

# **BANKUNITED, INC.**

## **CHARTER OF THE AUDIT COMMITTEE**

### **Purpose**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of BankUnited, Inc. (the “Company”) is responsible for assisting the Board in its oversight of: (i) the integrity of the Company’s financial statements and the financial reporting process, including the system of disclosure controls, (ii) the Company’s compliance with applicable legal and regulatory requirements related to financial matters, (iii) the performance of the Company’s internal audit function and the Independent Registered Public Accounting Firm, including its appointment, qualifications, performance, compensation and independence, and (iv) the effectiveness of the Company’s systems of internal controls.

Further, the Committee shall prepare the report required by the rules of the Securities and Exchange Commission (“SEC”) to be included in the Company’s annual proxy statement.

Notwithstanding the Committee’s responsibilities and authority set forth in this Charter, the Committee is not (i) conducting any audits of the Company, which is the responsibility of the independent auditors nor is it (ii) preparing, managing, or providing any expertise or assurances as to the Company’s financial statements, internal controls, risk management framework, professional certifications, the accuracy and completeness of the financial disclosures, or any certifications that these are in accordance with generally accepted accounting principles. These responsibilities rest with the Company and the independent auditors.

### **Membership**

The Committee shall consist of three or more directors, as determined by the Board, who shall meet the independence and other requirements established by the Board and pursuant to applicable laws and regulations and the New York Stock Exchange (the “NYSE”) listing requirements. All Committee members shall be financially literate and at least one member of the Committee shall qualify as an “audit committee financial expert” as defined by the SEC. The Board shall determine, at least annually, the eligibility of the Committee’s members. Committee members shall not serve on the audit committee of more than two other public companies.

The Committee members and the Committee Chair shall be appointed and may be removed by the Board on the recommendation of the Nominating and Corporate Governance Committee. The Board shall appoint Committee members annually, or more frequently in the case of vacancies, and the members shall serve until their resignation, retirement, or removal by the Board or until their successors shall be appointed. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate.

## **Meetings**

The Committee shall meet at least four times annually or more frequently if circumstances dictate. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall meet privately in executive session at such times as the Committee may determine, and shall meet with management, the Chief Audit Executive, the independent auditors, and the regulatory examiners, as appropriate. The Committee is governed by the same rules regarding meetings, actions without meetings, notice, waiver of notice, quorum and voting requirements as applicable to the Board under the Company's By-Laws. The Committee shall keep regular minutes of its proceedings.

## **Committee Authority and Responsibilities**

The Committee shall have the sole authority and responsibility to select, evaluate, oversee, hire, appoint and replace the independent auditors, subject to shareholder ratification. The Committee shall approve in advance all audit engagement fees and terms and all non-audit engagements with the independent auditors, by such procedures as the Committee deems reasonable and appropriate to effect such approvals. The Committee may, in its discretion, delegate to one or more of its members the authority to pre-approve any audit or non-audit services to be performed by the independent auditors, provided that such approvals are ratified by the Committee. The Committee shall consult with management but shall not delegate these responsibilities to management.

In discharging its oversight role, the Committee is empowered to investigate, under the supervision of its Chairman, those matters appropriate to fulfilling its responsibilities, with unrestricted access to all books, records, facilities and personnel of the Company and the independent auditors. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain and approve the fees and other retention terms of special or independent counsel, accountants or other experts or advisors, as it deems appropriate to carry out its duties, without seeking approval of the Board or management. The Company shall provide funding, as determined by the Committee, for payment of fees to the independent auditors and to any counsel or other advisors employed by the Committee.

The Committee shall be directly responsible for auditor fees, engagement terms, and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

The Committee shall also have the authority and be responsible for the following:

### **A. Integrity of Financial Reporting**

- Oversee the Company's selection of and major changes to critical accounting policies.

- Meet with the Company’s independent auditors and financial management both to discuss the proposed scope of the audit and to discuss the conclusions of the audit, including any items that the independent auditors are required by generally accepted auditing standards to discuss with the Committee, such as, any significant changes to and quality of the Company’s accounting policies, the integrity of the Company’s financial reporting process, any major issues as to the adequacy of the Company’s internal controls, any special steps adopted in light of material control deficiencies and any proposed changes or improvements in financial, accounting or auditing practice.
- Review and discuss with financial management and the independent auditor critical accounting estimates or judgments in connection with management’s preparation of the financial statements, and the reasonableness of those estimates and judgements.
- Review and discuss with financial management and the independent auditor any significant unusual transactions that are outside the normal course of business or otherwise appear to be unusual due to their timing, size, or nature.
- Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company’s financial statements.
- Review and discuss with management and the independent auditors the annual audited financial statements on Form 10-K and the quarterly financial statements on Form 10-Q, including disclosures in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (“MD&A”). Make recommendations to the Board regarding the inclusion of these disclosures.
- Discuss with the Company’s management, independent auditors and internal audit department the integrity of the Company’s financial reporting processes and controls, particularly the controls in areas representing significant financial and business risks.
- Receive from the Chief Executive Officer and the Chief Financial Officer their certification to be included in the Company’s public filings as required by the Sarbanes-Oxley Act. Review and discuss with management and the independent auditors any significant deficiencies or material weaknesses in the design and operation of internal controls over financial reporting and any fraud involving employees who have a significant role in the Company’s internal controls over financial reporting.
- Review with the independent auditor any audit problems or difficulties and management's response.

