

# **OLD DOMINION FREIGHT LINE, INC.**

## **AUDIT COMMITTEE CHARTER**

### **I. PURPOSE**

To establish membership, meeting and responsibility requirements for the Audit Committee of the Board of Directors of Old Dominion Freight Line, Inc. (the “Company”) in its efforts to assist the Board of Directors in fulfilling its oversight responsibilities to shareholders related to accounting and financial reporting practices, including the quality, integrity and regulatory compliance of financial reports. While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the Audit Committee’s responsibility to directly plan or conduct audits to attest that the Company’s financial statements are complete, accurate and in accordance with generally accepted accounting principles.

### **II. MEMBERSHIP**

- A. The Audit Committee shall be comprised of a minimum of three directors.
- B. All Audit Committee members shall be independent as defined by NASDAQ listing standards and the Securities and Exchange Commission (the “SEC”). No Audit Committee member or immediate family member of such Audit Committee member may be an “affiliated person” of the Company, as that term is defined by the SEC.
- C. Audit Committee members, including a Chairman, shall be appointed at the annual meeting of the Board of Directors for one year terms based on the Governance and Nomination Committee’s recommendations. The members of the Audit Committee shall serve until their resignation, retirement or removal by the Board of Directors or until their successors shall be appointed.
- D. All Audit Committee members shall be financially literate and shall be capable of understanding fundamental financial statements, including the balance sheet, income statement and cash flow statement. At least one member shall have past experience in accounting or related financial management to qualify as an “audit committee financial expert”, as that term is defined by the SEC.
- E. Compensation for Audit Committee members shall be solely limited to director fees without any additional direct or indirect compensation from the Company.

### **III. MEETINGS**

- A. The Audit Committee shall meet as many times during the year as deemed necessary to fulfill their responsibilities with at least four meetings each year, and each member is required to attend at least 75% of each year’s meetings.
- B. A majority of the members of the Audit Committee shall constitute a quorum.
- C. The Audit Committee may also conduct meetings by telephone conference calls so long as each committee member can communicate with the other members.
- D. The Audit Committee may form and delegate authority to one or more members of the Audit Committee as deemed necessary to fulfill the Audit Committee’s responsibilities.
- E. Information related to the agenda shall be distributed to the committee members prior to meetings to allow directors to better prepare for meetings.

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- F. Minutes shall be maintained for all Audit Committee meetings and the results reported to the Board of Directors.

### **IV. RESPONSIBILITIES**

#### **GENERAL**

- A. The Audit Committee shall adopt and maintain a formal written charter that shall be approved by the Board of Directors and published on the Company's website. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for its approval.
- B. The Audit Committee shall cause the report required by the rules of the SEC to be included in the Company's proxy statement.
- C. The Audit Committee shall have the charter disclosed in the annual report to the shareholders or the proxy statement at least every three years or in the next year's report if significant amendments are made to the charter.
- D. The Governance and Nomination Committee shall annually review the Audit Committee's performance and report the results to the Board of Directors.
- E. The Audit Committee shall have the authority to obtain opinions or reports from external or internal resources, to the extent required to fulfill its duties, subject to the Board of Directors approval for the required expenditures.
- F. The Audit Committee shall keep minutes of its meetings and periodically report the results of its meetings to the Board of Directors.
- G. The Company shall provide the Audit Committee with the appropriate funding, as determined by the Audit Committee, to compensate any registered public accounting firm or outside consultant engaged by the Audit Committee.
- H. The Audit Committee shall develop and oversee procedures for (i) receiving, retaining and addressing complaints regarding accounting, internal accounting controls or auditing matters, and (ii) confidential and anonymous submissions by Company employees regarding questionable accounting or auditing matters.

