

**AUDIT COMMITTEE  
AMENDED AND RESTATED CHARTER**

**I. PURPOSE**

The primary purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board of Directors”) of Blue Buffalo Pet Products, Inc. (the “Company”) is to assist the Board of Directors in fulfilling its responsibilities to the shareholders and investment community. Primary responsibilities include:

- A. Assisting the Board of Directors in its oversight of:
  - 1. accounting, financial reporting and disclosure processes and adequacy of systems of disclosure and internal control established by management;
  - 2. the audit of, and the quality and integrity of, the Company’s financial statements;
  - 3. the independent auditor’s qualifications and independence;
  - 4. the performance of the Company’s internal audit function and independent auditors;
  - 5. the Company’s overall risk management profile; and
  - 6. the Company’s compliance with legal and regulatory requirements.
- B. Preparing the annual Committee report to be included in the Company’s proxy statement.

**II. STRUCTURE AND OPERATIONS**

A. Composition and Qualifications

The Committee shall be composed of three or more members of the Board of Directors. Members of the Committee shall:

- 1. be determined by the Board of Directors to be “independent” under the NASDAQ Listing Rules and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), subject, in each case, to an election by the Company to rely upon the transition periods applicable to initial public offerings;

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2. not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years; and
3. be able to read and understand fundamental financial statements, including a Company's balance sheet, income statement, and cash flow statement.

In addition, at least one member of the Committee shall both (i) 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, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities and (ii) be an "audit committee financial expert" as defined by the Securities and Exchange Commission (the "SEC").

**B. Appointment and Removal**

The members of the Committee shall be appointed by the Board of Directors and shall serve until such member's successor is duly elected and qualified, or until such member's earlier resignation, removal, disqualification or death. The members of the Committee may be removed with or without cause by a majority vote of the Board of Directors.

**C. Chair**

Unless a Chair of the Committee (the "Chair") is selected by the full Board of Directors, the members of the Committee shall designate a Chair by majority vote of the full Committee membership. The Chair will chair all regular sessions of the Committee and set the agendas for Committee meetings. In the absence of the Chair, the Committee shall select another member to preside.

**D. Delegation to Subcommittees**

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee composed of one or more of its independent members.

**III. MEETINGS**

The Committee shall meet at least once in each fiscal quarter, or more frequently as circumstances dictate. The Chair of the Board of Directors or any member of the Committee may call meetings of the Committee. Action by the Committee may be taken by unanimous written consent. Meetings of the Committee may be held telephonically. All Committee members are expected to use all reasonable efforts to attend each meeting. A majority of the Committee shall constitute a quorum for the transaction of business. The act

of a majority of those present at any meeting at which there is a quorum shall be the act of the Committee.

The Committee may invite members of management, auditors or others to attend meetings and provide pertinent information as necessary in order to carry out its responsibilities. All non-management directors that are not members of the Committee may attend meetings of the Committee but may not vote. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

#### **IV. RESPONSIBILITIES AND DUTIES**

Company management is responsible for preparing complete and accurate financial statements in accordance with generally accepted accounting principles (“GAAP”). It is the independent auditor’s responsibility to plan and conduct an audit for the purposes of reaching an opinion on whether management’s financial statements are fairly presented in accordance with GAAP. The Committee’s primary responsibility is oversight. To carry out this responsibility, the Committee will undertake the activities set forth below, with the understanding that the Board of Directors may delegate other responsibilities and duties to the Committee from time to time.

##### **A. Oversight of Independent Auditor’s Qualifications, Performance and Independence**

1. Be directly responsible for the appointment, compensation, retention, oversight and termination of any independent auditor 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 such firm regarding financial reporting);
2. Annually evaluate, determine the selection of, and if necessary, determine the replacement of, or rotation of, the independent auditor (including the lead audit partner and other members of the team);
3. Pre-approve all auditing and audit-related services and all permitted non-audit services to be provided to the Company by the independent auditor. The Committee may delegate authority to one or more independent members to grant pre-approvals of audit and permitted non-audit services; provided that any such pre-approvals shall be presented to the full Committee at its next scheduled meeting;
4. Receive and review formal written statements, at least annually, from the independent auditor regarding the auditor’s independence, including a delineation of all relationships between the auditor and the Company consistent with the requirements of the PCAOB; actively engaging 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 take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the independent auditor;

