

**CHARTER OF THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF  
MALIBU BOATS, INC.**

This Audit Committee Charter (“Charter”) has been adopted by the Board of Directors (the “Board”) of Malibu Boats, Inc. (the “Company”). This Charter, as adopted by the Board on January 6, 2014, is effective as of January 30, 2014.

**ARTICLE I.**

**Purpose**

The primary purpose of the Audit Committee of the Board (the “Committee”) is to oversee the accounting and financial reporting processes and the audits of the financial statements of the Company and its financial risk management policies and controls. The Committee shall assist the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, internal control and financial reporting practices of the Company. It may also have such other duties as may from time to time be assigned or delegated to it by the Board. The Committee shall maintain free and open communication with the Company’s independent auditors, internal auditors (as referred to herein, if applicable) and management and shall have the authority to communicate directly with the independent auditors as well as any employee of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter relating to the Company’s accounting, auditing, internal control or financial reporting practices appropriate to fulfilling its responsibilities contained in this Charter, with full access to all Company books, records, facilities and personnel. The Committee may retain outside counsel, auditors or other advisors as it deems necessary to carry out its duties.

**ARTICLE II.**

**Composition of Committee and Qualification of Members**

The membership of the Committee shall consist of at least three directors. Subject to the applicable phase-in periods following the initial public offering of the Company’s shares of Class A Common Stock under the Securities Act of 1933, as amended, and the listing of such shares on The Nasdaq Stock Market (“Nasdaq”), each Committee member shall meet the (i) independence and financial literacy requirements for serving on audit committees, all as set forth in the applicable Nasdaq rules, (ii) audit committee requirements of the rules and regulations of the Securities and Exchange Commission (“SEC”), and (iii) criteria for independence set forth in Rule 10A-3(b)(1) under the Securities and Exchange Act of 1934, as amended (the “Exchange Act”) (subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act). Each Committee member must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement. At least one member of the Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background which results in the individual’s financial sophistication and which results in the individual meeting the qualifications of an “audit committee financial expert” as set forth in Item 407(d) of Regulation S-K, as promulgated by the SEC. A member of the Committee may not, other than in his or her capacity as a member of the Committee, the Board or another committee of the Board, accept any consulting, advisory or other compensatory fee other than for services as a director or committee member from the Company or be an affiliated person of the Company or any subsidiary of the Company, in each case except as allowed by the rules and regulations of the SEC and Nasdaq.

One member of the Committee shall be appointed as Chair. The Chair shall be responsible for leadership of the Committee, including scheduling and presiding over meetings, preparing agendas and making regular reports to the Board. The Chair will also maintain regular liaison with the Company's Chief Executive Officer ("CEO"), Chief Financial Officer, lead independent audit partner and director of internal audit. The Committee shall meet at least four times a year, or more frequently as the Committee considers necessary. At least once each year the Committee shall have separate private meetings with the independent auditors, management and the internal auditors.

### **ARTICLE III.**

#### **Responsibilities and Authority**

Although the Committee may wish to consider other duties from time to time, the general recurring activities of the Committee in carrying out its role of overseeing the accounting and financial reporting processes and the audits of Company financial statements are described below.

The Committee shall have the authority to and/or shall be responsible for:

- (1) The selection and appointment, compensation, retention and oversight of the work of any independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and the auditors regarding financial reporting) (subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act). Such auditors must report directly to the Committee and will be ultimately accountable to the Board and the Committee, as representatives of the stockholders.
- (2) Evaluating, together with the Board and management, the performance of the independent auditors and, where appropriate, replacing such auditors.
- (3) Ensuring that the Committee annually obtains from the independent auditors a formal written statement describing all relationships between the auditors and the Company, as required under Independent Standards Board Statement No. 1, as amended. In addition, the Committee shall actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors and shall take, or recommend that the full Board take, appropriate actions to oversee and satisfy itself as to the independence of the outside auditors. In connection with considering the independence of the independent auditors, the Committee shall (i) request detail on any matters that may affect the auditor's independence as well as the role and status of any individual at the audit firm whose independence may be in question, and (ii) inquire whether the independent auditors have reasonable quality control procedures to ensure compliance by them with all independence requirements.
- (4) Ensuring that the independent auditors either (i) have received an external quality control review by an independent public accountant ("peer review") that determines whether the auditor's system of quality control is in place and operating effectively and whether established policies and procedures and applicable auditing standards are being followed, or (ii) are enrolled in a peer review program and within 18 months receive a peer review that meets acceptable guidelines.
- (5) Considering whether the proposed provision of any non-audit services by the independent auditors is compatible with maintaining the auditors' independence. If the Committee determines that such proposed non-audit services are compatible with the independent auditors'

