

HUDSON CITY BANCORP, INC.
AMENDED AND RESTATED CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS*

I. Audit Committee Purpose

The Audit Committee is appointed by the Board of Directors (the "Board") of Hudson City Bancorp, Inc. (the "Company") to assist the Board in fulfilling its oversight responsibility relating to the Company's accounting and reporting processes and the audits of the financial statements. In addition, the Audit Committee assists the Board in its oversight of the Company's risk assessment and risk management policies and procedures and the safety and soundness of the company's banking subsidiary. The Audit Committee's primary duties and responsibilities are to:

- Monitor the integrity of the Company's financial statements, the reporting process and systems of internal controls regarding finance, accounting, legal and regulatory compliance and public disclosure of financial information.
- Monitor the independence and performance of the Company's independent auditors and internal auditing department.
- Maintain free and open communication between the Audit Committee, the independent auditors, management, the internal auditing department, and the Board.
- Prepare an Audit Committee report as required by the SEC to be included in the company's annual proxy statement.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors and the Company's outside legal counsel as well as anyone in the organization. The Audit Committee has the authority to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties and to approve such consultants' or experts' fees and other retention terms. The Audit Committee also has the authority to obtain, at the Company's expense appropriate continuing education relevant to the performance of its duties.

The Audit Committee will fulfill these responsibilities primarily by carrying out the activities listed in Section III below.

II. Composition and Meetings

The Audit Committee shall be comprised of three or more directors, each of whom shall meet the independence, experience, and expertise requirements of the stock exchange on which the Company's shares are listed and other applicable laws and regulations (including the Sarbanes-Oxley Act of 2002). All of the members of the Audit Committee

must have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements. At least one member of the Audit Committee must be a financial expert, as determined by the Board, consistent with the applicable rules and regulations of the Securities and Exchange Commission and the applicable rules and regulations of the exchange on which the Company's shares are listed.

Audit Committee members shall be appointed by the Board on the recommendation of the Nominating and Governance Committee, in accordance with the Company's bylaws. Audit Committee members cannot serve on the audit committee of more than three public companies.

The Audit Committee shall have a chairperson who must, and a secretary who may but need not be, a member of the Committee. The Board shall designate the chairperson of the Audit Committee, and the Committee shall designate the secretary for the Committee. If the Board does not designate a chairperson, or if the chairperson shall not be present at a meeting, the Audit Committee shall select its own chairperson.

The Audit Committee shall establish its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter.

The Audit Committee shall meet at least six times annually, or more frequently as circumstances dictate. The Audit Committee shall meet with management and the independent auditors quarterly to review the Company's financial statements and significant findings based upon the independent and internal auditors review. A meeting may be called by the chairperson of the Audit Committee or by majority of the members of the Committee. Notice of any meeting shall be given by the person or persons calling the meeting to each other member of the Audit Committee at least 48 hours prior to the meeting. Notice may be given in the same fashion as permitted for notice of Board meetings pursuant to the Company's Bylaws and applicable law. A meeting shall be deemed properly called if each member of the Audit Committee shall have received notice given as aforesaid or, prior to the conclusion of the meeting, shall have signed a written waiver of notice.

A majority of the members of the Audit Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum. A majority vote of the Audit Committee members present at a meeting, if a quorum is present, shall constitute an act of the Audit Committee. Unless otherwise restricted by the Certificate of Incorporation or Bylaws of the Company, any action required or permitted to be taken at any meeting of the Audit Committee may be taken without a meeting if all members of the Audit Committee consent thereto in writing, and the writing or writings are filed with the minutes of the proceedings of the Audit Committee.

The Audit Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee,

attend any meeting of the Audit Committee to provide such pertinent information as the Committee requests.

Following each of its meetings, the Audit Committee shall report its actions and recommendations to the Board. The secretary of the Committee shall keep written minutes of its meetings, which minutes shall be subject to approval by the members of the Committee and, once approved, shall be maintained with the books and records of the Audit Committee.

The Audit Committee shall have the authority to delegate any of its responsibilities to subcommittees, as the Committee may deem appropriate in its sole discretion.

III. Responsibilities and Duties

To fulfill its oversight role the following are the responsibilities, processes and duties of the Audit Committee, which may be supplemented by the Committee as appropriate.

1. Review and reassess the adequacy of this Charter at least annually, recommend any proposed changes, and submit it to the Board for approval. In addition, the Audit Committee shall annually conduct and present to the Board a performance evaluation of the Committee.
2. Review with financial management and the independent auditors the Company's annual financial results prior to the release of the annual earnings. Review the Company's audited financial statements, and the independent auditors' report thereon and other financial disclosures, particularly the "Management's Discussion and Analysis" Section of the annual report prior to filing the annual report on Form 10-K with any government body or distribution to the public, including the results of the independent auditor's reviews of the financial statements. The review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices, and judgments, including an analysis of the effect of alternative GAAP methods on the Company's financial statements and a description of any transactions as to which management obtained Statement on Auditing Standards No. 50 letters.
3. Review with financial management and the independent auditors the company's quarterly financial results prior to the release of earnings. Review with management and the independent auditors the company's quarterly financial statements and other financial disclosures prior to filing the quarterly 10-Q with any government body or distribution to the public. Discuss any significant changes to the Company's accounting principles, any critical accounting principles applicable to the company and any items required to be communicated by the independent auditors.

