

NCI BUILDING SYSTEMS, INC.

Audit Committee Charter

[Amended and Restated September 1, 2005]

Organization

There shall be a permanent committee of the Board of Directors (the “Board”) known as the Audit Committee (the “Committee”). The Committee shall be composed of three or more directors, each of whom shall meet the independence and experience requirements of the New York Stock Exchange (“NYSE”), Section 10A(m)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (the “SEC”). At least one member of the Committee shall be an “audit committee financial expert” as defined by the SEC.

The members of the Committee shall be appointed by the Board based on the recommendations of the Nominating and Governance Committee, and shall serve for such term or terms as the Board determines or until their successors are elected or appointed. Members of the Committee may be removed at any time without cause by the affirmative vote of a majority of the Board. Vacancies resulting from resignation or removal shall be filled by the Board based on the recommendations of the Nominating and Governance Committee. The Board shall designate a chairperson for the Committee.

A Committee member shall not simultaneously serve on the audit committees of more than two other public companies, unless the Board affirmatively determines that such simultaneous service would not impair the ability of that director to effectively serve on the Committee. Service on more than two other audit committees and the Board’s determination to allow such simultaneous service shall be disclosed to the fullest extent required by the rules and regulations of the NYSE and applicable law.

Meetings

The Committee shall meet as often as it determines, but not less than quarterly. The Chairman of the Committee, any two members of the Committee or, at the request of any Committee member, the Chairman of the Board may call meetings of the Committee. Meetings of the Committee may be held telephonically and any member may participate in any meeting telephonically.

The Committee shall meet periodically with management, persons performing internal audit functions, and the independent auditor in separate executive sessions and with or without the presence of anyone or more of the foregoing present at a particular executive session. The Committee may request any officer or employee of the Company or the Company’s outside counselor independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Purposes of the Committee

The Committee shall provide assistance to the Board in fulfilling its responsibilities relating to corporate accounting and reporting practices of the Company and the quality and integrity of the financial reports of the Company. In particular, the Committee will assist the Board in monitoring

- (1) The integrity of the financial statements of the Company;
- (2) The compliance by the Company with legal and regulatory requirements;
- (3) The independence and qualifications of the Company's independent auditors;
- (4) The performance of the Company's internal audit function and of its independent auditors; and
- (5) Prepare the report of the Committee required by the rules of the SEC to be included in the Company's annual proxy statement.

Committee Authority and Responsibilities

The Committee shall have and may exercise all the powers of the Board, except as may be prohibited by law, with respect to all matters encompassed by this Charter, and all the power and authority required under the Sarbanes-Oxley Act of 2002. The Committee shall have the sole authority to appoint, retain, replace or terminate the independent auditor. The Committee shall be directly responsible for the compensation, evaluation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report, performing other audit, review, attestation or related services or work for the Company. The independent auditor shall report directly to the Committee.

The Committee shall pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Committee prior to the completion of the audit.

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain, set the compensation and other terms of engagement of and terminate the retention of independent legal, accounting or other advisors or consultants. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing

other audit, review or attest services, and compensation to any advisors or consultants employed by the Committee.

The internal auditor shall report directly to the Committee and tasks or duties assigned to the internal auditor by the Committee shall take precedence over tasks and duties assigned by management.

The Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and, if appropriate, recommend any proposed changes to the Board for approval. The Committee shall annually review and evaluate the Committee's own performance. The Committee shall conduct such review and evaluation in such manner as it deems appropriate and report the results of its review and evaluation to the entire Board.

In carrying out its responsibilities, the Committee, and each member of the Committee in his or her capacity as such, shall be entitled to rely, in good faith, on information, opinions, reports or statements, or other information prepared or presented to them by (i) officers and other employees of the Company or its subsidiaries, whom such member believes to be reliable and competent in the matters presented, and (ii) counsel, public accountants, consultants or other persons as to matters which the member believes to be within the professional competence of such person, including, without limitation, representations by management and the independent auditors regarding non-audit services provided to the Company by the independent auditors.

In carrying out its responsibilities, the Committee's policies and procedures will remain flexible, to best react to changing conditions and to ensure to the Board and stockholders that the corporate accounting and reporting practices of the Company are in accordance with all requirements and are of the highest quality.

In carrying out these responsibilities, the Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Annual Report on Form 10-K.
2. Review and discuss with management and the independent auditor the Company's quarterly financial statements, including disclosures made in management's discussion and analysis, prior to the filing of its Quarterly Reports on Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
3. Discuss with management and the independent auditor (i) major issues regarding accounting principles and financial statement presentations, including significant

changes in the selection or application of accounting principles, (ii) analyses prepared by management and/or the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, including analyses of the effects of alternative methods of generally accepted accounting principles on the financial statements, and (iii) any major issues as to the adequacy of the Company's internal control over financial reporting and any special steps adopted in light of material control deficiencies.