#### **EXTERNAL AUDITORS**

- A. The Audit Committee shall be responsible for communicating to the external auditors that the Board of Directors and the Audit Committee are the external auditors' clients and the external auditors are ultimately accountable to the Board of Directors and the Audit Committee.
- B. The Audit Committee shall have the authority to evaluate and recommend the selection or replacement of the external auditors for auditing the financial statements of the Company. The external auditors shall report directly to the Audit Committee.
- C. The Audit Committee shall review and pre-approve the external auditors' written proposed audit scope, fees for the current fiscal year, staffing requirements and non-audit work to be performed by the external auditors.
- D. Pre-approvals of all audit and permissible non-audit services and fees by the Audit Committee, shall be made in accordance with the Company's policy for the

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Approval of Services Performed by Independent Auditors to help ensure compliance with SEC regulatory guidelines and the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”).

- E. The Audit Committee shall annually obtain, in addition to actively engaging in dialogue with the external auditors regarding any relationships or services that may impact the external auditors’ objectivity and independence, a formal statement from the external auditors delineating all relationships between the external auditors and the Company that is consistent with the Independence Standards Board Standard No. 1.
- F. The Audit Committee shall provide for time with the external auditors, out of management’s presence, for discussions concerning internal controls, the quality and clarity of the Company’s financial disclosures, aggressiveness or conservatism of the Company’s accounting principles, underlining significant decisions or estimates by management and any other issues deemed necessary.
- G. The Audit Committee shall review with the external auditors any accounting disagreements with management and any significant audit recommendations made by the external auditors along with the Company’s progress with implementing the corrective actions.
- H. The Audit Committee shall rely on the external auditors to advise them of any significant changes in FASB statements, Company accounting policies, unusual transactions or other uncertainties that should be reviewed by the Audit Committee.
- I. The Audit Committee shall review the coordination of the external and internal audit plans to ensure a complete but non-redundant use of combined audit resources.
- J. The Audit Committee shall review the impact of applicable rotation requirements and staffing independence requirements (particularly with regard to the hiring by the Company of employees or former employees of the external auditor).

### **INTERNAL AUDITORS**

- A. The Audit Committee shall approve the internal audit charter and all subsequent revisions.
- B. The Audit Committee shall review and concur with the appointment, compensation, oversight and dismissal of the Director of Internal Audit.
- C. The Audit Committee shall review and approve the internal auditors’ proposed audit plan for the current fiscal year in addition to monitoring the progress of the audit plan.
- D. The Audit Committee shall annually review the qualifications and size of the internal audit staff for potential deficiencies in achieving audit objectives.
- E. The Audit Committee shall provide for time with the Director of Internal Audit, out of management’s presence, for discussions concerning internal controls, independence, audit authority and any restrictions imposed on the scope of audits or access to required information.
- F. The Audit Committee shall review a summary of the internal audit findings and the Company’s progress with implementing corrective actions.

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### FINANCIAL STATEMENTS / INTERNAL CONTROLS

- A. The Audit Committee shall review and discuss with corporate financial management and the external auditors the disclosure, quality and content of the annual audited financial statements to be included in the Company's annual report on Form 10-K, the quarterly financial statements to be included in Forms 10-Q and any other financial disclosures to be included in SEC filings prior to their release. The Audit Committee shall recommend to the Board of Directors whether the audited financial statements should be included in the Company's Form 10-K.
- B. The Audit Committee shall annually review and discuss the Company's system of internal controls related to financial reporting with the external and internal auditors, including any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees that are reported to the Audit Committee, to ensure compliance with sections 302 and 404 of the Sarbanes-Oxley Act and related SEC rulemaking.
- C. The Audit Committee shall inquire with the external auditors, corporate financial management and the internal auditors regarding significant business risks or exposures to the Company and the Company's plan for minimizing such risks and exposures.
- D. The Audit Committee or the Chairman shall discuss, by meeting or conference call prior to the filing of the Form 10-Q or Form 10-K, significant issues related to the quarterly or annual audited financial statements with corporate financial management and the external auditors.
- E. The Audit Committee shall inquire, review, and approve with the external auditors, corporate financial management and/or the internal auditors any material financial or non-financial arrangements of the Company and all related party transactions, which do or do not appear on the Company's financial statements for possible inclusion in the Company's financial statements.

Revised March 24, 2004