

JAMBA, INC.

**CHARTER OF THE AUDIT COMMITTEE
OF
THE BOARD OF DIRECTORS**

I. STATEMENT OF POLICY

This Charter specifies the scope of the responsibilities of the Audit Committee of the Board of Directors (the “Board”) of Jamba, Inc., a Delaware corporation (the “Company”), and how the Committee carries out those responsibilities, including the structure, processes, and membership requirements. The primary function of the Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing and reporting to the Board upon (i) the financial reports and other financial information provided by the Company to the Committee, (ii) the Company’s policies regarding finance, accounting, legal compliance and ethics that management and the Board have established and (iii) the Company’s auditing (internal and external), accounting and financial reporting processes in general. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s financial policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company’s policies for internal control systems;
- Oversee performance of the Company’s internal audit function;
- Retain the independent auditors, review and appraise their independence, qualifications and performance, and approve the terms of engagement for audit service and non-audit services; and
- Provide an open avenue of communication among the independent auditors, internal auditor, financial and senior management, and the Board.

The Committee will primarily fulfill these responsibilities, and others as may be prescribed by the Board from time to time, by carrying out the activities enumerated in Section IV of this Charter.

Notwithstanding the foregoing, the Committee members are not professional accountants or auditors, and their functions are not intended to duplicate or substitute for the activities of management and the independent auditors, nor can the Committee certify that the independent auditors are “independent” under applicable rules. The Committee serves a board-level oversight role in which it provides advice, counsel and direction to management and the independent auditors on the basis of information it receives, discusses with the accountants and the experience of the Committee members in business, financial and accounting matters.

II. ORGANIZATION AND MEMBERSHIP REQUIREMENTS

The Committee shall be comprised of three or more directors as determined by the Board, each of whom shall satisfy the independence and experience requirements of Nasdaq. This Charter shall be deemed to incorporate automatically any changes or updates to such requirements. The Committee shall not include any member who:

- is an affiliated person of the Company or any subsidiary of the Company;
- is an employee of the Company or its affiliates or has been employed by the Company or its affiliates within the past three years;
- is a member of the immediate family of an executive officer of the Company or its affiliates who currently serves in that role or did so during the past three years;

- has participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years;
- has accepted any consulting, advisory or other compensatory fee from the Company, other than in his or her capacity as a member of the Committee, the Board, or any other committee of the Board;
- has been a partner, controlling shareholder or an executive officer of any for-profit business to which the Company made, or from which it received, payments (other than those which arise solely from investments in the Company's securities) that exceed 5% of the Company's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the past three years; or
- is an executive of another entity on whose Compensation Committee any of the Company's current executives serves.

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 or will be able to do so within a reasonable time after their appointment. In addition, at least one member must have past employment experience in finance or accounting, professional certification in accounting, or other comparable experience or background resulting in the individual's financial sophistication, including being or having been a chief executive, chief financial, or other senior officer with financial oversight responsibilities.

The members of the Committee shall be elected by the Board and shall serve until their successors shall be duly elected and qualified. The Chair of the Committee shall be nominated by the Nominating and Corporate Governance Committee and shall be appointed by the Board.

III. MEETINGS

The Committee shall meet at least four times annually, or more frequently as conditions dictate. The Committee shall meet with management, the internal auditor, and the independent auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. In addition, the Committee may elect to meet with the independent auditors and management on a quarterly basis to review the Company's financial statements consistent with Section IV.A.5. below, or more frequently as conditions dictate. Members of the Committee and the Company's legal counsel should attend all meetings, if possible.

IV. PROCESSES

To fulfill its responsibilities and duties the Committee shall:

A. Documents/Reports to Review

1. Review and reassess the Charter's adequacy periodically, as conditions dictate.
2. Review the Company's annual audited financial statements, including a discussion of the matters required to be discussed by Statement of Auditing Standards No. 61, as amended, and any reports or other financial information submitted to any governmental body, or the public, including any certification, report, opinion, or review rendered by the independent auditors.
3. Review the regular Management Letter to management prepared by the independent auditors and management's response.
4. Review and approve related-party transactions, after reviewing each such transaction for potential conflicts of interest or improprieties.
5. Review the interim financial statements with financial management and the independent auditors prior to the filing of the Company's Form 10-Ks and Form 10-Qs, including a discussion of the matters

required to be discussed by Statement of Auditing Standards No. 61, as amended. These meetings should include a discussion of the independent auditors' judgment of the quality of the Company's accounting and any uncorrected misstatements as a result of the auditor's quarterly review.

