

*As Amended, Restated and Approved by Board of Directors
on September 7, 2018, effective as of September 7, 2018*

OPTICAL CABLE CORPORATION (OCC)

Audit Committee Charter

September 7, 2018

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Optical Cable Corporation (“OCC” or the “Corporation”) is to represent and assist the Board in the corporate governance and general oversight of the Corporation’s (i) integrity of the financial statements of the Corporation; (ii) accounting and financial reporting processes, the Corporation’s internal control over financial reporting;(iii) the external audits of the Corporation’s consolidated financial statements including any external audits of its internal control over financial reporting; and (iv) the compliance by the Corporation with legal and regulatory requirements with respect to the foregoing matters. The Committee reports to the full Board of Directors on all matters within the Committee’s responsibilities. The Committee will not infringe upon and does not undertake to supervise or control activities and functions properly belonging to the senior management of the Corporation in the normal course of operations of the Corporation.

The Committee shall be composed of no fewer than three directors determined by the Board of Directors to meet the independence and financial literacy requirements of The NASDAQ Stock Market and applicable federal law. Appointment of the Committee, including the designation of the Chairperson of the Committee, if any, and the designation of any Committee members as “audit committee financial experts”, shall be made on an annual basis by the Board of Directors. The Committee shall review and reassess the adequacy of its charter periodically, as deemed necessary. The Audit Committee shall ensure that any report of the Audit Committee that is required by the rules of the Securities and Exchange Commission (the “Commission” or the “SEC”) to be included in the Corporation’s annual proxy statement or other filings is prepared and so included.

The Independent Registered Public Accounting Firm (the “independent auditors”) shall be ultimately accountable to the Committee on all matters pertaining to their engagement, and the independent auditors shall report to the Committee all communications required by professional standards and the Rules and Regulations of the SEC and the Public Company Accounting Oversight Board (the “PCAOB”). The Committee shall encourage open communication among the Committee, independent auditors, the Corporation’s management, the Board of Directors and legal counsel, regarding matters within the Committee’s responsibilities.

To carry out the Committee’s responsibilities:

1. The Committee, as the Board of Directors’ representative, has the authority and responsibility to evaluate, appoint, compensate, retain, replace and oversee the independent auditors. The Committee shall require the Corporation’s independent auditors to submit periodically a formal written statement delineating all relationships

between the independent auditors and the Corporation, including audit and permitted non-audit services and the fees and any other compensation paid to the independent auditors therefor in accordance with professional standards. The Committee is responsible for actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity or independence of the independent auditors, and for taking appropriate action in response to the independent auditors' report to satisfy itself of their independence. More specifically, the Chairman of the Committee or the Committee will pre-approve all audit and permitted non-audit services to be performed by the independent auditors prior to commencement of the specified service in accordance with SEC requirements regarding auditor independence. This includes the ability of the Chairman of the Committee or the Committee to pre-approve certain limited types of non-audit services and an associated designated dollar limit for such services that may be provided by the independent auditors at the request of the Chief Executive Officer and/or the Chief Financial Officer on an as needed basis. In the event the Chairman of the Committee pre-approves such services the action will be ratified by the Committee. The requests for pre-approval are submitted to the Committee by the Chairman of the Board of Directors, President and Chief Executive Officer, the Chief Financial Officer, or a designate of either with a statement as to whether in their view the request is consistent with SEC rules on auditor independence.

The Audit Committee shall meet as often as it determines necessary, but not less frequently than quarterly. As deemed appropriate, the Audit Committee shall meet periodically in separate executive sessions with management and the independent auditor. Written minutes of Audit Committee meetings shall be maintained.

2. The Committee will meet with the independent auditors and the Corporation's senior management to discuss the scope and methodology of the proposed audits for each fiscal year. The independent auditors shall provide regular communications to the Committee during the fiscal year on the underlying process and status of their audits and any findings or preliminary conclusions that have been reached. Senior management will review with the Committee any audits of and recommendations of auditors relating to the Corporation's employee benefit plans.
3. Senior management and the independent auditors shall discuss with the Committee the Corporation's interim and annual consolidated financial statements and, prior to filing with the SEC, drafts of the Corporation's Quarterly Reports on Form 10-Q and Annual Report on Form 10-K. During each fiscal year, the independent auditors shall communicate with the Committee their comments and recommendations, if any, which are intended to improve the Corporation's internal control over financial accounting and reporting. In addition, the independent auditors shall communicate in writing to the Committee and management material weaknesses and/or significant deficiencies, if any, in internal control over financial reporting identified during the audits. The Committee will also discuss any reports of examination regarding the Corporation's financial filings issued by federal and state regulatory agencies as well as the Corporation's responses thereto.
4. The independent auditors shall discuss with the Committee and senior management matters required to be communicated by applicable professional standards and the Rules and Regulations of the SEC which include, among other things:

