

WESTWOOD HOLDINGS GROUP, INC.
AMENDED AND RESTATED AUDIT COMMITTEE CHARTER

(Adopted April 24, 2008)

Organization and Membership

This charter governs the operations of the Audit Committee of the Board of Directors of Westwood Holdings Group, Inc. (the "Committee"). The Committee is appointed by the Board of Directors and consists of at least three directors, each of whom will meet New York Stock Exchange ("NYSE") requirements with respect to independence as determined by the Board. Each member of the Committee will meet financial literacy and other NYSE requirements relating to Audit Committee membership. Additionally, at least one member of the Committee will be an "audit committee financial expert," as defined in rules promulgated by the Securities and Exchange Commission. The Committee reviews and reassesses this charter at least annually and recommends appropriate changes to the Board of Directors.

Statement of Purpose

The Committee assists the Board of Directors in fulfilling its oversight responsibility relating to:

- The Company's financial statements and financial reporting process;
- The qualifications, independence and performance of the Company's independent auditors;
- The performance of the Company's internal audit function; and
- The Company's compliance with legal and regulatory requirements.

In so doing, the Committee maintains free and open communication with the Company's independent auditors, internal audit department and management.

Meetings

The Committee meets at least four times a year, either in person or telephonically, at such times and places as the Committee determines. The Committee periodically meets separately in executive session with the senior internal audit executive, management and the independent auditors. The Committee reports regularly to the full Board of Directors with respect to its activities.

Duties and Responsibilities

Among its specific duties and responsibilities, the Committee performs the following, to the extent it deems necessary and appropriate, consistent with and subject to applicable laws, as well as rules and regulations promulgated by the SEC, NYSE or other regulatory authorities:

Financial Statements and Financial Reporting Process

1. *Annual and Quarterly Financial Reporting:* The Committee reviews and discusses with management and the independent auditors the annual audited and quarterly unaudited financial statements and related disclosures included in the Company's quarterly earnings releases and in the Company's periodic reports on Form 10-K and 10-Q (including the "Management's Discussion and Analysis" section and officer certifications). The Chair may represent the entire Committee for the earnings releases and quarterly reviews.
2. The Committee recommends to the Board of Directors whether the annual audited financial statements should be included in the Company's Form 10-K.
3. *Annual Audit and Communications with Independent Auditors:* The Committee reviews and discusses the scope and results of the independent auditors' annual audit and quarterly reviews of the Company's financial statements, and any other matters required to be communicated to the Committee by the independent auditors. The Chair may represent the entire Committee for the quarterly reviews.
4. *Disclosure, Accounting and Financial Controls:* The Committee discusses with management, the senior internal audit executive and the independent auditors the adequacy and effectiveness of the Company's disclosure controls and procedures, the adequacy and effectiveness of the Company's internal controls over financial reporting and the Company's risk assessment and risk management policies.

Qualifications, Independence and Performance of the Independent Auditors

5. *Appointment, Compensation, Retention and Oversight:* The independent auditors report directly to the Committee, which is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditors. The Company will provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditors.

The Committee considers the independence of the auditors as required by law or regulation. The Committee obtains and reviews a report by the independent auditors describing any relationships between the auditors and the Company, or any other relationships that may adversely affect the independence of the auditors, and discusses with the auditors any disclosed relationships or services that may impact the auditors' objectivity and independence.

6. *Approval of Audit and Permitted Non-Audit Services:* To the extent required by law or regulation, the Committee reviews and approves in advance all audit and permitted non-audit services to be provided by the independent auditors and establishes related policies and procedures.
7. *Hiring Former Employees of Independent Auditors:* The Committee establishes policies for the Company's hiring of employees and former employees of the independent auditors.

Performance of the Internal Audit Function

8. *Internal Audits and Reports:* The Committee reviews and discusses with the Company's senior internal audit executive the overall scope and staffing of the Company's internal

audits. The Committee reviews all significant internal audit reports and management's responses.

9. *Senior Internal Audit Executive:* The Committee reviews the appointment of individuals to, and any changes in, the senior internal audit position.

Compliance with Legal and Regulatory Requirements

10. *Legal and Regulatory Compliance Review:* The Committee oversees legal and regulatory matters that may have a material impact on the Company's financial statements and reviews the Company's compliance policies and procedures.

Other Duties

11. *Complaints:* The Committee establishes and oversees procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters and for the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting and auditing matters.
12. *Investigations and Retention of Outside Advisors:* The Committee is empowered to investigate any matter brought to its attention and has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties. The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to such counsel and other advisors.
13. *Related Party Transactions:* The Committee reviews and approves related-party transactions as required by NYSE.

Reliance Permitted

14. The Committee will act in reliance on the Company's management, independent auditors, internal auditors, advisors, and experts, as it deems necessary or appropriate to enable it to carry out its duties
15. Nothing in this charter will, or will be deemed to, decrease or modify in any manner adverse to any Committee member, such member's right to rely on statements and certifications made by the Company's officers, employees, agents, counsel, experts, or independent and internal auditors.
16. Nothing in this Charter will, or will be deemed to, adversely affect in any manner the rights of Committee members to indemnification and advancement of expenses under applicable law, the Company's Certificate of Incorporation or Bylaws or under any contract, agreement, arrangement, or understanding benefiting such member.
17. Notwithstanding any other provision of this Charter, no provision of this Charter will, except to the extent required by applicable law, rule or regulation, be construed to create any legal duty or obligation on the part of the Committee or any of its members or to increase their liability.