

AUDIT COMMITTEE CHARTER

Organization

There is hereby established a committee of the board of directors (the "Board") of Inter Parfums, Inc. (the "Corporation"), to be known as the Audit Committee.

Membership

The Audit Committee shall be composed of not less than three (3) directors of the Corporation who are independent of the management of the Corporation. All Audit Committee members will be financially literate, and at least one member will have accounting or related financial management expertise, as follows: either past employment experience in finance or accounting, professional certification in accounting, or any other comparable background or experience which results in financial sophistication, such as having been a chief executive, chief financial or senior officer with financial oversight responsibilities.

Notwithstanding the foregoing, if the rules of the Nasdaq Stock Market are amended to require that at least one member of the Audit Committee shall be a "financial expert" in accordance with the criteria set forth in Section 407 of the Sarbanes-Oxley Act (the "Act") and the proposed rules of the Securities and Exchange Commission as set forth in Release No. 33-8138 (the "Proposed Rule") or any successor rule, then the requirement for membership in the Committee that "at least one member will have accounting or related financial management expertise" shall be deleted, and the new requirement that "at least one member of the Audit Committee shall be a 'financial expert' " shall be inserted in lieu thereof.

No one shall serve on the Audit Committee if such person:

- is or has been employed by the Corporation or any of its Affiliates for the current year or any of the past three (3) years;
- receives any compensation from the Corporation or any of its Affiliates in any capacity other than as compensation for service as a member of the Board, or as a member of any committee of the Board;
- has received, or any member of his Immediate Family as received, payments in excess of \$60,000, including but not limited to political contributions;
- is an executive officer of a charity where the Corporation makes payments in excess of the greater of \$200,000 or five percent (5%) of either the Corporation 's or the charity's gross revenues;
- has a member of his Immediate Family who is, or has been, in any of the past three (3) years, employed by the Corporation or any of its Affiliates as an Executive Officer;
- is a partner in, or a controlling shareholder or an Executive Officer of, any for-profit

business organization to which the Corporation made, or from which the Corporation received, payments (other than those arising in solely from investments in the Corporation's securities) that exceeded five percent (5%) of the corporation's or business organization's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the past three (3) years;

- is employed as an Executive Officer of another entity where any of the Corporation's executives serve on that entity's compensation committee;
- is not able to read and understand fundamental financial statements, including a Corporation's balance sheet, income statement, and cash flow statement;
- is an Affiliate of the Corporation.

For purposes hereof, the following terms shall have the following meanings:

Affiliate. An Affiliate of a person is one who directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with such person. For the purposes of determining whether a person who is or intends to become a member of the Audit Committee is an Affiliate solely by virtue of such person's beneficial ownership of voting securities of the Corporation, such person shall be deemed to be an Affiliate if such person owns or controls, directly or indirectly, twenty (20%) percent or more of any class of the Corporation's outstanding voting securities, or such lower threshold as may be established from time to time the Securities and Exchange Commission.

Executive Officers. This term is defined to mean the president, treasurer, any vice-president in charge of a principal business function (such as sales, administration, or finance) and any other person who performs similar policy making functions.

Immediate Family. The term Immediate Family includes a person's spouse, parents, children, siblings, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law and anyone who resides in such person's home.

Statement of Policy

The Audit Committee shall have the sole authority and shall be directly responsible for, the appointment, compensation and oversight of the work, including resolution of disputes with management and the auditors regarding financial reporting, of the independent accountants employed by the Corporation which prepare or issue an audit report for the Corporation.

Responsibilities

In carrying out its responsibilities, the Audit Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and to ensure to

the directors and shareholders that the corporate accounting and reporting practices of the Corporation are in accordance with all requirements and are of the highest quality.

In carrying out these responsibilities, the Audit Committee will:

