

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

Policy

The Board of Directors (the “Board”) of Malibu Boats, Inc. (the “Company”) recognizes that Related Person Transactions (as defined below) present a heightened risk of actual or potential conflicts of interest. In addition, under applicable rules of the U.S. Securities and Exchange Commission (the “SEC”), the Company is required to disclose Related Person Transactions as defined in the SEC’s rules. Accordingly, the Board has adopted this Related Person Transaction Policy to set forth the policies and procedures for the review and approval, disapproval or ratification of Related Person Transactions.

Definitions

A “Related Person” is any person who

- (a) is or was at any time since the beginning of the prior fiscal year,
 - (i) an executive officer (as defined under Rule 3b-7 of the Securities Exchange Act of 1934, as amended), director or nominee for election as a director, or
 - (ii) an Immediate Family Member of any of the foregoing or
- (b) at the time the transaction occurred or existed, was
 - (i) the beneficial owner of more than 5% of any class of the Company’s voting securities (a “Significant Stockholder”), or
 - (ii) an Immediate Family Member of such Significant Stockholder.

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, or any other person (other than a tenant or employee) sharing the household of such person.

A “Related Person Transaction” is any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including, without limitation, any financial transaction, any indebtedness or guarantee of indebtedness) regardless of amount in which (1) the Company (including any of its subsidiaries) was, is or will be a participant, and (2) any Related Person had, has or will have a direct or indirect material interest. Contributions to any charitable organization in which a Related Person has a material interest constitute a “transaction, arrangement or relationship” for purposes of this policy.

Procedures

Any Related Person Transaction proposed to be entered into by the Company must be reported by any Related Person, or any director, officer or employee of the Company who knows of the transaction, to the Company’s Chief Financial Officer and Chairperson of the Audit Committee of the Board (the “Audit Committee”). The Audit Committee will 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, prior to the effectiveness or consummation of the transaction. If the Audit Committee becomes aware of any transaction that potentially could be a Related Person Transaction and involves a Significant Stockholder (as defined below), then the Company will attempt to collect the information

regarding the transaction that is required in order to assess whether the transaction is a Related Person Transaction.

In the event any director, officer or employee of the Company becomes aware of a Related Person Transaction that was not previously approved or ratified under this policy, such person should promptly notify the Chief Financial Officer and Chairperson of the Audit Committee, and the Audit Committee will consider whether the Related Person Transaction should be ratified or rescinded, or other action should be taken.

The Audit 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 will be deemed to be pre-approved or ratified, as applicable, by the Audit Committee under the terms of this policy.

No director will participate in any discussion or approval of a Related Person Transaction for which he or she, or any of his or her Immediate Family Members, is a Related Person, except that the director will be counted for purposes of a quorum and will provide all information concerning the Related Person Transaction as may be reasonably requested by other members of the Audit Committee.

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

Standards for Review, Approval or Ratification of Related Person Transactions

A Related Person Transaction reviewed under this policy will be considered approved or ratified if it is authorized by the Audit Committee in accordance with the standards set forth in this policy after full disclosure of the Related Person’s interests in the transaction. As appropriate for the circumstances, the Audit Committee will review and consider:

- the nature of the Related Person’s interest in the Related Person Transaction;
- the approximate dollar value of the amount involved in the Related Person Transaction;
- the approximate dollar value of the amount of the Related Person’s interest in the transaction without regard to the amount of any profit or loss;
- whether the transaction was or will be undertaken in the ordinary course of business of the Company;
- whether the transaction with the Related Person was, or is proposed to be, entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third party;
- the purpose of, and the potential benefits to the Company of, the transaction;
- in the event the Related Person is a director, an Immediate Family Member of a director or an entity in which a director is a partner, stockholder or executive officer, the impact of the transaction on such director’s independence;

- the availability of other sources for comparable products or services;
- whether it is a single transaction or a series of ongoing, related transactions;
- whether entering into the transaction would be consistent with the Company’s Code of Conduct; and
- any other information regarding the Related Person Transaction or the Related Person in the context of the proposed transaction that would be material to investors in light of the circumstances of the particular transaction.

The Audit Committee will review all relevant information available to it about the Related Person Transaction. The Audit Committee may approve or ratify the Related Person Transaction only if the Audit Committee determines in good faith that, under all of the circumstances, the transaction is fair as to the Company. The Audit Committee may, in its sole discretion, impose such conditions as it deems appropriate on the Company or the Related Person in connection with approval of the Related Person Transaction.

The review, approval or ratification of a transaction, arrangement or relationship pursuant to this policy does not necessarily imply that such transaction, arrangement or relationship is required to be disclosed under Item 404(a) of Regulation S-K.

Standing Pre-Approval for Certain Related Person Transactions

The Audit Committee has reviewed the Related Person Transactions described below and determined that each shall be deemed to be pre-approved by the Audit 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 person is a “named executive officer” (as defined in Item 402 of Regulation S-K) and the related compensation has been or is to be reported in the Company’s Annual Report on Form 10-K or proxy statement pursuant to Item 402 of Regulation S-K; or
 - (b) (i) the person is an executive officer but is not a “named executive officer” (as defined in Item 402 of Regulation S-K), (ii) the executive officer is not an Immediate Family Member of a Related Person, (iii) the related compensation would have been reported in the Company’s Annual Report on Form 10-K or 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 (iv) the Company’s Compensation Audit Committee approved (or recommended that the Board of Directors approve) such compensation.
- 2 *Director Compensation.* Any compensation to a director if the compensation has been or is to be reported in the Company’s Annual Report on Form 10-K or proxy statement in connection with Item 402 of Regulation S-K.
- 3 *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).

- 4 *Indemnification and Advancement of Expenses.* Payments for indemnification and advancement of expenses made pursuant to the Company's Certificate of Incorporation or Bylaws or pursuant to any agreement or instrument.
- 5 *Other.* Other categories of transactions that may be identified by the Audit Committee from time to time as having no significant potential for an actual, or the appearance of a, conflict of interest or improper benefit to a Related Person.

Disclosure

All Related Person Transactions that are required to be disclosed in the Company's filings with the SEC, as required by the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and related rules and regulations, shall be so disclosed in accordance with such laws, rules and regulations.

The material features of this policy shall be disclosed in the Company's Annual Report on Form 10-K or in its annual proxy statement, as required by applicable laws, rules and regulations.