independence, it may approve the provision of such services, subject to restrictions under applicable law or Nasdaq rules.

- (6) Pre-approving all audit and non-audit services to be performed for the Company by the independent auditors. In performing this function, the Committee shall consult with management prior to the Company's engagement of the independent auditors for such services. The Committee has delegated its authority to pre-approve audit, audit-related and non-audit services to the Chair of the Committee, provided that the pre-approval decisions of the Chair are subsequently presented to the Committee at the next Committee meeting.
- (7) Reviewing the Company's audited financial statements and quarterly financial results and discussing them with management and the independent auditors. These discussions shall include any significant changes to the Company's accounting principles, the matters required to be discussed under Statement on Auditing Standards No. 61, as amended, and the consideration of the quality of the Company's accounting principles as applied in its financial reporting, including a review of particularly sensitive accounting estimates, reserves and accruals, judgmental areas, audit adjustments (whether or not recorded) and other such inquiries as the Committee or the independent auditors shall deem appropriate. Based on such review, the Committee shall make its recommendation to the Board as to the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K. The Committee shall review and resolve any disagreements among management and the independent auditors or the internal auditing department in connection with the preparation of the audited financial statements or the quarterly financial statements.
- (8) Issuing annually a report of the Committee to be included in the Company's proxy statement as required by the rules and regulations of the SEC.
- (9) Overseeing the relationship with the independent auditors, including discussing with the auditors the nature and rigor of the audit process, receiving and reviewing audit reports, and providing the auditors with full access to the Committee (and the Board) to report on any and all appropriate matters.
- (10) Regularly consulting with the independent auditors out of the presence of management about internal control over financial reporting, the completeness and accuracy of the Company's financial statements and other appropriate matters.
- (11) Considering any significant changes to the Company's accounting principles and practices as recommended by the independent auditors, management or the internal auditing department and reviewing any required disclosure to the Company's financial statements of significant changes in accounting principles and practices.
- (12) Reviewing and discussing with management, prior to release, the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP financial information, as well as financial information and earnings guidance provided to analysts or rating agencies.
- (13) Reviewing and discussing with management any audit opinion provided by the independent auditors.
- (14) Discussing with a representative of management and the independent auditors: (i) the interim financial information contained in the Company's Quarterly Report on Form 10-Q prior to its filing; (ii) the earnings announcement prior to its release (if practicable); and (iii) the results of

the review of such information by the independent auditors. These discussions may be held with the Committee as a whole or with the Chair in person or by telephone.

