

**CHARTER
OF THE
AUDIT COMMITTEE
OF
THE BOARD OF DIRECTORS
OF
HELEN OF TROY LIMITED**

Purpose

The primary purposes of the committee are to oversee on behalf of the board of directors:

- the company's accounting and financial reporting processes and the integrity of its financial statements;
- the audits of the company's financial statements and the appointment, compensation, qualifications, independence and performance of the company's independent auditors;
- the company's compliance with legal and regulatory requirements; and
- oversee the staffing, establishment and ongoing operation of the company's internal audit function.

The committee also has the purpose of preparing the report that SEC rules require the company to include in its annual proxy statement or Form 10-K.

The committee's function is one of oversight only and does not relieve management of its responsibilities for preparing financial statements that accurately and fairly present the company's financial results and condition, nor the independent auditors of their responsibilities relating to the audit or review of financial statements.

Organization

Number of members. The committee shall consist of at least three directors. The board shall designate a committee member as the chairperson of the committee, or if the board does not do so, the committee members shall appoint a committee member as chairperson by a majority vote of the authorized number of committee members.

Independence. All committee members shall be independent, as defined and to the extent required in the applicable SEC rules and NASDAQ listing standards, as they may be amended from time to time (the "listing standards"), for purposes of audit committee membership.

Financial literacy. Each committee member shall be financially literate upon appointment to the committee, as such qualification is interpreted by the board of directors in its business judgment pursuant to the listing standards. At all times there shall be at least one member of the committee who, in the board's business judgment, is an audit committee financial expert as defined in the SEC rules.

Appointment. Subject to the requirements of the listing standards, the board may appoint and remove committee members in accordance with the company's bylaws. Committee members shall serve for such terms as may be fixed by the board, and in any case at the will of the board whether or not a specific term is fixed.

Service on other audit committees. No director is eligible to serve on the committee if he or she serves on more than two other public companies' audit committees.

Independent auditors and their services

Overall authority. The committee shall have the sole authority and direct responsibility for the appointment, compensation, retention, termination, evaluation and oversight of the work of the independent auditors engaged by the company for purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the company.

The independent auditors shall report directly to the committee. The committee's authority includes resolution of disagreements between management and the auditors regarding financial reporting. The committee may confer with company management on these matters but may not delegate this responsibility to management.

Terms of audit and non-audit engagements. The committee shall pre-approve all audit, review, attest and permissible non-audit services to be provided to the company or its subsidiaries by the independent auditors. The committee may establish pre-approval policies and procedures in compliance with applicable SEC rules.

Annual quality control report and review. The committee shall obtain and review, at least annually, a report by the independent auditors describing:

- the firm's internal quality-control procedures; and
- any material issues raised by the most recent internal quality-control review, or peer review, of the auditing firm 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 firm, and any steps taken to deal with any such issues.

In addition, the committee's annual review of the independent auditors' qualifications shall also include the review and evaluation of the lead partner of the independent auditors for the company's account, and evaluation of such other matters as the committee may consider relevant to the engagement of the auditors, including views of company management and internal finance employees, and whether the lead partner or auditing firm itself should be rotated.

Policy on hiring employees of the auditors. The committee shall from time to time establish hiring policies that will govern the company's hiring of employees or former employees of the independent auditors, taking into account possible pressures on the auditors' personnel who might seek a position with the company, and report these policies to the full board.

Annual financial reporting

As often and to the extent the committee deems necessary or appropriate, but at least annually in connection with the audit of each fiscal year's financial statements, the committee shall:

1. *Discuss financial statements with management.* Review and discuss the annual audited financial statements, related accounting and auditing principles and practices, and internal control report with appropriate members of management and the internal auditors (or other personnel responsible for the internal audit function).
2. *Critical accounting policy report.* Timely request and receive from the independent auditors the report required (along with any required update thereto) pursuant to applicable SEC rules in connection with the annual audit concerning:
 - all critical accounting policies and practices to be used;
 - all alternative treatments of financial information within generally accepted accounting principles for policies and practices relating to material items that have been discussed with company management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors; and
 - other material written communications between the independent auditors and company management, such as any management letter or schedule of unadjusted differences.
3. *SAS 61 review.* Discuss with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, including such matters as:
 - the quality and acceptability of the accounting principles applied in the financial statements;
 - new or changed accounting policies, and significant estimates, judgments, uncertainties or unusual transactions;
 - the selection, application and effects of critical accounting policies and estimates applied by the company;
 - issues raised by any "management" or "internal control" letter from the auditors, problems or difficulties encountered in the audit (including any restrictions on the scope of the work or on access to requested information)

and management's response to such problems or difficulties, significant disagreements with management, or other significant aspects of the audit; and

- any off-balance sheet transactions, and relationships with any unconsolidated entities or any other persons, which may have a material current or future effect on the financial condition or results of the company and are required to be reported under SEC rules.
4. *MD&A.* Review with appropriate members of management and the internal auditors (or other personnel responsible for the internal audit function) the intended disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the company's annual report on Form 10-K.
 5. *ISB 1 disclosure.* Receive from the independent auditors a formal written statement of all relationships between the auditors and the company consistent with Independence Standards Board Standard No. 1.
 6. *Auditor independence.* Actively discuss with the independent auditors any disclosed relationships or services that may impact their objectivity and independence, and take any other appropriate action to oversee their independence.
 7. *Recommend filing of audited financial statements.* Recommend whether the company's annual report on Form 10-K to be filed with the SEC should include the audited financial statements.

