

AFC ENTERPRISES, INC.
AUDIT COMMITTEE CHARTER
(Revised 3/8/07)

Organization

This charter governs the operations of the audit committee (the “Committee”) of the Board of Directors (sometimes, the “Board”) of AFC Enterprises, Inc. (“AFC” or the “Company”).

Statement of Policy

The Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility to the Company’s stockholders, the investment community, and others relating to:

- the integrity of the Company’s financial statements and financial reporting process;
- the Company’s systems of internal controls;
- the performance of the Company’s internal audit function and independent auditors; and
- the independent auditor’s qualifications and independence.

In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, the Company’s internal auditors, and the Company’s management. 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 independent legal, accounting or other consultants to advise the Committee. It is the intent of the Committee to comply with all applicable rules and regulations governing the Committee, such as those of the Securities and Exchange Commission (the “Commission”) and the NASDAQ stock exchange.

Meetings

The Committee shall meet at least four times annually. In addition, the Committee shall hold such special meetings as may be called by any member of the Committee or at the request of the Company’s independent auditors. The Chairman of the Board, the Chief Executive Officer, Chief Financial Officer, the Corporate Secretary and General Counsel of the Company may be invited from time to time to meetings to offer information, expertise and advise as requested by the Committee. The Committee may also request other members of management, internal auditors and independent auditors to participate in Committee meetings, as necessary. Attendance may be by telephone as provided in the By-laws of the Company.

Composition and Organization of Committee

- Size of Committee

The Committee shall consist of at least three directors.

- Member Qualifications

The members of the Committee shall meet the independence and experience requirements of the NASDAQ Stock Exchange and applicable federal securities laws, including, the rules and regulations of the Commission.

- Appointment to Committee

The members of the Committee shall be appointed by the Board upon the recommendation of the Corporate Governance/Nominating Committee. The Board shall make the appointments to the Committee at the organizational meeting following each Annual Meeting of Stockholders.

- Term

Members will be appointed by the Board for a one year term or until a successor is appointed and qualified. The full Board will fill vacancies on the Committee and may remove a Committee member from membership on the Committee at any time without cause.

- Committee Chair

The Committee Chair will be a board member appointed by the Board. If the Committee Chair is absent from a meeting, another member of the Committee will act as Chair.

- Annual Review of Committee and Charter

The Committee shall annually review the Committee's own performance, which shall include eliciting input from management, the independent auditor, and the internal auditor on the performance of the Committee. The Committee shall report the results of such self-assessment to the Board.

Not less than annually, the Committee shall review this Charter and recommend to the Board any changes it deems advisable. At any time, the Board of Directors acting on its own initiative, or on recommendation of another Board committee, may amend this Charter. Only the full Board of Directors may amend this Committee's Charter.

- Compensation

Members of the Committee shall, at the discretion of the Board, be entitled to receive fees for service on the Committee or for service as Chair of the Committee in addition to the normal fees paid to all directors.

Responsibilities and Processes

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board of Directors and report the results of their activities to the Board. The Company's management is responsible for the preparation, presentation and integrity of the Company's financial statements and disclosures, and the independent auditor is responsible for auditing year-end financial statements and reviewing quarterly financial statements and conducting other procedures. It is not the duty of the Committee to certify the Company's financial statements, to guarantee the independent auditor's report, or to plan or conduct audits. Since the primary function of the Committee is oversight, the Committee shall be entitled to rely on the expertise, skills and knowledge of management, the internal auditor and the independent auditor and the accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change the responsibilities of management and the independent auditor.

The Committee shall prepare the report required by the rules of the Commission to be included in the Company's annual proxy statement.

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 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. In carrying out its responsibilities, the Committee will:

Independent Auditors

1. Have the sole authority and responsibility for the appointment, retention, oversight, termination and replacement of the independent auditor (subject, if applicable, to shareholder ratification). The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor for the purpose of preparing and issuing an audit report and related work.

No audit services or non-audit services shall be performed by the independent auditor for the Company unless first pre-approved by the Committee and unless permitted by the rules and regulations of the Commission. If the Committee approves an audit service within the scope of the engagement of the independent auditor, such audit services shall be deemed to have been pre-approved for the purposes of this Section.

The Committee may delegate one or more members of the Committee the authority to grant pre-approval of non-audit services required by this Section. The decision of any member to whom such authority is delegated to pre-approve non-audit services shall be presented to the full Committee for its approval at its next scheduled meeting.

2. Perform the following:
 - a. Obtain from the independent auditors on an annual basis, the written disclosures required under Independence Standards Board Standard No. 1 regarding any relationships between the auditors and the Company or any other relationships that reasonably may be thought to bear on the auditors' independence;
 - b. Discuss with the independent auditor the auditor's independence including all relationships between the independent auditor and the Company that may impact the independent auditor's objectivity and independence;
 - c. Obtain from the independent auditors on an annual basis, a written statement that the Company's chief executive officer, comptroller, chief financial officer, chief accounting officer, internal auditor or any person serving in an equivalent position to any of the foregoing for the Company, was not employed by the independent auditor and did not participate in any capacity in the audit of the Company during the one year period preceding the date of the initiation of the audit for which the independent auditor is engaged;
 - d. Recommend to the Board appropriate action in response to the independent auditor's report to satisfy itself of the independent auditor's independence;
 - e. Review and evaluate the lead audit partner of the independent auditor's team;
 - f. Annually obtain and review from the independent auditor a written report describing (i) the independent auditor's internal quality-control procedures and (ii) any material issues raised by the independent auditor's most recent internal quality-control review or peer review;
 - g. Annually obtain from the independent auditor a written report in which the independent auditor attests to and reports on the assessment of the Company's internal controls made by the Company's management; and
3. Meet with the independent auditors and financial management of the Company to review the scope of the proposed audit for the current year and the audit procedures to be utilized.
4. Review each opinion or report of the independent auditors and review any comments or recommendations of the independent auditors with respect to the audited or interim financial statements.
5. Provide sufficient opportunity for the internal and independent auditors to meet with the members of the Committee without members of management present. Among the items to be discussed in these meetings are the independent auditors' evaluation of the

Company's financial, accounting, and auditing personnel, and the cooperation that the independent auditors received during the course of the audit.