- (15) Overseeing internal audit activities, including discussing with management and the internal auditors the internal audit function's organization, objectivity, responsibilities, plans, results, budget and staffing.
- (16) Discussing and reviewing with management, the internal auditors and the independent auditors, in connection with each annual or quarterly report filed with the SEC, the quality and effectiveness of and compliance with the Company's internal control over financial reporting. This should include a discussion of any significant deficiencies in the design or operation of internal control over financial reporting and any fraud, whether or not material, that includes management or other employees who have a significant role in the Company's internal control over financial reporting. On an annual basis, the Committee shall obtain a written report from management that describes management's own assessment of the effectiveness of such internal control over financial reporting.
- (17) Following completion of the annual audit, reviewing separately with each of management, the independent auditors and the internal auditing department any significant difficulties encountered during the course of the audit raised by the independent auditors, management or the internal auditing department, including any restrictions on the scope of work or access to required information.
- (18) Reviewing with the independent auditors and management the extent to which changes or improvements in financial or accounting practices suggested by the auditors, as approved by the Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.
- (19) Discussing with management and/or the Company's legal counsel any legal matters (including the status of pending litigation) that may have a material impact on the Company's financial statements, and any material reports or inquiries from regulatory or governmental agencies.
- (20) Reviewing all reports concerning any fraud or significant regulatory noncompliance that occur at the Company. This review should include, at a minimum, consideration of the Company's internal control over financial reporting that should be strengthened to reduce the risk of a similar event in the future and the impact on previously issued financial statements and reports filed with governmental authorities.
- (21) Meeting separately with each of management and the independent auditors regarding any significant judgments made in management's preparation of the Company's financial statements and the view of each as to appropriateness of such judgments.
- (22) Cooperating with management, the Board and the Company's legal counsel to ensure that the Company discloses in its proxy statement for its annual meeting of stockholders whether the Committee members are independent as described in this Charter and as defined by the applicable rules and regulations of the SEC and the applicable Nasdaq rules, as well as certain information regarding any director of the Committee who is not independent.
- (23) Ensuring that the Company has, and will continue to have, at least one member of the Committee who is an "audit committee financial expert" or otherwise has past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable

experience or background which results in the individual's financial sophistication, as required by the applicable Nasdaq rules, and ensuring that the Company has adopted a formal, written Audit Committee Charter and that the Committee reviews and assesses the adequacy of the Charter on an annual basis.

- (24) Establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, as well as for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters (subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act).
- (25) Engaging independent counsel and other advisors as the Committee determines necessary to carry out its duties (subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act).
- (26) Determining the amount of appropriate funding that the Company must provide for the payment of: (i) compensation to independent auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) compensation to any advisers engaged by the Committee under paragraph (25); above and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties (subject to the exemptions provided in Rule 10A-3(c) under the Exchange Act).
- (27) Approving all "related person transactions," as described in Item 404 of Regulation S-K, as promulgated by the SEC.
- (28) Discussing with management and the independent and internal auditors the Company's major financial risk exposure and the steps management and the independent and internal auditors have taken to monitor and control such exposure, including the Company's risk assessment and risk management policies.
- (29) Adopting written procedures for the confidential receipt, retention and consideration of any report of evidence of a "material violation," as that term is defined by 17 C.F.R. 205.2(i), pursuant to the standards of professional conduct for attorneys appearing and practicing before the SEC in the representation of an issuer under 17 C.F.R. 205.3. The Committee shall also have the authority and responsibility to undertake all of the duties of a "qualified legal compliance committee," as that term is defined by 17 C.F.R. 205.2(k), including informing the Company's CEO and chief compliance officer, if any, of any report of evidence of a "material violation," determining whether an investigation is necessary and, at the conclusion of any investigation, recommending an appropriate response and informing the Company's CEO, chief compliance officer (if any) and the Board of results of any investigation and the appropriate remedial measures to be adopted. The Committee shall also have the authority and responsibility, acting by majority vote, to take all other associated appropriate action.

The Committee's job is one of oversight and the Committee is not responsible for preparing the Company's financial statements, implementing or monitoring the effectiveness of internal control over financial reporting or auditing the financial statements. Management is responsible for the preparation of the Company's financial statements and for implementing internal control over financial reporting and the independent auditors are responsible for auditing the financial statements. The Committee and the Board recognize that management (including the internal audit staff) and the independent auditors have more resources and time, and more detailed knowledge and information regarding the Company's accounting, auditing, internal control over financial reporting and financial reporting practices than the Committee does. Accordingly, the Committee's oversight role does not provide any expert or special assurance as to

the Company's financial statements and other financial information provided by the Company to its stockholders and others.

#### **ARTICLE IV**

##### **Annual Performance Evaluation**

The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee will conduct an annual self-evaluation to determine whether it is functioning effectively. The Committee will receive comments from all directors and report annually to the Board with an assessment of its performance. The assessment will focus on the Committee's contribution to the Company and specifically focus on areas in which the Board believes the Committee could improve.

#### **ARTICLE V**

##### **Reliance On Others**

Nothing in this Charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by members of the Committee on reports or other information provided by others.