

CARIBOU COFFEE COMPANY, INC.

AUDIT COMMITTEE CHARTER

- I. **Composition of the Audit Committee:** The Audit Committee of Caribou Coffee Company, Inc. (the “Company”) shall be comprised of at least three directors, (a) each of whom the Board of Directors (the “Board”) has determined has no material relationship with the Company and (b) each of whom is otherwise “independent” under the rules of the Nasdaq Stock Market, Inc. and the Securities and Exchange Commission (the “SEC”); provided, however, that, in accordance with Nasdaq Marketplace Rule 4350(a)(5) and Rule 10A-3(b)(1)(iv)(A) under the Securities Exchange Act of 1934, as amended (which allow the phase-in of the independent directors requirements under such rules), for the first 12 months after the closing of the Company’s initial public offering, a minority of the directors on the Committee may be directors who do not satisfy the requirements of paragraphs (a) and (b) above. The Board shall also determine that each member is “financially literate,” and that one member of the Audit Committee has “accounting or related financial management expertise,” as such qualifications are interpreted by the Board in its business judgment. Unless the Board determines otherwise, at least one member of the Audit Committee shall be an “audit committee financial expert” as such term is defined by the rules and regulations of the SEC.

No director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. No member of the Audit Committee may be an affiliate of the Company or receive any compensation from the Company other than: (i) director’s fees, which may be received in cash, stock options or other in-kind consideration ordinarily available to directors and (ii) any other regular benefits that other directors receive.

Members shall be appointed by the Board based on nominations recommended by the Nominating and Corporate Governance Committee, and shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

- II. **Purposes of the Audit Committee:** The purposes of the Audit Committee are to:
1. assist the Board in oversight of (i) the quality and integrity of the Company’s financial statements, (ii) the integrity and effectiveness of the Company’s disclosure and internal controls, (iii) the Company’s structure for compliance with legal and regulatory requirements, and (iv) the performance and independence of the Company’s independent auditors; and
 2. prepare the report required to be prepared by the Audit Committee pursuant to the SEC’s proxy rules for inclusion in the Company’s annual proxy statement.

The function of the Audit Committee is oversight. The management of the Company is responsible for the preparation, presentation and integrity of the Company’s financial statements. The independent auditors are responsible for planning and carrying out a proper audit of the Company’s annual financial statements, reviews of the Company’s quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures.

- III. **Meetings of the Audit Committee:** The Audit Committee shall meet once every fiscal quarter, or more frequently if circumstances dictate, (i) to discuss with management and the independent

auditors the annual audited financial statements or quarterly financial statements, as applicable, including the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, and (ii) to perform any other activities consistent with this charter, the Company's Bylaws and applicable law, as the Audit Committee or the Board deems necessary or appropriate. Periodically, the Audit Committee should meet separately with management and the independent auditors to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed privately. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. Members of the Audit Committee may participate in a meeting of the Audit Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

IV. **Duties and Powers of the Audit Committee:** To carry out its purposes, the Audit Committee shall have the following duties and powers:

1. with respect to the independent auditor,
 - (i) to appoint, compensate, retain, evaluate, terminate and oversee the work of any registered public accounting firm engaged for the purpose of preparing or issuing any audit report or performing other audit, review or attest services for the Company, including resolution of any disagreements between management and the auditors regarding financial reporting;
 - (ii) to approve (a) all audit engagement fees and terms and (b) all non-audit engagements permitted by Section 10A of the Securities Exchange Act of 1934, as amended (the "Exchange Act");
 - (iii) to (a) obtain and review, at least annually, a report by the independent auditors (the "Auditors' Statement") describing: the auditors' internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and (in order to assess the auditors' independence) all relationships between the independent auditors and the Company, including, at a minimum, each non-audit service provided to the Company and the matters set forth in Independence Standards Board Standard No. 1, and (b) discuss with the independent auditors any relationships or services disclosed in the Auditors' Statement that may impact the quality of audit services or the objectivity and independence of the Company's independent auditors;
 - (iv) if applicable, to consider whether the independent auditors' provision of (a) audit-related services, (b) tax compliance, tax advisory or tax planning services, or (c) other non-audit services to the Company is compatible with maintaining the independence of the independent auditors;
 - (v) after reviewing the Auditors' Statement and the independent auditor's work throughout the year, evaluate the qualifications, performance and independence of the independent auditors;