4. In consultation with the management, the independent auditors, and the internal auditors of the Company, evaluate the integrity of the Company's financial reporting processes and controls. Meet periodically with management to review and discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the independent auditors and the internal auditing department together with management's responses.
5. Review 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.
6. Meet at least quarterly with the principal accounting officer and other senior executive(s) responsible for the financial statements, the senior internal auditing executive and the independent auditor in separate executive sessions. Review with management the certifications and statements required to be filed or submitted to governmental authorities pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 and applicable rules and regulations there under.
7. Review and approve major changes to the Company's auditing and Accounting principles and practices as suggested by the independent auditors, internal auditors or management, and review with the independent auditor, the internal auditor and management the extent to which such changes have been implemented (to be done at an appropriate amount of time subsequent to the implementation of such changes, as decided by the Audit Committee).
8. Review with management and the independent auditor any correspondence with regulators or governmental agencies or published reports which raise material issues regarding the Company's financial statements or accounting policies.
9. Establish procedures for receipt, retention, and treatment of complaints received from about accounting, internal accounting controls and auditing matters and for the confidential anonymous submission by employees of concerns regarding questionable accounting or auditing matters. (See Company's Code of Ethics)
10. Authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.
11. Funding is provided by the Company as determined to be appropriate by the Committee, in its capacity as a committee of the Board, for the payment of (1) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any advisers employed by the Committee under the paragraph 10 above; and (3) ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.

12. Request that the Company annually provide certification to the listed stock exchange of compliance with its listing requirements, including the independence of the Committee members.

Independent Auditors

13. Evaluate at least annually the performance of the independent auditors. In connection with such evaluation, at least annually obtain and review a report by the independent auditor describing; the firm's internal quality-control procedures; 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 government or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the company.
14. The Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor, including resolution of disagreements between management and the auditor regarding financial reporting.
15. The independent auditors are accountable and report directly to the Audit Committee. The Audit Committee shall review the independence and qualifications of the senior members of the independent auditor team.
16. Review with the independent auditors, principal accounting officer and senior internal auditing executive the independent auditors audit plan, discuss their scope, reliance upon management (including reliance upon specific procedures performed by the Internal Audit Department) general audit approach, including assessing (grading) risk areas, and staffing to assure accuracy, completeness of coverage, reduction of redundant efforts, effective use of audit resources and proper control environment.
17. Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors. Discuss certain matters required to be communicated to Audit Committees in accordance with AICPA Statement on Auditing Standards (SAS) No. 61, *Communication With Audit Committee*, and SAS No. 100, *Interim Financial Information*.
18. Review with the independent auditors the independent auditors' judgments about (1) the quality and appropriateness of the Company's accounting principles, particularly the degree of aggressiveness or conservatism of its accounting principles and underlying estimates, (2) the quality of the Company's internal and external financial reporting process, and (3) the clarity of the financial disclosure.

19. Require the independent auditors to submit an annual formal written statement delineating all relationships between the independent auditors and the Company consistent with Independence Standards Board Standard No. 1 and setting forth all other matters required by the rules and regulations of the stock exchange on which the Company's shares are listed; 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 independent auditor, and when determined to be necessary by the Audit Committee, take or recommend that the Board take appropriate action to ensure the objectivity and independence of the independent auditors.
20. Require the independent auditors to advise the Company of any fact or circumstance that might adversely affect the independent auditors' independence or judgment with respect to the Company under applicable auditing standards.
21. Review separately with the independent auditors, management and the internal auditor any problems or difficulties encountered and any management letter provided by the independent auditors and the Company's response to that letter. Such review should include:
 - (a) Any difficulties or disputes with management encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.
 - (b) Any changes required in the planned scope of the audit.
 - (c) The internal audit department responsibilities, budget and staffing.
22. Set clear hiring policies for employees or former employees of the independent auditor who were engaged on the Company's account.
23. Pre-approve the retention of the independent auditor for all non-audit services, which are not prohibited by law, and approve the fee for such service. The Committee may delegate to one or more of its members pre-approval authority of non-audit services in accordance with the Bylaws of the Company, this Charter and applicable law.
24. Discuss annually with management the timing and process for implementing the rotation of certain partners of the Independent Auditors, including the lead and concurring partner, in accordance with applicable legal and regulatory requirements, and to consider whether there should be a regular rotation of the auditor itself.

Internal Audit Department and Legal Compliance

25. Review and approve the appointment, replacement, reassignment or dismissal of the senior internal auditing executive.

26. Receive from the Company's internal auditor periodic progress reports to the Board, which includes a summary of findings from completed internal audits. A progress report on the internal audit plan will be presented twice a year together with explanations for any deviations from the original plan.
27. Review significant findings and recommendations prepared by the internal audit department or by the independent auditors during the year together with management's response and follow-up here to.

Other Audit Committee Responsibilities

28. Periodically prepare a report to shareholders as required by the Securities and Exchange Commission to be included in the Company's proxy statement and review all disclosures relating to the independent auditors set forth therein.
29. Review at least annually with the Company's outside legal counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
30. Review and approve all related party transactions (which for this purpose should exclude ordinary deposit relationships such parties may have with the Company's bank subsidiary) for potential conflicts of interest.
31. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations.

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 are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor.

* Amended and restated on February 15, 2005