5. Receive and review a formal written report detailing the independent auditor's internal quality control procedures and any material issues raised by the independent auditor's internal quality control review, peer review or any governmental or other professional inquiry performed within the past five years;
6. Take into account the opinions of management and the Company's internal auditors;
7. Establish clear policies and monitor the process for hiring current or former employees of the independent auditor;
8. Discuss with the independent auditor the matters required to be discussed by the applicable auditing standards adopted by the PCAOB and approved by the SEC from time to time; and
9. Inform each independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company that such firm must report directly to the Committee.

B. Oversight of Audit and Financial Reporting Process

1. Review and discuss with internal auditors and the independent auditor the overall scope and plan for audits, organizational structure, budget, staffing, and qualifications;
2. Review with the independent auditor (i) any significant disagreement among management and the independent auditors or the internal auditors, regarding any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to requested information, and (ii) management's response to such matters;
3. Review and discuss with management, internal auditors, and the independent auditor the integrity of the Company's financial reporting processes, both internal and external, regarding:
  - (i) all critical accounting policies and practices to be used by the Company;
  - (ii) analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including all alternative treatments of

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financial information within generally accepted accounting principles that have been discussed with management, the ramifications of the use of the alternative disclosures and treatments, and the treatment preferred by the independent auditor;

- (iii) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
  - (iv) major issues as to the adequacy of the Company's internal controls and any specific audit steps adopted in light of material or significant control deficiencies;
  - (v) any material written communications between the independent auditor and Company management, such as any management letter or schedule of unadjusted differences, and any other matters required to be communicated to the committee by the independent auditor under generally accepted auditing standards;
  - (vi) any material related party transactions; and
  - (vii) review the effect of regulatory and accounting initiatives on the financial statements of the Company.
4. Review and discuss with management and the independent auditor the Company's annual and interim financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" prior to filing.
  5. Review and discuss with management and the independent auditor the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.
  6. Periodically, the Committee shall meet separately with management, the internal auditor, and the independent auditor to discuss any matters that the Committee or any of these persons or firms believes should be discussed in private.

### C. Review of Legal and Regulatory Compliance

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1. Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.
2. Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
3. Prepare the Committee report required to be included in the Company's proxy statement, pursuant to and in accordance with applicable rules and regulations of the SEC.

D. Review of Risk Management

1. Review and discuss guidelines and policies to govern risk assessment and risk management;
2. Discuss the Company's major financial risk exposures and the steps Company management has taken to monitor and control such exposures;
3. Review the status of Corporate Security, the security for the Company's electronic data processing information systems, and the general security of the Company's people, assets and information systems;
4. Review the status of the Company's financial instruments; and
5. Review the Company's Insurance Programs.

E. Advisors

1. The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to engage independent counsel and other advisors as it deems necessary or appropriate to carry out its duties, including the authority to approve the fees payable to such counsel or advisors and any other terms of retention. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and any advisors that the Committee chooses to engage, as well as funding

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for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### F. Other Responsibilities

1. Review and approve, or ratify, any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K) in accordance with the Company's related transaction approval policy;
2. Monitor compliance with the Company's Code of Ethics and Business Conduct (the "Code"), investigate any alleged breach or violation of the Code, and enforce the Code;
3. Consider and report to the Board of Directors any questions of possible conflicts of interest of members of the Board of Directors;
4. Review the Company's Corporate Governance Principles periodically and recommend amendments to the Corporate Governance Principles to the Board of Directors, as necessary; and
5. Review the Company's Code, as well as the policies included in the Code, periodically and recommend amendments to the Code to the Board of Directors, as necessary.

## V. REPORTS

Report regularly to the Board of Directors (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the qualification, performance and independence of the Company's independent auditor or the performance of the internal audit function. The Committee shall provide such recommendations to the Board of Directors as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report. Maintain minutes or other records of meetings and activities of the Committee.

## VI. ANNUAL PERFORMANCE EVALUATION

It is expected that the Committee will periodically perform a review and evaluation of the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or

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appropriate. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.

*Adopted as of March 3, 2016*