

**CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS
OF TAYLOR DEVICES, INC.**
(Revised August 12, 2015)

Status

The Audit Committee is a committee of the Board of Directors.

Composition

The Audit Committee shall be appointed by resolution passed by a majority of the Board of Directors. A minimum of three directors shall be selected to serve on the Audit Committee, all of whom shall, in the judgment of the Board of Directors, be independent in accordance with the NASD listing standards applicable to the NASDAQ Capital Market.

Each member shall, in the judgment of the Board of Directors, have the ability to read and understand the Company's fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. At least one member of the Audit Committee shall, in the judgment of the Board of Directors, be an "audit committee financial expert" within the meaning of the definition set forth in rules of the Securities and Exchange Commission ("SEC") and at least one member (who may also serve as the audit committee financial expert) shall, in the judgment of the Board of Directors, have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in such member's financial sophistication, including having been a chief executive officer or other senior officer with financial oversight responsibilities in accordance with applicable listing standards.

Funding

The Company shall provide the Audit Committee with appropriate funding to discharge its duties under this Charter.

Purpose

The Audit Committee shall represent and assist the Board of Directors with its oversight of: (a) the integrity of the Company's financial statements and internal controls, (b) the Company's compliance with legal and regulatory requirements therefor, (c) the independent auditor's qualifications and independence and (d) the performance of the Company's internal audit function and independent auditor. Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board of Directors as a whole.

Duties and Responsibilities

Independent Auditor

The independent auditor has ultimate accountability to the Board of Directors and the Audit Committee, as representatives of the shareholders. The Audit Committee shall:

1. Appoint, retain (subject to approval by the Company's shareholders) and terminate when appropriate, the independent auditor, establish the independent auditor's compensation, and pre-approve and directly oversee all audit services to be provided by the independent auditor, including resolution of disagreements between management and the independent auditor regarding financial reporting.

2. Pre-approve all permitted non-audit services to be performed by the independent auditor and establish policies and procedures for the engagement of the independent auditor to provide permitted non-audit services.

3. Receive and review an annual formal written statement from the independent auditor delineating all relationships between the auditor and the Company, consistent with Public Company Accounting Oversight Board Rule 3526; actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor; and take, or recommend that the full Board take, appropriate action to oversee the independence of the auditor.

4. Receive and review: a report by the independent auditor describing the independent auditor's internal quality control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the independent auditing 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 deal with any such issues; and other required reports from the independent auditor.

5. At least annually, consider the independence of the independent auditor, including whether the provision by the independent auditor of permitted non-audit services is compatible with independence, and obtain and review a report from the independent auditor describing all relationships between the auditor and the Company.

Internal Controls

6. Review with the independent auditor: (a) the scope and results of the audit; (b) any problems or difficulties that the independent auditor encountered in the course of the audit work and management's response; and (c) any questions, comments or suggestions the independent auditor may have relating to internal control over financial reporting, disclosure controls and procedures, and accounting practices and procedures of the Company or its affiliates and subsidiaries.

7. Review, at least annually, the scope and results of the Company's internal audit program, including then current and future programs of the Company's internal audit department, any and all procedures for implementing accepted recommendations made by the independent auditor, and any significant matters contained in reports from the internal audit department.

8. Review with the independent auditor, the Company's internal audit department and management: (a) the adequacy and effectiveness of the systems of internal control over financial reporting (including any significant deficiencies and significant changes, as reported to the Audit Committee by the independent auditor or management), accounting practices, and disclosure controls and procedures (and management reports thereon), of the Company and its affiliates or subsidiaries; and (b) current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.

9. Review with the independent auditor, the Company's internal audit department and management, when and as such requirements are applicable: (a) the annual report of management on the Company's internal control over financial reporting required under Section 404 of the Sarbanes-Oxley Act of 2002; and (b) the attestation report from the independent auditor regarding management's assessment of the Company's internal control over financial reporting.

10. Review descriptions of related party transactions under the Company's policy on related party transactions.

11. Review each related party transaction for fairness to the Company and its shareholders; approve and/or modify it, or direct that it be abandoned; and report to the Board regarding the Committee's determination.

12. In connection with any related party transaction arguably required to be reported in the Company's annual meeting proxy statement: identify such transaction as one where either no review, approval or ratification is necessary, or where the Company's policy on related party transactions has not been followed.

Compliance and Disclosure

13. Review certifications signed by the chief executive officer and the chief financial officer in connection with any periodic reports filed by the Company with the SEC, and discuss with such individuals the adequacy of the Company's design and operation of its internal control over financial reporting, its disclosure controls and procedures, and any fraud or potential fraud, if any, involving management or employees in connection with any internal control function, as required by the Sarbanes-Oxley Act of 2002 and related rules and regulations.

14. Review with management and the independent auditor, the annual and quarterly financial statements of the Company, including: (a) the Company's disclosures under "Management's Discussion and Analysis or Plan of Operation;" (b) any material changes in accounting principles or practices used in preparing the financial statements prior to the filing with the SEC of a report on Form 10-K or 10-Q; and (c) the items required by the Public Company Accounting Oversight Board Auditing Standard No. 16 (Communication with Audit Committees)..

15. Recommend to the Board of Directors, based on the review described in paragraphs 4 and 10 above, whether the Company's financial statements should be included in the annual report on Form 10-K.

16. Review earnings press releases, as well as Company policies with respect to the earnings press releases, financial information and earnings guidance provided to analysts and rating agencies.

17. Discuss Company policies with respect to risk assessment and risk management, and review contingent liabilities and risks that may be material to the Company and major legislative and regulatory developments which could materially impact the Company's contingent liabilities and risks.

18. Review: the status of compliance with applicable laws, regulations, internal control over financial reporting, and disclosure controls and procedures; and the scope and status of systems designed to promote Company compliance with laws, regulations and internal procedures, through receiving reports from management, legal counsel and third parties, as determined by the Audit Committee.

Administration

19. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential and anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

20. Establish policies for the hiring of employees and former employees of the independent auditor.

21. Retain, in its sole discretion and at the Company's expense, special independent accounting, legal, or other advisors, as the Audit Committee deems necessary in the performance of its duties and responsibilities.

22. Conduct an annual performance evaluation of the Audit Committee and annually evaluate the adequacy of this Audit Committee Charter.

Meetings

The Audit Committee shall meet not less than four times each year and at such other times as it deems necessary to fulfill its responsibilities. The Audit Committee shall periodically meet separately in executive session

with management, the internal auditor and the independent auditor. The Audit Committee shall report regularly to the Board of Directors with respect to its activities and make recommendations to the Board of Directors, as appropriate.

Report

The Audit Committee shall prepare a report each year for inclusion in the Company's proxy statement relating to the election of directors.