

**MONSTER BEVERAGE CORPORATION**  
**(formerly known as Hansen Natural Corporation)**  
**AMENDED AND RESTATED AUDIT COMMITTEE CHARTER**

***STATEMENT OF POLICY***

The Audit Committee shall provide assistance to the Board of Directors in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community and others relating to the Company's financial statements and the financial reporting process, the systems of internal accounting and financial controls, the internal audit function, the annual independent audit of the Company's financial statements, and the legal compliance and ethics programs as established by management and the Board. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, and management of the Company. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the power to retain outside counsel, or other experts for this purpose.

The Audit Committee fulfills its oversight responsibilities by reviewing: the financial reports and other financial information provided by the Company to any governmental body or the public; the Company's systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established; and the Company's auditing, accounting and financial reporting processes generally. Consistent with this function, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels.

***COMPOSITION***

The Audit Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be independent directors, and free from any relationship with management and of the Company that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Members of the Committee shall be considered independent if they have no relationship that may interfere with the exercise of their independence from management and the Company. All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall have accounting or related financial management expertise. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Company or an outside consultant.

The members of the Committee shall be elected by the Board at a meeting of the Board or until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

***RESPONSIBILITIES AND PROCESSES***

The primary responsibility of the Audit Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of their activities to the Board.

Management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing those financial statements. The Committee in carrying out its responsibilities believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take the appropriate actions to set the overall corporate tone for quality financial reporting, sound business risk practices, and ethical behavior.

The following shall be the principal recurring processes of the Audit Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

### ***INTERACTION WITH THE INDEPENDENT AUDITORS***

- *Appointment and Oversight.* The Committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Audit Committee, as representatives of the Company's shareholders. The Committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, replace the independent auditors. The Committee shall discuss with the auditors their independence from management and the Company and the matters included in the written disclosures required by the Public Company Accounting Oversight Board. Annually, the Committee shall review the qualifications and performance of the Company's current independent auditors, and select the Company's independent auditors for the next year, subject to stockholder ratification.
- Management will coordinate with the independent auditors to ensure that the auditors' independence is not impaired by hiring former or current partners, principals, or professional employees of the independent auditors for certain positions. Management of the Company will ensure that the Company, together with its subsidiaries and other entities that comprise the Company for purposes of the consolidated financial statements, also has policies and procedures in place for purposes of ensuring that the auditors' independence will not be impaired by hiring a former or current partner, principal, or professional employee of the independent auditors in an accounting role or financial reporting oversight role that would cause a violation of securities, laws and regulations. Any employment opportunities with the Company for a former or current partner, principal, or professional employee of the independent auditors should be discussed with the audit engagement partner of the independent auditors and approved by the Audit Committee before entering into substantive employment conversations with the former or current partner, principal, or professional employee, if such opportunity relates to serving (1) as chief executive officer, controller, chief financial officer, chief accounting officer, or any equivalent position for the Company or in a comparable position at a significant subsidiary of the Company; (2) on the Company's board of directors; (3) as a member of the Audit Committee; or (4) in any other position that would cause a violation of securities laws and regulations.
- *Pre-Approval of Services.* Before the independent auditors are engaged by the corporation or its subsidiaries to render audit or non-audit services, the committee will pre-approve the engagement. Committee pre-approval of audit services and non-audit services is not required if the engagement for the services is entered into pursuant to pre-approval policies and

procedures established by the committee that are detailed as to the particular service, do not include delegation of the committee's responsibilities under the Securities Exchange Act of 1934 to the corporation's management, and the committee is informed of each service provided. The committee may delegate to one or more members of the committee the authority to grant pre-approvals, provided such approvals are presented to the committee at a subsequent meeting.

### ***ANNUAL FINANCIAL STATEMENTS AND ANNUAL AUDIT***

At meetings with management, the independent auditors and the internal auditor the committee will:

- Discuss with the internal auditors and the independent auditors the overall scope and plans for their respective audits including the adequacy of staffing and compensation. Also, the Committee shall discuss with management, the internal auditors, and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's system to monitor and manage business risk, and legal and ethical compliance programs. Further, the Committee shall meet separately with the internal auditors and the independent auditors, with and without management present, to discuss the results of their examinations.
- Review the interim financial statements with management and the independent auditors prior to the filing of the Company's Quarterly Report on Form 10-Q. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards. The Chair of the Committee may represent the entire Committee for the purposes of this review.
- Review with management and the independent auditors the financial statements to be included in the Company's Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of Form 10-K), including their judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.

### ***OTHER DUTIES AND RESPONSIBILITIES***

- Confer with General Counsel as requested by General Counsel or by the Audit Committee and review legal issues and regulatory requirements.
- Discuss at least annually the Corporation's policies with respect to risk assessment.

## ***COMMITTEE SELF-EVALUATION AND CHARTER REVIEW***

- The committee will evaluate its own performance on an annual basis, including its compliance with this charter. It will also review this charter and provide the board with any recommendations for changes in the charter or in policies or other procedures governing the committee.

## **COMMUNICATIONS FROM SHAREHOLDERS, EMPLOYEES AND OTHERS**

- Under Company policy, employees and others are encouraged to report all known or suspected instances of misuse of Company resources and/or known or suspected instances of improper activities by Company employees and are protected from retaliation for making such reports. Any report that is made directly to management (whether openly, confidentially, or anonymously) shall be promptly reported to the Audit Committee. The Audit Committee shall receive, retain, investigate, and act on complaints and concerns of the associates of the Company, Company's stockholders, and other interested parties regarding: questionable accounting, internal accounting controls, and auditing matters (each an "Accounting Allegation"), including without limitation:
  1. Deficiencies in, or noncompliance with, the Company's internal accounting controls or accounting policies;
  2. The circumvention or attempted circumvention of internal accounting controls;
  3. Fraud or deliberate error in the preparation, evaluation, review, or audit of the Company's financial statements or in the recording and maintaining of the Company's financial records;
  4. Any misrepresentation or false statement by a senior officer or accountant regarding a matter contained in the Company's financial statements, financial reports (including discussions in a quarterly or annual reports filed with the Securities and Exchange Commission (the "SEC")), or audit reports, or any other failure to provide a full or fair reporting of the Company's financial condition; or
  5. Any other matter that would otherwise constitute a violation of the Company's accounting policies.