

UTSTARCOM HOLDINGS CORP.

PRINCIPLES OF BUSINESS CONDUCT AND ETHICS

UTStarcom Holdings Corp. (“**UTStarcom**”) is dedicated to being a model for corporate governance and ethical business conduct. These Principles of Business Conduct and Ethics contain guidance for the way we work at UTStarcom and the high standards to which we are committed.

Almost every business decision has an ethical element, and the right answer is not always clear. These Principles, as well as the UTStarcom Code of Business Conduct and Ethics, have been developed to help our employees and other service providers make the right decision when faced with an ethical dilemma.

1) Uphold the Law and UTStarcom’s Ethical Principles

Our compliance with all applicable laws and the Company’s ethical principles is our most important job.

2) Build Trust and Credibility

To our employees, customers, vendors and shareholders, we do what we say, and we say what we will do.

3) Set the Tone at the Top

Our executives and managers are expected to lead others by example.

4) Promote Substance Over Form

We focus on what is important, not what is convenient.

5) Avoid Conflicts of Interest

We carefully and consciously balance various stakeholder interests.

6) Do the Right Thing

We do what is right, because it is the right thing to do.