

NAVISTAR INTERNATIONAL CORPORATION AUDIT COMMITTEE CHARTER

PURPOSE:

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board" and each such director thereof a "Director") of Navistar International Corporation (the "Corporation") to assist the Board in fulfilling its responsibility for oversight of (i) the integrity of the financial statements of the Corporation, including a system of internal control over financial reporting and disclosure controls and procedures (ii) the Corporation's compliance with legal and regulatory requirements, (iii) the independence and qualifications of the Corporation's independent auditor, (iv) the performance of the Corporation's internal audit and corporate compliance function and independent auditor, (v) the preparation of disclosure required by Item 407(d)(3)(i) of Regulation S-K and (v) for other such duties as directed by the Board.

MEMBERSHIP:

The Committee shall be composed of no fewer than three Directors each of whom shall be financially literate and generally knowledgeable in financial and auditing matters as determined by the Board, including at least one member who shall be an "audit committee financial expert" as defined by the rules of the U.S. Securities and Exchange Commission. Committee members shall be designated by the Board and shall serve until their successors shall be duly designated or until such member's early resignation or removal. Committee members may be replaced by the Board at any time with or without cause. Once a year, in accordance with the listing standards applicable to the Corporation, the Corporation shall make a written affirmation of compliance to the national securities exchange on which the Corporation's securities are listed regarding the financial literacy of all Committee members and the accounting or related financial management expertise of at least one member.

Each member shall be free of any relationship (including disallowed compensatory arrangements) that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment, and shall be an Independent Director (as defined in the Board's Corporate Governance Guidelines and as set forth in the listing standards applicable to the Corporation, or if the Corporation's securities are not listed on a national securities exchange, as set forth in the committee standards adopted by the New York Stock Exchange ("NYSE"), as both may be amended over time). Members of the Committee may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Corporation or any of its subsidiaries other than compensation for serving as a Director and may not be affiliated persons of the Corporation or any subsidiary. No Director may serve as a member of the Committee if such Director serves on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such Director to serve effectively on the Committee. An Independent Director appointed by the Board shall chair the Committee. He or she shall be responsible for leadership of the Committee, including determining the agenda for Committee meetings (with input from Committee members and in consultation with management, the chief internal audit executive and the independent auditor), presiding over the meetings, and reporting to the Board. The chair of the Committee will also maintain regular liaison with the management of the Corporation, the lead independent audit partner and the chief internal audit executive.

MEETINGS:

The Committee shall meet as often as it determines to be necessary or appropriate. The Committee shall meet separately, periodically, with management, the chief internal audit and corporate compliance executive and also with the Corporation's independent auditor to discuss any matters that the Committee or the other party believes should be discussed privately. All meetings of the Committee shall be held pursuant to the by-laws of the Corporation and shall be governed by the same rules regarding meetings (including meetings by telephonic conference or similar communications equipment), action without meetings, notice, waiver of notice and quorum and voting requirements as contained in the by-laws of the Corporation and applicable to the Board. The Committee shall cause to be kept adequate minutes of its proceedings and the results of Committee meetings shall be reported to the full Board.

AUTHORITY:

In carrying out its responsibilities, the Committee shall have full access to the independent auditor, the internal auditors, the corporate compliance department, any of the Corporation's attorneys and advisors and such executive and other personnel of the Corporation as in its judgment seems appropriate. In

addition, the Committee shall have the authority to adopt policies and procedures that it believes are necessary or appropriate to enable it to react to changing conditions and to increase the confidence of the Board and the Corporation's stockholders that the corporate accounting and reporting practices comply with all regulations. Except as otherwise provided herein, the Committee shall recommend to the Board for its approval (1) the retention of such independent consulting, legal and other advisors as the Committee deems appropriate and (2) the retention terms, fees and expenses of such advisors, which fees and expenses shall be paid by the Corporation upon the Board's approval thereof.

While the Committee has the responsibilities and powers set forth herein, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles ("GAAP"). This is the responsibility of the Corporation's management and the independent auditors. Nor is it the duty of the Committee to conduct investigations or to assure compliance with laws and regulations and the Corporation's corporate policies.

SUBCOMMITTEES:

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee and, to the extent not expressly reserved to the Committee by the Board, or by applicable law, rule or regulation, to any other committee of the Board, which may or may not be composed of members of the Committee; provided, however, that all subcommittee members must be composed entirely of members who satisfy the membership criteria as set forth above.

RESPONSIBILITIES:

In furtherance of its purpose, the Committee shall have the following authority and responsibilities:

1. Review and discuss with management and the independent auditor, the Corporation's annual audited financial statements, and all internal control reports (or summaries thereof) including the Corporation's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any other matters required to be reviewed under applicable legal, regulatory or New York Stock Exchange requirements and recommend to the Board the inclusion of the Corporation's audited financial statements in the Corporation's annual report on Form 10-K. The review shall be undertaken prior to filing the annual report on Form 10-K and shall include consideration of the application of the Corporation's accounting principles and their impact on the quality of its financial reporting;
2. Review and discuss with management and the independent auditor the Corporation's quarterly financial statements on Form 10-Qs prior to filing the reports with the U.S. Securities and Exchange Commission;
3. Discuss with management and the independent auditor, as appropriate, the process and procedures and content with respect to earnings press releases, as well as financial information and earnings guidance provided to analysts and to rating agencies. This discussion may be conducted generally as to the type of information to be disclosed and type of presentation to be made, and need not necessarily include advance review of each release, other information or guidance. This function may be performed by the Chair of the Committee or the full Committee. Further, the Corporation expects Committee members to attend quarterly analyst calls, if available, and to review transcripts of the call if members were unable to attend;
4. In connection with each periodic report of the Corporation, review management's disclosure to the Committee required under §302 of the Sarbanes-Oxley Act (the "Act") with respect to the Corporation's disclosure controls and procedures and internal control over financial reporting, and the content of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") certifications required by §302 and §906 of the Act and of management's annual report on internal controls required by Section 404 of the Act and the independent auditor's attestation of such report;
5. Discuss with management the adequacy of the Corporation's significant reserves and provisions made in connection with the preparation of the Corporation's financial statements;
6. Select the independent auditor to be retained to audit the financial statements of the Corporation. In so doing, the Committee shall request from the independent auditor at least annually a written affirmation that the auditor is in fact independent under applicable standards, and discuss with the auditor any relationships that may impact the auditor's independence. The

Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor, including, monitoring the rotation of the lead audit partner, the concurring review partner, the client service partner and other partners as required by rule, law or as otherwise deemed appropriate. The independent auditor shall report directly to the Committee. The Committee shall have the sole authority to approve all audit engagement fees and terms, and the Committee, or the chair of the Committee, shall pre-approve any permitted non-audit service provided to the Corporation by the independent auditor in accordance with Section 10A(i) of the Securities Exchange Act of 1934 and the Corporation's own policy. In carrying out its duties under this paragraph, if the Committee approves an audit service within the scope of engagement of the independent auditor, such audit service shall be deemed to have been pre-approved for purposes of this paragraph;

7. Review the auditing services with the independent auditor, including the plan, fees, scope and the results of their auditing engagements;
8. Discuss with the independent auditor and management, as appropriate, any audit problems or difficulties encountered during the course of the audit, and management's response;
9. Obtain and review at least annually a formal written report from the independent auditor delineating: the independent auditor's internal quality-control procedures; any material issues raised within the preceding five years by the independent auditor's internal quality-control reviews, by peer reviews of the firm, or by any governmental or other inquiry or investigation relating to any audit conducted by the firm; and all relationships between the independent auditor and the Corporation. The Committee will also review steps taken by the independent auditor to address any findings in any of the foregoing reviews;
10. Set clear policies for the hiring of employees or former employees of the Corporation's independent auditor;
11. Review the Corporation's programs for compliance with the financial disclosure requirements of applicable law;
12. Review with management, the chief internal audit executive and the independent auditor the Corporation's processes to maintain an adequate system of internal controls;
13. Review with financial management, the chief internal audit executive and the independent auditor at least annually the Corporation's critical accounting policies along with any significant changes in GAAP standards;
14. Provide guidance and oversight to the internal audit activities of the Corporation including (i) approve the charter of the internal audit function, (ii) approve the risk assessment, audit plan and budget of the internal audit function, (iii) approve the appointment, removal, evaluation, and compensation of the chief internal audit executive, (iv) receive communications directly from the chief internal audit executive on the results of internal audit activities or other matters that he or she determines necessary, including private meetings without management present, and (v) determine whether there are scope, budgetary or staffing limitations that impede the ability of the internal audit function to execute its responsibilities;
15. Provide guidance and oversight to the corporate compliance activities of the Corporation including (i) approve the charter of the corporate compliance function, (ii) approve the compliance plan and budget of the corporate compliance function, (iii) approve the appointment, removal, evaluation and compensation of the chief corporate compliance executive (iv) receive communications directly from the chief corporate compliance executive on the results of compliance activities or other matters that he or she determines necessary, including periodic private meetings at least quarterly without management present and (v) determine whether there are scope, budgetary or staffing limitations that impede the ability of the corporate compliance function to execute its responsibilities;
16. Review the Board's and the Corporation's compliance with the Corporation's Code of Conduct and review and approve any waivers under such code so required by the Committee;
17. Review and recommend to the Board for its approval either to approve, ratify, reject or take other action with respect to Related Person Transactions pursuant to the Corporation's Policy and

Procedures with Respect to Related Person Transactions and periodically reassess such policy and recommend to the Board for its approval any proposed changes;

18. Prepare and approve the Audit Committee Report in accordance with the rules and regulations of the U.S. Securities and Exchange Commission for inclusion in the Corporation's annual proxy statement;
19. Establish procedures for receiving, retaining and treating confidential and non-confidential complaints about accounting, internal accounting controls and auditing matters;
20. Review expenses reported by the Board and the executive officers of the Corporation;
21. Discuss policies and guidelines with respect to risk assessment and risk management. The Committee shall discuss the Corporation's major financial risk exposure and the steps management has taken to monitor and control such exposure. The responsibility for risk assessment and management may be delegated to other committees of the Board, but the Committee must maintain responsibility for discussing guidelines and policies to govern the process by which risk assessment and management is undertaken. The Committee shall oversee and discuss any risks related to the Corporation's financial statement compliance and control environment;
22. Discuss with management the status of legal and regulatory matters, taxation matters and other areas of oversight related to legal and compliance matters as may be appropriate;
23. Conduct and present to the Board an annual performance evaluation of the Committee;
24. Reassess the charter of the Committee at least annually and present to the Board for its review and approval any proposed changes;
25. Provide recommendations to the Board regarding any proposal received from a stockholder concerning any of the foregoing matters which the stockholder proposes to present for action by the Corporation's stockholders; and
26. Perform such other duties and responsibilities as may be assigned to the Committee by law, the Corporation's certificate of incorporation or by-laws or the Board.

AS ADOPTED BY THE BOARD OF DIRECTORS ON APRIL 17, 2018