Quarterly financial reporting

The committee's quarterly review shall normally include:

1. *Quarterly review.* Review and discuss the quarterly financial statements of the company and the results of the independent auditors' review of these financial statements with appropriate members of management and the internal auditors (or other personnel responsible for the internal audit function).
2. *Discussion of significant matters with management.* Review and discuss with company management and, if appropriate, the independent auditors, significant matters relating to:
 - the quality and acceptability of the accounting principles applied in the financial statements
 - new or changed accounting policies, and significant estimates, judgments, uncertainties or unusual transactions;
 - the selection, application and effects of critical accounting policies and estimates applied by the company; and
 - any off-balance sheet transactions and relationships with any unconsolidated entities or any other persons which may have a material current or future effect on the financial condition or results of the company and are required to be reported under SEC rules.
3. *MD&A.* Review and discuss the company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" to be included in the company's quarterly report on Form 10-Q with appropriate members of management and the internal auditors (or other personnel responsible for the internal audit function).

Other functions

Annual review of this charter. The committee shall review and assess the adequacy of this charter annually, recommend any proposed changes to the full board and, to the extent required by the listing standards, certify annually to any listing market that the committee reviewed and assessed the adequacy of the charter.

Annual review of performance. The committee shall evaluate its performance as the audit committee on an annual basis.

Earnings releases and other financial guidance. The committee shall discuss with management earnings press releases (including the type and presentation of information to be included, paying particular attention to any use of "pro forma" or "adjusted" non-GAAP information), and financial information and earnings guidance provided to analysts and rating agencies. This may be conducted generally as to types of information and presentations, and need not include advance review of each release or other information or guidance.

Compliance. The committee, to the extent it deems necessary or appropriate, shall periodically review with management the company's disclosure controls and procedures, internal controls for financial reporting purposes and systems and procedures to promote compliance with laws.

Risk assessment. The committee shall periodically:

- inquire of management, the members of the internal audit department and the independent auditors about the company's major financial risks or exposures;
- discuss the risks and exposures and assess the steps management has taken to monitor and control the risks and exposures; and
- discuss guidelines and policies with respect to risk assessment and risk management.

Conduct codes. The committee shall conduct any activities relating to the company's code(s) of conduct and ethics as may be delegated from time to time to the committee by the board.

Complaints and anonymous submissions. The committee shall establish and maintain procedures for:

- the receipt, retention, and treatment 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.

If the committee so determines, the confidential, anonymous submission procedures may also include a method for interested parties to communicate directly with non-management directors.

Internal audit. If the company establishes an internal audit function, the committee shall monitor the internal audit function (which may be outsourced to a firm other than the company's independent auditors). The committee shall oversee the internal auditors (or other personnel responsible for the internal audit function), which shall report directly to the committee.

Related party approvals. As required by the listing standards, the committee shall establish, and communicate to the full board and management, policies that restrict the company and its affiliates from entering into related party transactions without the committee's prior review and approval. In accordance with these policies, the committee on a timely basis shall review and, if appropriate, approve all related party transactions.

Reports from legal counsel. The committee shall review and take appropriate action with respect to any reports to the committee from legal counsel engaged by the company concerning any material violation of securities law or breach of fiduciary duty or similar violation by the company, its subsidiaries or any person acting on their behalf.

Other reviews. The committee shall, from time to time as necessary, review the effect of regulatory and accounting initiatives on the financial statements of the company. In addition, the committee, as it may consider appropriate, may consider and review with the full board of directors, company management, internal or outside legal counsel, the independent auditors or any other appropriate person any other topics relating to the purposes of the committee which may come to the committee's attention.

Other functions. The committee may perform any other activities consistent with this charter, the company's corporate governance documents and applicable listing standards, laws and regulations as the committee or the board of directors considers appropriate.

Meetings, reports and resources

Meetings. The committee shall meet as often as it determines is necessary, but not less than quarterly. The committee shall meet separately with management, internal auditors (or other personnel responsible for the internal audit function) and independent auditors. In addition, the committee may meet with any other persons, as it deems necessary.

Procedures. The committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this charter, the bylaws or the listing standards and SEC rules. The

chairperson or a majority of the committee members may call meetings of the committee. A majority of the authorized number of committee members shall constitute a quorum for the transaction of committee business, and the vote of a majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee, unless in either case a greater number is required by this charter, the bylaws or the listing standards. The committee shall keep written minutes of its meetings and deliver copies of the minutes to the corporate secretary for inclusion in the corporate records.

Reports. The committee shall prepare the audit committee report required to be included in the company's annual meeting proxy statement, and report to the board on the other matters relating to the committee or its purposes, as required by the listing standards or SEC rules. The committee shall also report to the board annually the overall results of its annual review of the independent auditors' qualifications, performance and independence and the annual review by the committee of its own performance. The committee also shall report to the board on the major items covered by the committee at each committee meeting, and provide additional reports to the board as the committee may determine to be appropriate, including review with the full board of any issues that arise from time to time with respect to the quality or integrity of the company's financial statements, the company's compliance with legal or regulatory requirements, the performance and independence of the independent auditors or the performance of the internal audit function.

Committee access and investigations. The committee is at all times authorized to have direct, independent and confidential access to the independent auditors and to the company's other directors, management and personnel to carry out the committee's purposes. The committee is authorized to conduct or authorize investigations into any matters relating to the purposes, duties or responsibilities of the committee.

Committee advisers and funding. As the committee deems necessary to carry out its duties, it is authorized to select, engage (including approval of the fees and terms of engagement), oversee, terminate, and obtain advice and assistance from outside legal, accounting, or other advisers or consultants. The company shall provide for appropriate funding, as determined by the committee, for payment of:

- compensation to the independent auditors for their audit and audit-related, review and attest services;
- compensation to any advisers engaged by the committee; and
- ordinary administrative expenses of the committee that are necessary or appropriate in carrying out its duties