- the independent auditors' responsibilities under professional standards in connection with the audits of the Corporation's consolidated financial statements and, if required, the effectiveness of internal control over financial reporting;
- the independent auditors' judgments about the quality, not just the acceptability, of the Corporation's accounting principles and underlying estimates in the Corporation's consolidated financial statements;
- the critical accounting policies and practices used by the Corporation;
- any alternative treatments within U.S. generally accepted accounting principles for policies and practices related to material items that have been discussed with management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors;
- methods used to account for significant unusual transactions;
- the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;
- the process used by management in formulating particularly sensitive accounting estimates and the basis for the auditors' conclusions regarding the reasonableness of these estimates;
- disagreements with management over the application of accounting principles, the basis for management's accounting estimates, and the disclosures in the financial statements;
- audit adjustments and any uncorrected financial statement misstatements; and
- other material written communications between the independent auditors and management.

The independent auditors shall also provide to the Committee the written communications required by applicable independence standards of the PCAOB and SEC, and the independent auditors shall discuss with the Committee that firm's independence from the Corporation and its management with financial reporting oversight responsibilities.

5. The independent auditors and senior management shall identify to the Committee significant business, financial or legal issues that may significantly impact the Corporation's consolidated financial statements and internal control over financial reporting, if required. During each fiscal year, senior management shall report to the Committee in a timely manner any significant litigation, threatened litigation or potential litigation in which the Corporation and its subsidiaries are or may be engaged, as well as the anticipated or potential impact of such litigation, threatened litigation or potential litigation on the Corporation.
6. On at least a quarterly basis, the President and Chief Executive Officer and the Chief Financial Officer will provide the Committee with Disclosure Controls Evaluations indicating whether or not the Corporation's disclosure controls and procedures are

effective and whether or not there were any significant changes in the Corporation's internal control over financial reporting or in other factors that materially affected or are reasonably likely to materially affect these controls during the period under evaluation. This communication will also include disclosure to the Audit Committee of potential significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information, if any, and/or any material weaknesses in internal control over financial reporting identified. Further, any knowledge of fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal control over financial reporting, or the fact that there was none during the period under evaluation will be included in the Disclosure Controls Evaluations.

7. During each fiscal year, senior management shall review with the Committee the Corporation's monitoring efforts and procedures to ensure compliance with laws and governmental regulations. Senior management shall provide such information to the Committee as is reasonably required to keep the Committee current on changes in accounting standards and securities regulations affecting the Corporation, as well as material developments in the industry generally and the promulgation of regulations materially affecting the industry.
8. Senior management will report as soon as possible to the Committee any material violation of laws or governmental regulations or fraud. The Committee has the authority to investigate any matter brought to its attention within the scope of its duties and to retain independent legal counsel, at its discretion and without permission from the Board of Directors or management.
9. The Committee shall establish procedures for the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
10. The Committee shall hold at least four meetings each fiscal year. The Chairperson of the Committee, if any, has authority to call Committee meetings, to preside at such meetings and to make assignments to Committee members. The Committee will evaluate findings and recommendations of the independent auditors and make recommendations as warranted to the Board of Directors.
11. At every meeting of the Committee where the independent auditors are present, the independent auditors shall be provided an opportunity, for at least a portion of such meeting, to meet with the Committee without members of management present.
12. Senior management shall report all material proposed related party transactions to the Committee.
13. The Corporation shall provide the Committee such support, including payment of ordinary administrative expenses and access to and use of the Corporation's records, physical properties, management, staff, independent auditors, attorneys and consultants, as the Committee deems necessary to discharge its responsibilities.

The Committee shall have the authority to engage independent legal, accounting and other advisers, as it determines necessary to carry out its duties. The Committee shall have sole authority to approve related fees and retention terms for such advisors.