- Resolve all disagreements between the Company’s independent auditors and management regarding financial reporting.
- Prepare the report required by the SEC rules to be included in the Company’s annual proxy statement.
- Meet separately, periodically, with management, with internal auditors, and with independent auditors.

#### B. Oversight of Relationship with Independent Auditors

- Evaluate annually the effectiveness and objectivity of the Company’s independent auditors and approve a qualified Independent Registered Public Accounting Firm as the Company’s independent auditor. In so doing, the Committee shall review the independent’s auditor’s quality-control procedures; any material issues raised by the most recent quality-control review (or peer review, if applicable), or by any inquiry or investigation by the 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 such issues; and all relationships between the independent auditors and the Company in order to assess the independence of the independent auditor.
- Appoint, retain and terminate the independent auditor at the Committee’s discretion.
- Review and approve all fees and terms of engagement of the independent auditors.
- Review on an annual basis reports regarding non-audit activities of the independent auditors, fees and any other requirements set forth in the PCAOB Rule 3526 – “Communication with Audit Committee Concerning Independence,” as amended or modified from time to time. The Committee shall present its findings to the Board and recommend actions, if necessary.
- Review and evaluate the lead partner of the independent auditor.
- Review and discuss with the independent auditor all 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 auditors.
- Review and discuss other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

- Assure compliance by the Company's independent auditors with the audit partner rotation requirements contained in the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the SEC thereunder.
- Consider whether there should be a regular rotation of the independent auditors.
- Review and discuss with the independent auditors the scope of the independent audit. Request and receive on a timely basis a report of the critical accounting policies and practices to be used in the audit.
- Establish and periodically review pre-approval policies, guidelines, and procedures for services to be provided by the independent auditors for audit as well as non-audit services.
- Meet with the independent auditors prior to the audit to discuss the planning and staffing of the audit.
- Set policies for the Company's hiring of employees or former employees of the independent auditor.

### C. Internal Audit Process

- Review, assess and approve the charter for the internal audit department, ensuring that organizational independence is maintained through the functional reporting by the Chief Audit Executive to the Committee.
- Review and approve the annual risk assessment and internal audit plan as well as significant changes thereto, and any special projects to be undertaken by the internal audit department.
- Discuss with the internal audit department any significant changes to, and the implementation of, the internal audit plan and any special projects and discuss with the internal audit department the results of the internal audits and any special projects.
- Oversee the activities, budget, resources, organizational structure, and qualifications of personnel within the internal audit department.
- Approve the appointment or dismissal of the Company's Chief Audit Executive. Perform an annual review of the performance and compensation of the Chief Audit Executive.
- Review conformance with the Institute of Internal Auditors' Definition of Internal Auditing, Code of Ethics, and the International Standards of Internal

Auditing as reported by the Chief Audit Executive's updates on the internal audit department's quality assurance and improvement program.

D. Compliance and Regulatory Requirements and Company Policies

- Periodically review affiliated or related party transactions, including transactions with directors and executive officers that are considered outside the ordinary course of business by the Chief Financial Officer and General Counsel.
- Periodically review loans to executive officers, directors, and principal shareholders.
- Review, at least annually, the list prepared by management for the annual proxy statement that summarizes amounts paid by the Company or any of its subsidiaries to any family member of the Company's directors and executive officers, which list shall include a description of the family member's relationship with the Company.
- Review the Company's related audit and compliance policies.
- Establish and review 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.
- Discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies.
- Receive periodic briefings on ongoing regulatory projects, key internal controls and procedures, existing or proposed regulations that could affect the Company's business activities.

E. Major Financial Risk Exposure

- Review and discuss with the Risk Committee of the Board any risk issues that are reported to the Committee as potentially having a significant impact on the Company's financial statements.
- Review and discuss with financial management, General Counsel, Chief Audit Executive and/or other management members any other major financial risk exposures to the Company, including any regulatory, compliance, legal or risk matters that may have a material financial impact on the financial statements

and the steps management has taken to monitor and control such exposures, in coordination with the Risk Committee as the Committee deems appropriate.

F. Additional Matters:

- Conduct an annual review of this Charter and update as necessary.
- Perform an annual self-assessment of the Committee's performance and compliance with this Charter and applicable laws, rules and regulations.
- Review with the Company's legal counsel any pending lawsuits against the Company or any of its subsidiaries.
- Keep an open line of communication with the financial and senior management, the internal audit department, the independent auditors and the Board.
- Report to the Board the matters discussed at each meeting of the Committee.
- Other Board Committees – The Board recognizes that audit matters potentially require input from other Board committees. In addition to considering any issues reported to the Audit Committee by the Risk Committee, as necessary or advisable, or as may be required to carry out statutory, regulatory or other responsibilities, the Committee will coordinate and share information with, or receive information from, other Board committees concerning risk management or other matters within other committee's respective areas of oversight and responsibility.