

**UCBH HOLDINGS, INC. AND
UNITED COMMERCIAL BANK**

CHARTER OF THE AUDIT COMMITTEE

STATEMENT OF POLICY

The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities to oversee the accounting, auditing and financial reporting processes of the Company and the internal and external audit processes. In particular, the Committee focuses on the qualitative aspects of financial reporting to shareholders, processes to manage the business, operational and financial risks and compliance with significant applicable ethical, legal and regulatory requirements as they relate to accounting, auditing and financial reporting. In discharging its responsibilities, the Committee shall:

- Serve as an independent and objective party to monitor the Company's financial reporting process and internal control system.
- Review and evaluate the audit procedures and results of the Company's independent and internal audit.
- Maintain free and open means of communication with the independent auditor, the internal auditor and management, including private sessions with each.
- Maintain free and open means of communication (including procedures for confidential and anonymous submissions) between employees and the Committee for the receipt, retention and processing of complaints regarding accounting or auditing matters, including suspicious or fraudulent activity.
- Review and update this Charter for consideration by the Board of Directors and perform an evaluation of committee performance at least annually.

ORGANIZATION

The members of the Committee shall be appointed and may be removed by the Board of Directors. The Committee may initiate special investigations, and, if appropriate, may retain its own outside legal, accounting or other advisors and shall have the authority to determine the degree of independence required from those advisors. The Company shall provide appropriate funding as determined by the Committee to permit the Committee to perform its duties under this Charter and to compensate its advisors. The Committee shall meet at least four times per year, including in executive session at least two times per year, and shall report directly to the Board any issues that arise with respect to the quality and integrity of the Company's financial performance, reporting and regulatory compliance. The Committee may also meet periodically by itself to discuss matters it determines require private Committee attention. A majority of the Committee shall be a quorum. The Committee shall maintain minutes and other relevant documentation of all of its meetings.

QUALIFICATIONS

The Committee shall be composed of at least three (3) directors. Each member of the Committee shall meet the independence requirements of the rules of the Nasdaq Stock Market, the rules and regulations promulgated by the Securities and Exchange Commission and other applicable law, all as determined by the Board of Directors under applicable law. The members of the Committee, as determined by the Board of Directors, shall also meet applicable financial knowledge requirements, and at least one member shall be an “audit committee financial expert” as that term is defined in applicable rules. No member of the Committee shall have participated in the preparation of financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years.

INDEPENDENT AUDITORS

The Committee shall have the sole authority to appoint, compensate, retain and oversee the independent auditor. The Committee shall review with the independent auditor the nature and scope of any disclosed relationships or professional services, shall approve in advance all audit and non-audit services, and shall take appropriate action to ensure the continuing independence of the accountant. The Committee shall disclose any approved non-audit services in periodic reports as required. The Committee shall set clear guidelines relating to the Company’s hiring of employees or former employees of the independent auditor to ensure continued independence.

The Committee shall, on an annual basis, obtain from the independent auditor written disclosure delineating all of its relationships and professional services as required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees and shall discuss with the independent auditor any disclosed relationships or services that may impact the independent auditor’s objectivity and independence. The Committee shall obtain and review a report of the independent auditor describing its internal quality-control procedures, material issues raised by the most recent internal quality-control review of the independent auditor or any inquiry or investigation by any governmental authority involving any audits carried out by the independent auditor in the preceding five years and any steps taken to deal with any such issues. After reviewing the independent auditor’s report, the Committee shall evaluate the accountant’s qualifications, performance and independence and shall take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditor. The Committee shall consider the opinions of management and the internal auditor in making such evaluation.

As required by law, the Committee shall assure the regular rotation of the lead and concurring audit partner, and consider whether there should be a regular rotation of the firm itself.

The independent auditor shall report directly to the Committee. The independent auditor shall discuss with the Committee all critical accounting policies and practices to be used, all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management and the potential ramifications of using such alternative treatments. The independent auditor shall also inform the Committee of material written communications between the independent auditor and management.

The Committee shall discuss with the independent auditor and then disclose the matters to be discussed and disclosed pursuant to the Statement of Auditing Standards No. 61, including any difficulties the independent auditor encountered in the course of the audit work, any restrictions on the scope of the auditor's activities or on access to requested information, and any significant disagreements with management.

INTERNAL AUDIT

The internal auditor shall report directly to the Chair of the Committee, with administrative oversight provided by an appropriate executive officer of the Company. The Committee will oversee the internal audit function to assess the adequacy and effectiveness of the internal control and financial reporting systems and to determine that the internal auditor is establishing, maintaining and executing appropriate audit programs, policies and procedures that govern the examination and audit of the ledgers, records, procedures, systems, operations, and regulatory compliance of the Company and its affiliates.

FINANCIAL REPORTING OVERSIGHT

In discharging its responsibilities to oversee governmental and public reporting of financial information, the Committee shall:

- Review the annual financial statements, to be included in the Company's annual report to stockholders and its annual report on Form 10-K with financial management and the independent auditor. Review with the independent auditor the results of its annual examination of the financial statements. This review shall cover discussion of all items required by generally accepted auditing standards regarding required communications with audit committees and shall ascertain that the results of any internal audit activity or regulatory reports were appropriately considered in preparing the financial statements. It is not the responsibility of the Committee to prepare and certify the Company's financial statements, plan or conduct audits, determine that the financial statements are complete and accurate and are in accordance with generally accepted accounting principles, guaranty the independent auditor's report or guaranty other disclosures by the Company. These are the fundamental responsibilities of management and the independent auditor. Committee members are not full time employees of the Company and are not performing the functions of accountants or auditors.
- Review the quarterly financial results and information with financial management, the independent auditor, and the internal auditor to determine that the independent auditor does not take exception to the disclosure and content of the financial statements on Form 10-Q, to determine that the results of any internal audit activity or regulatory reports were appropriately considered in preparing the financial statements, and to discuss any other matters required to be communicated to the Committee by the independent accountant.

- Review and discuss with management and/or the independent auditor management's assessment of internal controls, and the resolution of any identified significant deficiency or material weakness and reportable conditions in the Company's internal controls; and review the Company's anti-fraud program annually including management's overall risk assessment, controls and testing performed.
- Review the types of presentation and information to be included in earnings press releases.
- Review the form and content of the certification documents for Form 10-Q and Form 10-K with the independent auditor, the chief financial officer and the chief executive officer.
- Review the basis for the disclosures made in the annual report to stockholders under the heading Management's Report on Internal Controls regarding the control environment of the Company.
- Prepare, review and approve the annual proxy disclosure regarding the activities and report of the Committee.
- Resolve any disagreements between management and the independent auditor regarding financial reporting.
- Review and maintain, as appropriate, compliance with the Company's code of conduct.
- Review the Bank's regulatory compliance program and management reports required to be issued by the applicable bank regulators and corresponding attestation reports of the independent auditors.
- Establish and oversee procedures for the receipt, retention, and treatment of ("Whistleblower") complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Review and reassess the adequacy of this Charter on an annual basis.
- Review and approve or disapprove all significant related party transactions and potential conflict of interest situations.