

AUDIT COMMITTEE CHARTER
OPPENHEIMER HOLDINGS INC. AUDIT COMMITTEE CHARTER
ADOPTED BY THE AUDIT COMMITTEE ON FEBRUARY 28, 2003,
CONFIRMED ON FEBRUARY 26, 2013 AND UPDATED ON FEBRUARY 23, 2017
INTRODUCTION

The following written Charter has been adopted to govern the activities of the Audit Committee (the “Committee”) of Oppenheimer Holdings Inc. (the “Company”) and replaces the Audit Committee Charter adopted by the Committee on June 29, 2000 and amended March 25, 2002.

PURPOSE

The primary purpose of the Committee is to assist the Board of Directors of the Company with oversight and evaluation of (a) the integrity of the financial statements and other financial information provided by the Company to its shareholders, the public and others, (b) the Company’s compliance with legal and regulatory requirements, (c) the independent auditors’ qualifications and independence and (d) the performance of the Company’s internal audit function and independent auditors.

Although the Committee has the powers and responsibilities and is responsible for conducting the activities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to 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 auditors.

COMPOSITION AND GOVERNANCE

The Committee shall consist of at least three members, each of whom is independent as that term is defined under the provisions of the Sarbanes-Oxley Act of 2002, the applicable rules of the Securities Exchange Commission (the “Rules”) and other legal and regulatory requirements. All of the members of the Committee must be financially literate and experienced. In addition, one of the members of the Committee must be an audit committee financial expert as required by the Rules.

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating/Corporate Governance Committee.

The members of the Committee may be removed by a majority of the Board upon recommendation of the Nominating/Corporate Governance Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

The Committee must report regularly to the Board of Directors.

The Committee must conduct an annual performance evaluation of itself.

ACTIVITIES

Independent Auditors:

The Committee has the sole authority and responsibility to nominate independent auditors for ratification by shareholders, and to recommend to shareholders that the independent auditors be removed. The Committee shall approve all audit engagement fees and terms as well as approve all non-audit engagements and engagement fees provided by the independent auditors. The Committee shall consult with management but shall not delegate the above responsibilities.

The Committee shall also review and approve disclosures required regarding non-audit services to be included in Securities and Exchange Commission periodic reports filed under Section 13 (a) of the Securities Exchange Act of 1934, as amended and disclosures required in the Company's annual Proxy Statement.

The Committee shall review, based upon the recommendation of the independent auditors and the Company's internal auditors, the scope and plan of the work to be done by the independent auditors.

The Committee shall review the performance of the Company's independent auditors on an annual basis.

The Committee shall set clear hiring policies for employees or former employees of the independent auditors, particularly those who may have worked on the Company's audit account.

Independence of Independent Auditors:

The Committee is responsible for ensuring the independence of the independent auditors.

To that end, the Committee must ensure that the independent auditors submit to the Committee on an annual basis a written statement consistent with PCAOB Ethics and Independence Rule 3526, *Communication with Audit Committees Concerning Independence*, and discuss with the independent auditors any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and satisfy itself as to the independent auditors' independence. The formal written statement referenced above must delineate all relationships between the auditor and the Company. This written statement shall be obtained in conjunction with the audit of the annual financial statements in the month of February each year.

The Committee must confirm that the auditor that is to perform the audit services of the Company does not violate the audit rotation requirements of the Sarbanes-Oxley Act, which specifies that the auditor may not perform audit services for the Company if the lead audit partner or the audit partner responsible for reviewing the audit has performed audit services for the Company in each of the five previous fiscal years.

Reports from Independent Auditors:

The Committee must obtain and review, on an annual basis, a report by the independent auditors describing the firm's internal quality-control procedures, any material issues raised by the most recent internal quality-control control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to 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 auditors and the Company.

The Committee must review all reports that applicable securities laws require the independent auditors to submit to the Audit Committee.

Review of Annual Financial Statements:

The Committee has the ultimate responsibility for overseeing financial reporting. The Committee reviews the annual financial statements and makes a recommendation to the Board with respect to the approval of the annual financial statements. An annual Committee meeting shall take place in New York in February of each year. The Committee will meet, in person, with representatives of the independent auditors, the Company's internal auditors and with the Company's management to assess and understand the financial statements and the results of the audit including, but not limited to:

- that the Company's system of internal controls and financial reporting systems is adequate to produce fair and complete disclosure of its financial results,
- that the Company's reporting is complete and fairly presents its financial condition in accordance with generally accepted accounting principles,
- that accounting judgments and estimates used by management are reasonable and do not constitute earnings management,
- that risk management policies are in place to identify and reduce significant financial and business risks,
- that the disclosures in the financial statements including "Management's Discussion and Analysis of Financial Condition and Results of Operations" are appropriate and correct, and

- that the Company has in place a system to ensure compliance with laws, regulations and policies.

The Committee will discuss with the independent auditors the matters required to be discussed by the Public Company Accounting Oversight Board (“PCAOB”) Auditing Standard 1301, relating to the conduct of the annual audit.

The Committee will recommend to the Board, if appropriate, that the Company’s annual audited financial statements be included in the Company’s Annual Report on Form 10-K for filing with the Securities and Exchange Commission.

The Committee will prepare the Audit Committee Report required by the Securities and Exchange Commission to be included in the Company’s annual Proxy Statement and any other reports of the Committee required by applicable securities laws or stock exchange listing requirements or rules.

Quarterly Review of Financial Statements:

The Committee will require that the Company’s independent auditors review the Company’s interim financial statements on a quarterly basis. The Committee shall review and discuss with management, the Company’s internal auditors and the independent auditors the Company’s quarterly financial statements, including disclosures made in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the independent auditors’ review of the quarterly financial statements, prior to submission to stockholders, any governmental body, any stock exchange or the public.