- Obtain the full board of directors' approval of this Charter and review and reassess this Charter as conditions dictate at least annually.
- In accordance with Sections 201 and 202 of the Act, have the sole authority on behalf of the Corporation in deciding to engage, evaluate, and if appropriate, terminate the services of one or more the independent auditors that are to audit the financial statements of the Corporation and each of its divisions and subsidiaries.
- Have the sole authority on behalf of the Corporation to authorize and approve in advance, all auditing services and all other non-auditing services, including tax services to be provided by the independent auditors.
- Have the sole authority on behalf of the Corporation to delegate to one or more members of the Committee, the authority to grant the required preapprovals for all auditing services and all other non-auditing services; provided that in the event of such delegation and grant of approval, such member of the Committee shall disclose such preapprovals to the full audit committee and to the Chief Financial Officer of the Corporation by the earlier of (i) five (5) business days or (ii) the next meeting of the Committee.
- Meet with the independent auditors and financial management of the Corporation to review the scope of the proposed audit for the current year and timely review of the Corporation's quarterly reports, and the audit procedures to be utilized, and at the conclusion thereof review such audit or review, including any comments or recommendations of the independent auditors.
- Review a report from the independent auditors, which shall disclose to the Committee, all critical accounting policies and practices, all alternative treatments of financial information within United States generally accepted accounting principles that have been discussed with management, their potential ramifications, and the preferred treatment of the auditors; review a copy of all material communications, such as the management representation letter and any schedule of unadjusted differences; review any other material supplied by the independent auditors.
- Review with the independent auditors and the Corporation's financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls of the Corporation, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis should be given to the adequacy of such internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper. Further, the committee periodically should

review the Corporation's policy statements to determine their adherence to the code of conduct.

- Review the financial statements contained in the annual report to shareholders with management and the independent auditors to determine that the independent auditors are satisfied with the disclosure and content of the financial statements to be presented to the shareholders. Any changes in accounting principles should be reviewed.
- Provide sufficient opportunity for the independent auditors to meet with the members of the Audit Committee without members of management present. Among the items to be discussed in these meetings are the independent auditors' evaluation of the Corporation's financial, accounting, and auditing personnel, and the cooperation that the independent auditors received during the course of the audit.
- Review accounting and financial human resources and succession planning within the Corporation.
- Submit the minutes of all meetings of the Audit Committee to, or discuss the matters discussed at each committee meeting with, the board of directors.
- Investigate any matters brought to its attention within the scope of its duties, with the power to retain outside counsel or other advisors for this purpose if, in its judgment, that is appropriate.
- Review the quarterly financial statements with financial management and the independent auditors prior to the filing of the Form 10-Q (or prior to the press release of results, if possible) to determine that the independent auditors do not take exception to the disclosure and content of the financial statements, and discuss any other matters required to be communicated to the committee by the auditors. The chair of the committee may represent the entire committee for purposes of this review.
- Review the financial statements contained in the annual report to shareholders with management and the independent auditors to determine that the independent auditors are satisfied with the disclosure and content of the financial statements to be presented to the shareholders. Review with financial management and the independent auditors the results of their timely analysis of significant financial reporting issues and practices, including changes in, or adoptions of, accounting principals and disclosure practices, and discuss any other matters required to be communicated to the committee by the auditors. Also review with financial management and the independent auditors their judgments about the quality, not just acceptability, of accounting principles and the clarity of the financial disclosure practices used or proposed to be used, and particularly, the degree of aggressiveness or conservatism of the organization's accounting principles and underlying estimates, and other significant decisions made in preparing the financial statements.

- On an annual basis, obtain from the independent auditors a written communication delineating all their relationships and professional services as required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees. In addition, review with the independent auditors the nature and scope of any disclosed relationships or professional services and take, or recommend that the board of directors take, appropriate action to ensure the continuing independence of the auditors.
- Review the report of the Audit Committee in the annual report to shareholders and the Annual Report on Form 10-K disclosing whether or not the committee had reviewed and discussed with management and the independent auditors, as well as discussed within the committee (without management or the independent auditors present), the financial statements and the quality of accounting principles and significant judgments affecting the financial statements. In addition, disclose the committee's conclusion on the fairness of presentation of the financial statements in conformity with GAAP based on those discussions.
- Review the Company's disclosure in the proxy statement for its annual meeting of shareholders that describes that the Committee has satisfied its responsibilities under this Charter for the prior year. In addition, include a copy of this Charter in the annual report to shareholders or the proxy statement at least triennially or the year after any significant amendment to the Charter.
- Establish procedures for the receipt, retention and treatment of complaints received by the Corporation in respect of alleged improper accounting matters, internal controls or auditing matters, and confidential or anonymous submission by employees of the Corporation of concerns relating to accounting and auditing matters.
- Have the sole authority on behalf of the Corporation to authorize and approve all related party transactions between the Corporation and its Directors, Executive Officers and their Immediate Family, and Affiliates.