6. Review the range and cost of audit and non-audit services performed by the independent auditors.

Financial Reporting Process

7. Review significant accounting and reporting issues, including recent professional and regulatory announcements, and the impact on the financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
8. Evaluate whether management is setting the appropriate tone at the top by communicating the importance of strong internal controls. Obtain an understanding of internal controls and the significant risk areas for the Company through discussions with management, the independent auditors and internal audit. Periodically review the adequacy of internal controls that could significantly affect the Company's financial statements through discussions with management, the independent auditors and internal audit.
9. Review and discuss with the independent auditor the following as it relates to periodic filings with the Commission:
 - a. all critical accounting policies and practices used in the Company's audit;
 - b. all alternative treatments of the Company's financial information within GAAP that have been discussed with management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and
 - c. all other material written communications between the independent auditor, management and the internal auditor, such as any management letter or schedule of adjusted differences.
10. Review with appropriate representatives of management and the independent auditors the financial information contained in the Company's Quarterly Reports on Form 10-Q prior to filing, the Company's earnings announcements prior to release, and the results of the independent auditors' review of Interim Financial Information pursuant to Statement of Auditing Standards Statement No. 71, as may be modified or supplemented. The chairman of the Committee may represent the entire Committee, either in person or by telephone conference call, for purposes of this review.
11. Review with appropriate representatives of management and the independent auditors the scope and timing of the annual audit as well as the results of the audit work performed at

the completion of the annual audit of the Company's consolidated financial statements included in the Annual Report on Form 10-K for the last fiscal year. Prior to its filing, the Committee shall, without limitation:

- a. review and discuss the Company's annual consolidated financial statements and related footnotes;
 - b. review and discuss the independent auditors' audit of the consolidated financial statements and their report;
 - c. review and discuss any significant changes required in the independent auditors' examination plan;
 - d. discuss with management, the internal auditor and the independent auditor any problems, difficulties or disputes encountered during the course of the audit, including any restrictions on the scope of the independent auditor's activities or on access to requested information, any accounting adjustments that were noted or proposed by the independent auditor but that were not adopted, any communications between the independent auditor's team assigned to the Company's audit and the auditor's national office, and any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditor to the Company; and
 - e. review and discuss other matters related to the conduct of the audit which are to be communicated to the Committee under general accepted auditing standards including, discussions relating to the independent auditors' judgments about such matters as the quality, not just the acceptability, of the Company's accounting practices and other items set forth in Statement of Auditing Standards Statement No. 61 ("SAS 61") (Communication with Audit Committees) or other such auditing standards that may in time modify, supplement or replace SAS 61.
 - f. recommend to the Board of Directors, based on the review and discussions referred to above, that the Company's consolidated financial statements be included in the Annual Report on Form 10-K for the last fiscal year for filing with the Commission.
12. Review with appropriate representatives of management and the independent auditors the financial information contained in the tables of the Company's Annual Proxy Statement to shareholders.

Financial Reporting Oversight

13. Discuss with management the Company's 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 and rating agencies. Such discussion may be

done generally, consisting of discussing the types of information to be disclosed and the types of presentations to be made.

14. Periodically inquire of management and the independent auditor as to any disagreements that may have occurred between them relating to the Company's financial statements or disclosures. The Committee shall have the sole responsibility for the resolution of any disagreements between management and the independent auditor regarding financial reporting.
15. Establish procedures for (i) the receipt, retention, investigation and resolution of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

Relationship with Internal Audit

16. Perform the following:
 - a. Review the annual plan, activities and organizational structure of the internal audit function;
 - b. Review the results of the audits performed by the internal audit group;
 - c. Review the qualifications and adequacy of the internal audit personnel and concur in the appointment, replacement, reassignment or dismissal of the director of internal audit; and
 - d. Review the effectiveness of the internal audit function.

Review of Other Documents and Reports

17. Review the activities, organizational structure, and qualifications of accounting and financial human resources within the Company.
18. Review the procedures established by the Company that monitor the compliance by the Company with the covenants and restrictions contained in its loan agreements.
19. Review with the Company's counsel any legal matter that could have a significant impact on the Company's financial statements.

Accountability to Board of Directors

20. Report through its chairman to the Board of Directors following the meetings of the Committee.

21. Maintain minutes or other records of meetings and activities of the Committee, all of which shall be submitted to the corporate secretary to be filed with the minutes of meetings of the Company's Board of Directors.

Other

22. Consider such other matters in relation to the financial affairs of the Company and its accounts, and in relation to the internal and external audit of the Company as the Committee may, in its discretion, determine to be advisable.
23. Perform any other activities consistent with this Charter, the Company's By-laws and charter documents and governing law as the Committee or the Board of Directors deems necessary or appropriate.
24. Review the Company's plans and programs with respect to risk management and related insurance coverage.
25. Review and monitor the Company's risk assessment programs and related risk management strategies.
26. Review the Company's annual update on loss prevention and security matters.
27. Review and approve, on an ongoing basis, all related party transactions.