4. Review and discuss with the independent auditors, not less than quarterly, reports of the independent auditors regarding:
 - (a) Critical accounting policies and practices to be used;
 - (b) Alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
 - (c) Other material written communications between the independent auditor and management, such as any management letter provided by the independent auditor and management's response to that letter, any management representation letter, any reports on observations and recommendations on internal control over financial reporting, any schedules of unadjusted audit differences and a listing of adjustments and reclassifications not recorded, if any, and any engagement or independence letters.¹
5. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
6. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the

¹ Exchange Act Section 10A(k) ("Each registered public accounting firm that performs for any issuer any audit required by this title shall timely report to the audit committee of the issuer— (1) all critical accounting policies and practices to be used; (2) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the issuer, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the registered public accounting firm; and (3) other material written communications between the registered public accounting firm and the management of the issuer, such as any management letter or schedule of unadjusted differences."); *see also* SEC Release 33-8183 (January 28, 2003) ("Examples of additional written communications that we expect will be considered material to an issuer include: management representation letter; reports on observations and recommendations on internal controls; schedule of unadjusted audit differences, and a listing of adjustments and reclassifications not recorded, if any; engagement letter; and independence letter.").

Company's financial statements, including oversight and review of commitments and responsibilities of joint ventures of the Company.

7. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies and guidelines.
8. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work and any restrictions on the scope of activities or access to requested information, including management's response thereto, and any significant disagreements with management.
9. Review disclosures made to the Audit Committee by the Company's Chief Executive Officer, Chief Financial Officer and any other certifying officer during their certification process for the Annual Report on Form 10-K and Quarterly Reports on Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of the Company's Relationship with the Independent Auditor

10. Review and evaluate the lead (or coordinating) partner and senior members of the independent auditor team.
11. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the 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, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company, including the written disclosures and the letter required by Independence Standards Board Standard 1, as amended from time to time.
12. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, and taking into account the opinions of management and persons performing internal audit functions for the Company. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.
13. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

14. Consider from time to time whether, in order to assure continuing auditor independence, it is appropriate to change the independent auditing firm then serving the Company or to adopt a policy of rotating the independent auditing firm on a regular basis.
15. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company, in accordance with rules of the SEC, and review those policies on a regular basis.
16. Discuss with the independent auditor auditing or accounting issues presented by the engagement on which the Company's audit team consulted their national office and matters of audit quality and consistency.
17. Discuss with management and the independent auditor any accounting adjustments that were noted or proposed by the independent auditor but were not adopted or reflected.
18. Meet with the independent auditor prior to the audit to review the scope, planning and staffing of the audit.

Oversight of the Company's Internal Audit Function

19. Review and discuss with management and the independent auditor the manner in which the internal audit function is performed by or for the Company, including the staffing of the internal audit function (whether staffed as part of an internal audit department or as an outsourced service), the responsibilities of the persons performing the internal audit function, the scope and frequency of internal audits and budgeting.
20. Review the appointment and replacement of the senior internal auditing executive, if one be appointed, or of the firm to which the internal audit function has been outsourced, if one be engaged.
21. Review the significant reports to management prepared by the persons performing the internal audit function, and management's responses.
22. At the discretion of the Committee, discuss and review with the internal auditor any of the matters identified in this Charter as included within the authority and responsibility of the Committee.
23. At the discretion of the Committee, include the internal auditor in any of the meetings or sessions held between the Committee and management or the independent auditor.

Compliance Oversight Responsibilities

24. Obtain annually from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.
25. Obtain advice and assistance from management, the senior person performing the internal audit function and the independent auditors with respect to the conformity of the Company and its subsidiaries with applicable legal requirements and the Company's Code of Business Conduct and Ethics. Obtain quarterly reports from management and the senior person performing the internal audit function regarding the same.
26. Review quarterly the reports and disclosures of insider and affiliated party transactions in securities of the Company.
27. Advise the Board with respect to any non-compliance by the Company's accounting, internal accounting controls and auditing policies and procedures with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics (with respect to financial and accounting matters).
28. Establish 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 employees of concerns regarding questionable accounting or auditing matters.
29. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
30. Discuss with the Company's in-house general counsel and outside legal counsel, if appropriate, legal matters that may have a material impact on the financial statements or the Company's compliance policies.
31. Review with management, the internal auditor and the independent auditors the integrity and effectiveness of the Company's electronic accounting, data processing and management information systems.

General

32. Have and exercise such other powers, authority and responsibilities as may be determined by the Board.

The responsibilities and duties set forth above are meant to serve as a guide, with the understanding that the Committee may diverge from the specific duties enumerated as necessary or appropriate given the facts and circumstances.

Limitation of Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosure are complete and accurate and are in accordance with generally accepted accounting principles and applicable rule and regulations. These are the responsibilities of management and the independent auditor. In carrying out its oversight responsibilities set forth in this Charter, members of the Committee are not providing expert or special assurance with respect to the Company's financial statements, or any professional certification as to the work of the independent auditor, including with respect to auditor independence.