

**CHARTER OF THE  
AUDIT COMMITTEE  
OF THE  
BOARD OF DIRECTORS OF UNITED BANKSHARES, INC.**

**Purpose**

The Audit Committee is appointed by the Board to oversee the accounting and financial reporting processes of the Company and the audits of the Company's financial statements. In that regard, the Audit Committee assists the Board and management in monitoring (1) the integrity of the financial statements of the Company, (2) the independent auditor's qualifications and independence, (3) internal control framework, (4) values and ethics, (5) governance structure, and (6) the performance of the Company's internal audit function and independent auditors.

In broad terms, the Audit Committee reviews each of the items noted above and provides the board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

The Audit Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the "Commission") to be included in the Company's annual proxy statement.

**Committee Membership**

The Audit Committee shall consist of no fewer than four members. Each member of the Audit Committee shall meet the independence and experience requirements of the NASDAQ Stock Market, Inc. Marketplace Rules and the Securities Exchange Act of 1934 (the "Exchange Act"). All members of the Audit Committee shall be able to read and understand fundamental financial statements. The members should collectively possess sufficient knowledge of audit, finance, specific industry knowledge, IT, law, governance, risk, and control. No member of the Audit Committee shall have participated in the preparation of the financial statements of the Company in the past three years. At least one member of the Audit Committee shall be an "audit committee financial expert" as defined by the Commission. Audit Committee members shall not simultaneously serve on the audit committees of more than two other public companies.

The Audit Committee members should adhere to the organization's code of conduct and any values and ethics established by the organization. It is the responsibility of Audit Committee members to disclose any conflict of interest or appearance of a conflict of interest to the Audit Committee. If there is any question as to whether Audit Committee member(s) should recuse themselves from a vote, the Audit Committee should vote to determine whether the member should recuse himself or herself.

The members of the Audit Committee shall be appointed by the Board on the recommendation of the Governance & Nominating Committee. Audit Committee members may be replaced by the Board. Because the responsibilities of the Audit Committee evolve in response to regulatory, economic, and reporting developments, it is important to periodically re-evaluate members' competencies and the overall balance of skills on the committee in response to emerging needs.

### **Meetings**

The Audit Committee shall meet as often as it determines necessary, but not less frequently than quarterly. The quorum for the Audit Committee will be a majority of the members. The Audit Committee shall meet periodically in separate executive sessions with Management, the internal auditors and the independent auditor, and have such other direct and independent interaction with such persons from time to time as the members of the Audit Committee deem appropriate. The Audit 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.

### **Committee Authority and Responsibilities**

The Audit Committee Charter sets out the authority of the Audit Committee to carry out the responsibilities established for it by the Board as articulated within this Audit Committee Charter.

In discharging its responsibilities, the Audit Committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The Audit Committee also will have unrestricted access to records, data, and reports. If access to requested documents is denied due to legal or confidentiality reasons, the Audit Committee and/or Corporate Auditor will follow a prescribed, board approved mechanism for resolution of the matter.

The Audit Committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The organization's management and staff should cooperate with Audit Committee requests.

The Audit Committee shall have the sole authority to appoint, determine funding for, and oversee the outside auditors (subject, if applicable, to shareholder ratification). The Audit Committee shall be directly responsible for the compensation 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 or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall approve, as necessary, the Company's required filings with the Commission. The Audit Committee may delegate authority to a member to grant approvals

of required filings, provided the filings and associated approvals are presented to the full Audit Committee for approval at its next scheduled meeting.

The Audit Committee shall pre-approve all auditing services, internal control-related services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor. The Audit Committee may delegate authority to a member to grant pre-approvals of audit and permitted non-audit services, provided that decisions of that member to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

The Audit Committee shall have the authority, to the extent it deems necessary or appropriate, to engage and determine funding for independent legal, accounting or other advisors, and institute and oversee special investigations as needed. The Company shall provide for appropriate funding, as determined by the Audit 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 attestation services for the Company and to any advisors employed by the Audit Committee, as well as funding for the payment of ordinary administrative or special investigation expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee and/or Corporate Auditor shall make regular reports to the Board. The Audit Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Audit Committee shall annually review the Audit Committee's own performance.

