Committee shall discuss with management guidelines and policies with respect to risk assessment and risk management. In addition, the Committee shall discuss with management the Partnership’s significant financial risk

exposures and the actions management has taken to monitor and control such exposures.

6. The Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Partnership Group regarding accounting, internal accounting controls or auditing matters. The Committee shall also establish procedures for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
7. The Committee shall review annually the adequacy and succession planning of the General Partner's accounting and financial personnel.
8. The Committee shall review disclosures by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Partnership's annual report on Form 10-K and Quarterly Reports on Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein.
9. The Committee shall perform other specific duties and functions in accordance with the Company's Limited Liability Company Agreement (as may be amended from time to time).

IV. Procedures

- A. *Meetings.*** The Committee shall meet on at least a quarterly basis (prior to the filing of the Partnership's Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K with the SEC) and may meet more frequently as circumstances dictate. Meetings of the Committee may be in person, by conference call or by unanimous written consent, in accordance with the Company's Limited Liability Company Agreement (as amended from time to time). Meetings of the Committee shall be held at such time and place, and upon such notice, as its Chairman may from time to time determine. The Committee shall keep such records of its meetings as it deems appropriate.

Meetings may, at the discretion of the Committee, include non-independent directors, members of Management, independent advisors and consultants, representatives of the Partnership's independent registered public accounting firm, the Partnership's internal auditor, any other financial personnel employed or retained on behalf of the Partnership or any other persons whose presence the Committee believes to be necessary or appropriate. Those in attendance may observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including, but not limited to, any director that is not a member of the Committee.

- B. Quorum and Approval.** A majority of the Committee's members shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
- C. Rules.** The Committee may determine additional rules and procedures, including designation of a chair pro tempore in the absence of its chairman and designation of a secretary of the Committee at any meeting thereof.
- D. Reports.** The Committee shall maintain minutes of its meetings and make regular oral or written reports to the Board, directly or through its chairman, of its actions and any recommendations to the Board. These reports shall include a discussion of any issues that arise with respect to the quality or integrity of the Partnership's financial statements, compliance with legal or regulatory requirements, the performance and independence of the Partnership's independent registered public accounting firm, the performance of the Partnership's internal audit function or any other matter the Committee determines is necessary or advisable to report to the Board.
- E. Review of Charter.** Each year, the Committee shall review the need for changes in this Charter and recommend any proposed changes to the Board for approval.
- F. Performance Review.** Each year, the Committee shall review and evaluate its own performance and shall submit itself to a review and evaluation by the Board.
- G. Fees; Reimbursement of Expenses.** Each member of the Committee as well as the chairman shall be paid the fee set by the Board for his or her services as a member, or chairman, as the case may be, of the Committee. Committee members, including the Chairman, will be reimbursed for all reasonable expenses incurred in connection with their duties as Committee members or as Chairman.

V. Posting Requirement

The Partnership shall make this Charter available on or through its website as required by applicable rules and regulations. In addition, the Partnership shall disclose in its annual report on Form 10-K that a copy of this Charter is available on the Partnership's website and provide the website address.

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While the Committee members have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the Committee members, except to the extent otherwise provided under applicable federal or state law.