6. Based on the review and discussions referred to in Sections IV.A.2, IV.A.5 and IV.B.2, determine whether to recommend to the Board that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the last fiscal year for filing with the Securities and Exchange Commission.

7. Maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board. The Committee will also record its summaries of recommendations to the Board in written form that will be incorporated as part of the minutes of the Board meeting at which those recommendations are presented. Copies of the minutes should also be made available to the independent accountants.

8. Review the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

B. Independent Auditors

1. Select the independent auditors, considering independence and effectiveness.

2. Obtain from the independent auditors a formal written statement delineating all relationships between the auditor and the Company, and discuss with the auditor (i) the matters required to be discussed by Statement on Accounting Standards No. 61, as amended, (ii) any relationships or services that may impact auditor objectivity and independence (consistent with Independence Standards Board Standard No. 1) and (iii) any potential impact on the independent auditor's objectivity and independence.

3. Take, or recommend that the Board take, appropriate action to oversee the independence of the outside auditor.

4. Review and approve the scope of the independent auditor's audit examination prior to the annual audit. Review and approve audit fees agreed to by management and the extent of non-audit services to be provided by the independent auditors, in relation to the objectivity required in the audit, specifically excluding tax planning and strategy services, which shall in no case be provided by the independent auditors.

5. Review the performances of the independent auditors and approve any proposed discharge of the independent auditors when circumstances warrant.

6. Periodically consult with the independent auditors out of the presence of management about internal controls and the fullness and accuracy of the Company's financial statements.

7. Reaffirm that the independent auditors are ultimately accountable to the Board and the Committee.

8. Pre-approve the hiring by the Company of any prospective employee that has previously been an employee of the independent auditors.

C. Financial Reporting Processes

1. In consultation with the internal auditor and independent auditors, respectively, review the integrity of the Company's financial reporting processes, both internal and external.

2. Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

3. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors or management.

4. Prepare the report required by the rules of the SEC to be included in the Company's annual proxy statement.

5. Discuss with the internal auditor 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 auditor, and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's systems to monitor and manage business risk, and legal and ethical compliance programs. Further, the Committee shall meet separately with the internal auditor and the independent auditors, with and without management present.

D. Process Improvement

1. Review with management, internal auditor, and the independent auditors any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.

2. Review with management and the independent auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

3. Review any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements.

4. Review with management, internal auditor, and the independent auditors the effect on the Company's accounting and reporting policies of any significant new pronouncements of the accounting profession and other regulatory agencies.

5. Review with the independent auditors, internal auditor, and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.

6. Provide oversight and review the Company's asset management policies, including an annual review of the Company's investment policies for cash and short-term investments.

E. Ethical and Legal Compliance

1. Review whether management has set an appropriate corporate "tone" for quality financial reporting, sound business practices and ethical behavior.

2. Review whether management has the proper review system in place to ensure that the Company's financial statements, reports and other financial information disseminated to governmental organizations and the public satisfy legal requirements.

3. Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.

4. Review with the principal executive and financial officers of the Company any report on significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize or report financial data, any material weaknesses in internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

5. Review and approve the 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. Recommend the adoption, as necessary, of appropriate remedial measures or actions with respect to such complaints or concerns.

6. If necessary, initiate special investigations, and if appropriate, hire special counsel or experts to assist the Committee. In this regard, and notwithstanding any limitations contained elsewhere in this Charter, the Committee shall have the authority, without the prior approval of the other members of the Board, to expend such Company resources as it deems necessary and appropriate to fulfill its responsibilities.

7. Conduct an annual Committee self-evaluation.

8. Take any other actions consistent with this Charter, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.