- (vi) in making the evaluations described in (v) above, to ensure the rotation of the lead audit partner and the reviewing partner as required by law, discuss with management the timing and process for implementing the rotation, and consider whether there should be a regular rotation of the audit firm itself;
 - (vii) to take into account the opinions of management in assessing the independent auditors' qualifications, performance and independence; and
 - (viii) to instruct the independent auditors that the independent auditors are ultimately accountable to the Audit Committee, as representatives of the shareholders;
2. with respect to financial reporting principles and policies, internal controls and procedures, and the other matters referred to below:
- (i) to advise management and the independent auditors that they are expected to provide to the Audit Committee a timely analysis of significant financial reporting issues and practices;
 - (ii) to consider any reports or communications (and management's responses thereto) submitted to the Audit Committee by the independent auditors required by or referred to in Statement on Auditing Standards No. 61 (as codified by AU Section 380), as may be modified or supplemented;
 - (iii) to meet with management and the independent auditors:
 - to discuss the scope of the annual audit;
 - to review and discuss the annual audited financial statements and quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations"; and to recommend to the Board, if appropriate, that the Company's annual audited financial statements be included in the Company's annual report on Form 10-K for filing with the SEC;
 - to discuss earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts, rating agencies and other third parties; provided, however, that these discussions may be held generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and the Audit Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance;
 - to discuss any significant matters arising from any audit, including any audit problems or difficulties, whether raised by management or the independent auditors, relating to the Company's financial statements;
 - to review with the independent auditors any problems or difficulties the independent auditors encountered in the course of the audit, including any restrictions on their activities or access to requested information and

any significant disagreements with management, and management's response;

- to review with the independent auditors any accounting adjustments that were noted or proposed by the independent auditors but were "passed" (as immaterial or otherwise), any communications between the audit team and their national office with respect to auditing or accounting issues presented by the engagement and any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company;
 - to review the form of opinion the independent auditors propose to render to the Board and shareholders;
 - to discuss any significant changes to the Company's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the independent auditors or management; and
 - to review, as appropriate: (a) any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements including analyses of the effects of alternative GAAP methods on the financial statements; and (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- (iv) to discuss guidelines and policies governing the process by which senior management of the Company and the relevant departments of the Company assess and manage the Company's exposure to risk, and to discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures;
- (v) to obtain from the independent auditors assurance that the audit was conducted in a manner consistent with Section 10A of the Exchange Act, which sets forth certain procedures to be followed in any audit of financial statements required under the Exchange Act;
- (vi) to discuss with the Company's General Counsel any significant legal, compliance or regulatory matters that may have a material effect on the financial statements or the Company's business, financial statement or compliance policies, including material notices to or inquiries received from governmental agencies;
- (vii) to establish hiring policies for employees or former employees of the independent auditors;

- (viii) to establish procedures for:
 - the receipt, retention, treatment, investigation and resolution of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (ix) to review (i) the internal control report prepared by management, including management’s assessment of the effectiveness of the Company’s internal control structure and procedures for financial reporting; and (ii) the independent auditors’ attestation, and report, on the assessment made by management;
3. with respect to reporting and recommendations,
- (i) to prepare any report or other disclosures, including any recommendation of the Audit Committee, required by the rules of the SEC to be included in the Company’s annual proxy statement;
 - (ii) to review this Charter at least annually and recommend any changes to the full Board;
 - (iii) to report its activities to the full Board on a regular basis and to make such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate; and
 - (iv) to annually evaluate the performance of the Audit Committee;
4. Review and approve all “related-party transactions” (for purposes of this charter, “related party transactions” shall mean those transactions required to be disclosed by Item 404 of Regulation S-K); and
5. Review and approve (a) any change or waiver in the Company’s code of business conduct and ethics and (b) any disclosure made on Form 8-K or the Company’s website regarding such change or waiver.

V. **Resources and Authority of the Audit Committee:** The Audit Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to select, engage, terminate, and approve the fees and other retention terms of special or independent counsel, accountants or other advisers, as it deems necessary to carry out its duties, without seeking approval of the Board or management. The Company will provide for appropriate funding, as determined by the Audit Committee, for payment of: (i) compensation to any registered public accounting firm 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 advisors employed by the Audit Committee under the preceding sentence; and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

VI. **Delegation to Subcommittee:** To the extent permitted by applicable law, the Audit Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Audit Committee; provided, however, that any actions taken pursuant to any such

delegation shall be reported to the Audit Committee at its next meeting.