The Chairman of the Committee or his designee will confirm with the independent auditors prior to the issuance of a press release with respect to quarterly financial results that, based on their review, the information contained in such press releases properly reflect the results for the periods presented.

Prior to the publication of the Company’s Quarterly Report on Form 10-Q (and prior to the dissemination of the Company’s Interim Report to Shareholders), the Committee shall communicate with the independent auditors to discuss any matters of the type described in PCAOB Auditing Standard 1301 identified in connection with the interim review. This meeting may take place via conference call. The independent auditors shall communicate to the Committee their findings as to the quality, as well as acceptability, of the Company’s accounting principles and underlying estimates. In addition, the independent auditors shall communicate any findings that would modify or change the findings reported at the annual Audit Committee meeting.

Annual Disclosure

The Committee shall ensure that it has satisfied itself that all inquiries and communications necessary to allow it to make its annual disclosure in the Proxy Statement and its filing with the SEC of its Annual Report on Form 10-K have been made.

The Committee shall annually publish a report to be included in the Company's Proxy Statement and in its filing with the SEC of its Annual Report on Form 10-K. This report shall disclose the names of the Committee members, state that the financial statements were reviewed and discussed with management, state that matters requiring discussion under PCAOB Auditing Standard 1301 were discussed with the independent auditors, state that they have received written disclosures from the independent auditors required by PCAOB Ethics and Independence Rule 3526 with respect to the independence of the independent auditors, and state their recommendation to the Board of Directors of the Company that the audited financial statements be included in the Company's Annual Report on Form 10-K.

Periodic Reviews:

The Committee shall meet separately on a periodic basis with each of management, the independent auditors and the Company's internal auditors to review (a) any significant disagreement between management and the independent auditors or the Company's internal auditors in connection with the preparation of the financial statements, (b) any difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information and (c) management's response to each of (a) and (b).

The Committee shall periodically discuss with the independent auditors, without management being present, (a) their judgments about the quality and appropriateness of the Company's accounting principles and financial disclosure practices as applied in its financial reporting and (b) the completeness and accuracy of the Company's financial statements.

The Committee shall periodically review and discuss with management, the Company's internal auditors, the independent auditors and the Company's in-house and independent counsel, as appropriate, any legal, regulatory or compliance matters that could have a significant impact on the Company's financial statements or periodic reports, including applicable changes in accounting and disclosure standards or rules.

The Committee shall consider and approve, as appropriate, significant changes to the Company's accounting principles and financial disclosure practices as suggested by the independent auditors, management, or the Company's internal auditors.

The Committee shall review with the independent auditors, management and the Company's internal auditors, at appropriate intervals, the extent to which any changes or improvements in accounting and financial practices, as approved by the Committee, have been implemented.

The Committee shall review and discuss with management the Company's earnings press releases, including the use of non-GAAP information, as well as financial and earnings guidance provided to analysts and rating agencies. At least one member of the audit committee should review the Company's earnings press releases before they are released to the public. (See Quarterly Review of Financial Statements, above).

The Committee shall review and discuss with management all material off balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons that may have a material current or future effect on financial condition, changes in financial condition, results of operations, liquidity, capital resources, capital reserves or significant components of revenues or expenses.

Internal Audit Function:

The Committee shall meet with the Company's internal auditors to review their internal control structure, procedures, findings and concerns. During such meetings, the Committee will also review the adequacy of such internal control structure and procedures designed to insure compliance with laws and regulations, and discuss the responsibilities, budget and staffing needs of the Company's internal auditors. Such a meeting shall take place in January or February, prior to the approval of the annual audited financial statements, at a mutually convenient time during the period from July through October and at any time during the year as requested by either the Committee or the Company's internal auditors. Copies of the reports of the Company's internal auditors shall be furnished to the Committee members as they are completed.

The Committee shall review, based upon the recommendation of the independent auditors and the Company's internal auditors, the scope and plan of the work to be done by the Company's internal auditors.

The Committee shall review and approve the appointment and replacement of the Company's chief internal auditor.

The Committee shall review the performance of the Company's internal auditors annually.

The Committee shall review (i) the internal control report prepared by management, including management's assessment of the effectiveness of the Company's internal control structure and procedures for financial reporting and (ii) the independent auditors' attestation, and report, on the assessment made by management.

The Committee shall review drafts of the Disclosure Controls and Procedures section of the SEC reports prepared by management.

Procedures for Complaints:

The Committee shall establish procedures for (1) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (2) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting matters. Other Activities:

The Committee shall review and approve all related-party transactions.

The Committee shall review and approve (a) any change or waiver in the Company's code of ethics for senior executive, financial and accounting officers and (b) any disclosure made on Form 8-K regarding such change or waiver.

The Committee shall obtain and review an annual report from management relating to the accounting principles used in the preparation of the Company's financial statements, including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof.

The Committee shall review and reassess this Charter for adequacy annually and make changes as necessary. The Committee will report to the Board of Directors at the meeting which immediately precedes the Annual Meeting of Shareholders in the month of May.

The Committee will perform any other activities consistent with this Charter, the Company's bylaws and governing law, as the Committee or the Board deems necessary or important.

PLAN OF MEETINGS

The Committee shall meet four times per year, or more, as necessary.

The members of the Committee shall select a chair who will preside at each meeting of the Committee and, in consultation with other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting.

RESOURCES FOR COMMITTEE

The Committee also, as appropriate, may obtain advice and assistance from outside legal, accounting or other advisors without prior approval from the Board of Directors.