

CHARTER OF THE AUDIT COMMITTEE

This Charter (the “Charter”) of the Company’s Audit Committee (the “Committee”) was adopted on March 2, 2016. As used herein, the term “Company” shall refer to QiG Group, LLC, a Delaware limited liability company, prior to the date of completion of the spin-off from Greatbatch, Inc. (the “Spin-off Date”), and Nuvectra Corporation, a Delaware corporation, on and after the Spin-off Date. The term “Board” shall refer to the Board of Managers of QiG Group, LLC prior to the Spin-off Date, and to the Board of Directors of Nuvectra Corporation on and after the Spin-off Date.

I. PURPOSE

1. The purpose of the Committee is to carry out the responsibilities delegated to it by the Board relating to oversight of the integrity of the Company’s financial reporting and internal control systems, compliance with legal and regulatory requirements, evaluation of enterprise risk issues, and the performance and independence of the Company’s outside auditors, in compliance with applicable rules, regulations and guidelines promulgated by the NASDAQ Stock Market (“NASDAQ”), the Securities and Exchange Commission (the “SEC”) and other applicable law, as amended from time to time.
2. The primary responsibility of the Committee is the oversight of the Company’s financial reporting systems and procedures. To fulfill this oversight role, the Committee relies on: the Company’s management for the preparation and accuracy of the Company’s financial statements; the Company’s management for establishing effective internal controls and procedures to ensure the Company’s compliance with accounting standards, financial reporting procedures and applicable laws, regulations, and listing requirements; and the Company’s independent auditors for an unbiased, diligent audit or review of the Company’s financial statements and internal controls (as may be required by applicable law).

II. MEMBERS

1. The Committee shall consist of three (3) or more directors. Each member of the Committee shall be independent in accordance with the NASDAQ listing rules and the applicable rules and regulations promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provided, however, for so long as the Company is permitted to avail itself of the “phase-in” exemption for newly public companies in accordance with the NASDAQ listing rules and the applicable rules and regulations promulgated under Exchange Act, one or more of the members may not be independent in accordance with the NASDAQ listing rules and the applicable rules and regulations promulgated under the Exchange Act.

2. No member of the Committee shall have participated in the preparation of the Company's or any of its subsidiaries financial statements at any time during the past three (3) years.
3. Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. At least one member of the Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background that leads to financial sophistication. At least one member of the Committee must be an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K. A person who satisfies this definition of audit committee financial expert will also be presumed to have financial sophistication.
4. The members of the Committee shall be appointed by the Board. The Board shall designate a member of the Committee as the chairperson (the "Chair"). The members of the Committee shall be appointed for one-year terms and shall serve for such term or terms as the Board may determine or until earlier removal, resignation or death. Members may be removed from the Committee by the Board at any time with or without cause and prior notice. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

III. MEETINGS AND PROCEDURES

1. The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. An agenda, together with materials relating to the subject matter of each meeting, shall be delivered to members of the Committee prior to each meeting. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as these rules and procedures are not inconsistent with any provisions of the Company's by-laws or certificate of incorporation that are applicable to the Committee, which includes delivery of notice at least four days in advance of a special meeting of the Committee and no advance required for a regular meeting of the Committee. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.
2. In order to discharge the Committee's responsibilities, the Chair shall annually establish a meeting schedule to be approved by the Board; additional meetings may be scheduled by the Chair or the Chairman of the Board as required. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee shall review this

Charter at least annually and recommend any proposed changes to the Board for approval.

3. Minutes of meetings shall be prepared to document the Committee's discharge of its duties. Each set of minutes shall be circulated in draft form to the Chairman of the Committee or to all members of the Committee to ensure an accurate record and shall be approved at a subsequent meeting of the Committee.
4. The Committee shall meet separately and periodically with management, the Company's internal auditor and representatives of the Company's independent auditors, and shall invite such individuals to its meetings as it deems appropriate.
5. The Company shall receive appropriate funding from the Company, as determined by the Committee, for the payment of compensation to the Company's independent auditors and any other accounting firm engaged to perform services for the Company.
6. Consistent with all applicable laws, regulations, and NASDAQ listing rules, the Committee may also retain any independent counsel, experts, advisors or consultants that the Committee believes, in its sole discretion, to be desirable and appropriate. The Committee may also use the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
7. The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation therewith, to a subcommittee consisting of one or more members of the Committee, to the extent consistent with the Company's certificate of incorporation, by-laws, and applicable laws, regulations and NASDAQ listing rules.

