

**RELATED PERSON TRANSACTION POLICIES AND PROCEDURES
OF
MALIBU BOATS, INC.**

Policy

It is the policy of the Board of Directors (the “Board”) of Malibu Boats, Inc. (the “Company”) that all Related Person Transactions with Related Parties (each, as hereinafter defined) shall be subject to approval or ratification in accordance with the procedures set forth below.

Procedures

The Audit Committee (the “Committee”) of the Board shall review the material facts of all Related Person Transactions and either approve or disapprove of the entry into the Related Person Transaction, subject to the exceptions described below. If advance Committee approval of a Related Person Transaction is not practicable, then the Related Person Transaction shall be considered and, if the Committee determines it to be appropriate, ratified at the Committee’s next regularly scheduled meeting. In determining whether to approve or ratify a Related Person Transaction, the Committee shall take into account, among other factors it deems appropriate, whether the Related Person Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the extent of the Related Person’s interest in the transaction.

The Committee has reviewed the Related Person Transactions described below in “Standing Pre-Approval for Certain Related Person Transactions” and determined that each of the Related Person Transactions described therein shall be deemed to be pre-approved or ratified, as applicable, by the Committee under the terms of this policy. In addition, the Board of Directors has delegated to the Chair of the Committee the authority to pre-approve or ratify, as applicable, any Related Person Transaction with a Related Person in which the aggregate amount involved is expected to be less than \$100,000. In connection with each regularly scheduled meeting of the Committee, each new Related Person Transaction pre-approved by the Chair in accordance with this paragraph shall be provided to the Committee for its review.

No director shall participate in any discussion or approval of a Related Person Transaction for which he or she is a Related Person, except that the director shall provide all material information concerning the Related Person Transaction to the Committee.

If a Related Person Transaction will be ongoing, the Committee may establish guidelines for the Company’s management to follow in its ongoing dealings with the Related Person. Thereafter, the Committee, on at least an annual basis, shall review and assess ongoing relationships with the Related Person to determine that they are in compliance with the Committee’s guidelines and that the Related Person Transaction remains appropriate. The Committee shall review and may amend this policy from time to time, as appropriate.

Definitions

A “Related Person Transaction” is any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which (1) the aggregate amount involved will or may be expected to exceed \$100,000, (2) the Company (including any of its subsidiaries) is or will be a participant, and (3) any Related Person has or will have a direct or indirect interest.

A “Related Person” is any person (a) who is or was at any time since the beginning of the last fiscal year an (i) executive officer, director or nominee for election as a director, or (ii) Immediate Family Member of any of the foregoing, (b) who, at the time the transaction occurred or existed, was (i) the beneficial owner of more than 5% of the Company’s common stock or (ii) an Immediate Family Member of such a beneficial owner. An “Immediate Family Member” means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of such person, and any person (other than a tenant or employee) sharing the household of such person.

Standing Pre-Approved Related Person Transactions

The Committee has reviewed the Related Person Transactions described below and determined that each shall be deemed to be pre-approved by the Committee, notwithstanding the aggregate value of the transaction.

1. *Employment of Executive Officers.* An employment relationship or transaction involving an executive officer and any related compensation solely resulting from that employment relationship or transaction if:
 - (a) the related compensation has been or is to be reported in the Company’s proxy statement pursuant to Item 402 of Regulation S-K; or
 - (b) the executive officer is not an Immediate Family Member of an executive officer, director or nominee for election as a director of the Company, the related compensation would have been reported in the Company’s proxy statement pursuant to Item 402 of Regulation S-K if the executive officer was a “named executive officer” (as defined in Item 402 of Regulation S-K), and the Company’s Executive Compensation and Stock Incentive Committee approved (or recommended that the Board of Directors approve) such compensation.
2. *Employment of Other Officers and Employees.* An employment relationship involving a Related Person who is not an executive officer (as such term is defined in Rule 16a-1(f) of the Securities and Exchange Act of 1934) and any related compensation solely resulting from that employment relationship if the employment relationship has been reported in the Company’s proxy statement.
3. *Director Compensation.* Any compensation to a director if the compensation has been or is to be reported in the Company’s proxy statement in connection with Item 402 of Regulation S-K.
4. *Certain Transactions with Other Companies.* Any transaction between the Company (or any of its subsidiaries) and another company at which a Related Person’s only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 10% of that company’s equity interests, if the aggregate amount involved does not exceed the greater of \$1,000,000, or 2% of that company’s consolidated gross revenues.
5. *Transactions Where All Stockholders Receive Proportional Benefits.* Any transaction where the Related Person’s interest arises solely from the ownership of the Company’s capital stock and all of the Company’s stockholders received the same benefit on a *pro rata* basis (e.g., dividends).
6. *Transactions Involving Competitive Bids and Regulated Transactions.* Any transaction where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.