The Audit Committee, to the extent it deems necessary or appropriate, shall:

### **Financial Reporting / Internal Control**

- Review and discuss with Management and the independent auditor the annual audited financial statement, 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 Form 10-K.
- Review and discuss with Management and the independent auditor the Company's quarterly financial statements prior to the filing of its Form 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
- Discuss with Management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statement, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

- ❑ Review and discuss with Management and the independent auditor any major issues as to the adequacy of the Company’s internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- ❑ Review and discuss with Management (including the Corporate Auditor) and the independent auditor the Company’s internal controls report and the independent auditor’s attestation of the report prior to the filing of the Company’s Form 10-K.
- ❑ Review and discuss quarterly reports from the independent auditors on:
  - ❑ all critical accounting policies and practices to be used;
  - ❑ understand strategies, assumptions, and estimates that management has made in preparing financial statements, budgets, and investment plans;
  - ❑ understand how management develops interim financial information and the nature and extent and external audit involvement in the process;
  - ❑ 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 auditor; and
  - ❑ other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- ❑ 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).
- ❑ 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.
- ❑ 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.
- ❑ Discuss with the independent auditor the matters required to be discussed by PCAOB Auditing Standard No. 16 relating to the conduct of the audit, including any difficulties encountered during the audit work, any restrictions on the scope of

activities or access to requested information, and any significant disagreements with Management.

- Review disclosures made to the Audit Committee by the Company's CEO and CFO during their certification process for the Form 10-K and 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.
- Ensure that a public announcement of the Company's receipt of an audit opinion that contains a going concern qualification is made promptly.

### **Oversight of the Company's Relationship with the Independent Auditor**

- Review and evaluate the lead partner of the independent auditor team.
- 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. 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, taking into account the opinions of Management and Internal Auditors. The Audit Committee shall present its conclusions with respect to the independent auditor to the Board.
- Obtain from the independent auditor a formal written statement delineating all relationships between the independent auditor and the Company. It is the responsibility of the Audit Committee to actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and for purposes of taking, or recommending that the full Board take, appropriate action to oversee the independence of the outside auditor.
- 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. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.

- ❑ Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor.
- ❑ Discuss with the independent auditor material issues on which the national office of the independent auditor was consulted by the Company's audit team.
- ❑ Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.
- ❑ Monitor management's progress on action plans.

### **Oversight of the Company's Internal Audit Function**

- ❑ Review and approve annually the continued appointment of the Corporate Auditor; annually review and concur with the overall performance rating and compensation of the Corporate Auditor; review and approve the dismissal or reprimand of the Corporate Auditor; review and approve any new Corporate Auditor.
- ❑ Review and approve the Internal Audit Charter at least annually and ensure it is consistent with the mandatory guidance of the IIA's International Professional Practice Framework.
- ❑ Review increases and decreases to the requested resources to achieve the Internal Audit Plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing.
- ❑ Review and provide input on the Internal Audit activity's strategic plan, objectives, performance measures, and outcomes.
- ❑ Review and approve the proposed audit plan for the coming year, including outsourced or co-sourced internal audit arrangements, as well as any material changes to the internal audit plan.
- ❑ Review the significant reports to Management prepared by the Internal Audit Department and the timeliness of Management's responses.
- ❑ Review and track management's action plans to address the results of Internal Audit engagements.
- ❑ Discuss with the independent auditor and Management the Internal Audit Department responsibilities, budget and staffing and any recommended changes in the planned scope of Internal Audit.
- ❑ Review and advise management on the results of any special investigations.

## Compliance Oversight Responsibilities

- ❑ Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.
- ❑ Obtain reports from Management, the Corporate Auditor and the independent auditor that the Company and its affiliated entities are in conformity with applicable legal requirements and the Company's Code of Ethics. Review reports and disclosures of insider and affiliated party transaction. To obtain reasonable assurance with respect to the organization's governance process, the Audit Committee will review and provide advice on the governance process established and maintained within the organization and the procedures in place to ensure that they are operating as intended. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with Company's Code of Ethics.
- ❑ Obtain reasonable assurance with respect to the adequacy and effectiveness of the organization's controls in responding to risks within the organization's governance, operations and information systems.
- ❑ Inquire of the Corporate Auditor whether any internal audit engagements or non-audit engagements have been completed but not reported to the Audit Committee, if so, inquire whether any matters of significance arose from such work.
- ❑ Inquire of the Corporate Auditor whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken.
- ❑ Approve all related party transactions.
- ❑ 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.
- ❑ Discuss with Management and the independent auditor any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.
- ❑ Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies and internal controls.
- ❑ Inquire of the Corporate Auditor about steps taken to ensure that the internal audit activity conforms with The IIA's International Standards for the Professional Practice of Internal Auditing (Standards).

- ❑ Ensure that the internal audit activity has a quality assurance and improvement program and the results of these periodic assessments are presented to the Audit Committee.
- ❑ Ensure that the internal audit activity has an external quality assurance review every five years.
- ❑ Review the results of the independent external quality assurance review and monitor the implementation of the internal audit activity's action plan to address any recommendations.
- ❑ Perform other activities related to this charter as requested by the governing body.
- ❑ Institute and oversee special investigations as needed.
- ❑ Regularly evaluate its performance and that of its individual members.

#### **Limitation of Audit Committee's Role**

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of Management and the independent auditor.