IV. DUTIES AND RESPONSIBILITIES

The Committee shall have the following authority and responsibilities:

1. To (i) select and retain an independent registered public accounting firm to act as the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting (as may be required by applicable law); (ii) set the compensation of the Company's independent auditors; (iii) oversee the work done by the Company's independent auditors; and (iv) terminate the Company's independent auditors, if necessary.
2. To select, retain, compensate, oversee and terminate, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing

- an audit report or performing other audit, review or attest services for the Company.
3. To pre-approve all audit and permitted non-audit and tax services that may be provided by the Company's independent auditors, and establish policies and procedures for the Committee's pre-approval of permitted services by the Company's independent auditors or other registered public accounting firms on an ongoing basis. The Committee may delegate to one (1) or more designated members of the Committee the authority to grant pre-approvals, provided such approvals are presented to the Committee at a subsequent meeting of the Committee. Unless the Committee resolves otherwise, the Chair is deemed to have been delegated such authority. If the Committee elects to establish pre-approval policies and procedures regarding non-audit services, the Committee must be informed of each non-audit service provided by the independent auditor in accordance with this policy. Committee pre-approval of non-audit services (other than review and attest services) also will not be required if such services fall within available exceptions established by the SEC.
 4. To obtain and review a report by the Company's independent auditors, at least annually, that describes (i) the accounting firm's internal quality control procedures; (ii) any issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board (the "PCAOB") review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues; and (iii) all relationships between the firm and the Company or any of its subsidiaries. The Committee shall review with the independent auditor any disclosed relationships or services that, in the view of the Committee, may impact the objectivity and independence of the independent auditor. If the Committee determines that further inquiry is advisable, it shall take appropriate action to satisfy itself of the auditor's independence.
 5. To evaluate at least annually the qualifications, performance and independence of the Company's independent auditors.
 6. To review and discuss with the Company's independent auditors (i) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process; (ii) the overall audit strategy; (iii) the scope and timing of the annual audit; (iv) any significant risks identified during the auditors' risk assessment procedures; and (v) when completed, the results, including significant findings, of the annual audit.
 7. To review and discuss with the Company's independent auditors (i) all critical accounting policies and practices to be used in the audit; (ii) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred

- by the auditors; and (iii) other material written communications between the auditors and management.
8. To review and discuss with the Company's independent auditors and management (i) any audit problems or difficulties, including difficulties encountered by the Company's independent auditors during their audit work (such as restrictions on the scope of their activities or their access to information); (ii) any significant disagreements with management; and (iii) management's response to these problems, difficulties or disagreements; and to resolve any disagreements between the Company's auditors and management.
 9. To review with management and the Company's independent auditors: any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods; and the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.
 10. To review and discuss with the Company's independent auditors, the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related parties, including any significant matters arising from the audit regarding the Company's relationships and transactions with related parties.
 11. To review with management and the Company's independent auditors: the adequacy and effectiveness of the Company's financial reporting processes; internal control over financial reporting and disclosure controls and procedures, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's processes, controls and procedures and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such processes, controls and procedures; and review and discuss with management and the Company's independent auditors disclosure relating to the Company's financial reporting processes, internal control over financial reporting and disclosure controls and procedures.
 12. To review and discuss with the Company's independent auditors any other matters required to be discussed by PCAOB Auditing Standards No. 1301.
 13. To review and discuss with the Company's independent auditors and management the Company's annual audited financial statements (including the related notes), the form of audit opinion to be issued by the auditors on the financial statements and the disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") to be included in the Company's Annual Report on Form 10-K before the report is filed.

14. To recommend to the Board that the audited financial statements and the MD&A section be included in the Company's Annual Report on Form 10-K and produce the audit committee report required to be included in the Company's proxy statement.
15. To review and discuss with the Company's independent auditors and management the Company's quarterly financial statements and the disclosure under the MD&A to be included in the Company's Quarterly Report on Form 10-Q before the report is filed.
16. To review and discuss with management and the Company's independent auditors the Company's earnings press releases, including the type of information to be included and its presentation and the use of any pro forma or adjusted non-GAAP information, before their release to the public, and any financial information and earnings guidance provided to analysts and ratings agencies, including the type of information to be disclosed and type of presentation to be made.
17. To establish and oversee procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
18. To review and discuss with management the enterprise level risks faced by the Company and the policies, guidelines and processes by which management assesses and manages the Company's risks.
19. To review the Company's compliance with applicable laws and regulations and to review and oversee the Company's policies, procedures and programs designed to promote and monitor legal, ethical and regulatory compliance.
20. To review and concur with Company management in the appointment, replacement, reassignment or dismissal of the Company's director of internal audit or person performing such function. To coordinate with the Company's Governance and Nomination Committee, to develop and recommend to the Board for approval a Company Code of Conduct (the "Code"); monitor compliance with the Code; investigate any alleged breach or violation of the Code; enforce the provisions of the Code; and review the Code periodically and recommend any changes to the Board.
21. To review, with the General Counsel and outside legal counsel, legal and regulatory matters, including legal cases against or regulatory investigations of the Company and its subsidiaries, that could have a significant impact on the Company's financial statements.
22. To develop and recommend to the Board for approval a Company policy for the review and approval of related party transactions and to review, approve and oversee any transaction between the Company and any related person (as defined

in Item 404 of Regulation S-K) and any other potential conflict of interest situations on an ongoing basis in accordance with the Company's policies and procedures.

23. To perform an annual evaluation of the performance of the Committee and its members, including a review of this Charter and the Committee's compliance with this Charter, and provide any written material with respect to such evaluation to the Board, as appropriate, including any recommendations for changes in procedures or policies governing the Committee.
24. To carry out any other duties that may be delegated to the Committee by the Board from time to time.