

NUTRACEUTICAL INTERNATIONAL COMPANY
AUDIT COMMITTEE CHARTER
As updated by the Board of Directors on October 12th, 2004

ROLE

The Audit Committee assists the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, and reporting practices of the Company, as well as undertaking other duties as directed by the Board. The Committee oversees the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, the qualifications of the public accounting firm engaged as the Company's independent auditor to prepare or issue an audit report on the financial statements of the Company, and the performance of the Company's independent auditor. The Committee is directly responsible for the appointment, compensation, retention and oversight of the independent auditor, which reports to the Committee.

RESPONSIBILITIES

The Committee's responsibilities will include the following specific matters:

- **Accounting and Financial Reporting and Disclosure:** development and oversight of programs for compliance with applicable accounting and financial reporting and disclosure requirements, including critical accounting policies and changes (including changes to GAAP policies or standards), alternative financial arrangements or treatments of financial information, legal and regulatory matters that may impact financial statements, preparation and dissemination of annual and quarterly financial statements, annual and quarterly reports, certifications, financial press releases or guidance, registration statements, and material amendments to any of them, as filed or to be filed with the SEC, and recommendations to the Board regarding the Board's approval or execution of them;
- **Independent Auditor:** appointment, compensation, retention and oversight of the work of the Company's independent auditor for the purpose of preparing or issuing audit reports or performing other audit, review or attest services for the Company; review of the results of these audits, including the plan, procedures and fees, pre-approval of non-audit professional services provided by the Company's independent auditor and related fees (subject to de minimus exceptions permitted by applicable rules); and resolution of disagreements between management and the auditor regarding financial reporting;
- **Annual Independent Auditor Statement:** review of the annual written statement from the independent auditor delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard 1, and review and approval of any disclosed relationships or services that may impact the objectivity and independence of such auditor, including appropriate dialogue with such auditor with respect to the foregoing and for taking, or recommending that the full Board take, appropriate action to oversee the independence of such auditor;
- **Internal Controls:** review of the Company's processes to maintain an effective system of internal controls, including: review of computerized information system controls and security; review of Company's annual assessment and independent auditor attestation and report about such assessment, as well as any related significant findings and recommendations;
- **Complaints and Investigations:** receipt, retention, handling and investigation of complaints related to accounting, internal accounting controls or auditing matters, including the establishment of a confidential, anonymous system for employees to report complaints regarding any of the foregoing;
- **Stockholder Proposals:** recommendation to the Board regarding any proposal received from any stockholder concerning any of the foregoing matters which the stockholder proposes to present for action by the Company's stockholders;
- **Annual Reassessment:** annual reassessment of the adequacy of the Committee Charter on an annual basis; and

- **Additional:** such other duties and responsibilities as may be assigned to the Committee by the Board.

MEMBERSHIP

The Committee is comprised of at least three members of the Board, all of whom must meet independence requirements established by the Board and by applicable laws, rules and regulations, except that the Board may elect to include one non-independent director pursuant to applicable regulations. The Committee is chaired by an independent director appointed by the Board, who chairs all regular sessions and sets or approves the agenda for each session. All members of the Committee must be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. At least one member of the Committee will be an “Audit Committee Financial Expert” as defined by applicable laws and regulations. All members of the Committee are appointed and removed by the Board, and may be removed at any time with or without cause. No member of the Committee may have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the previous three years (except through service on the Committee).

MEETINGS

The Committee meets on a regular basis, normally before or after regularly scheduled quarterly and annual meetings of the Board, and otherwise as appropriate. The Committee also meets periodically with the Company’s independent auditor. The Committee regularly provides the Board with updates of its meetings, actions and decisions. The Chairman of the Board or any member of the Committee may call a meeting of the Committee in accordance with the bylaws of the Company. Any independent member of the Board may attend any Committee meeting. Meetings may be held telephonically or in person and, except as described in this Charter, are governed by the same rules that apply to regular meetings of the Board, including those pertaining to actions in lieu of meetings, quorum requirements and similar matters. The Committee is authorized and empowered to adopt additional rules and procedures consistent with the Articles of Incorporation and Bylaws of the Company as well as applicable Delaware law.

ACCESS

The Committee will have and maintain full and open communication with the independent auditor, management, and accounting personnel, as well as access to all Company books, records and facilities. Access may be through regularly scheduled sessions, private executive sessions or direct communication by Committee members.

AUTHORITY

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has authority to retain and terminate the independent auditor, and may engage outside counsel or other consultants necessary to discharge its duties and responsibilities. The Committee will be provided with funding by the Company for the payment of appropriate fees to these parties. In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention. Communications between the Committee and legal counsel in the course of obtaining legal advice are privileged Company communications, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

The Committee does not provide any guarantee as to the Company’s financial statements or other public disclosure or any professional certification as to the work of the independent auditor. The Committee relies on the expertise and knowledge of management and the independent auditor in carrying out its oversight responsibilities. Management of the Company is responsible for determining the Company’s financial statements are complete, accurate and in accordance with generally accepted accounting principles. The independent auditor is responsible for auditing the Company’s financial statements. It is not the duty of the Committee to plan or conduct audits, to determine that financial statements are complete and accurate and in accordance with generally accepted accounting principles, to conduct investigations, or to assure compliance with laws and regulations or the Company’s standards of business conduct, codes of ethics, internal policies, procedures and controls.