

**CODE OF CONDUCT  
FOR  
OFFICERS, DIRECTORS AND EMPLOYEES  
OF  
EMERSON RADIO CORP. AND ITS SUBSIDIARIES**

I. Purpose

This Code of Conduct of Emerson Radio Corp. and its subsidiaries (collectively, the “Company”) provides an overview to the Company’s employees, officers, directors, and third party representatives (including, but not limited to suppliers and business partners) about the Company’s commitment to doing business the right way. This Code of Conduct does not cover every issue that may arise in the course of doing business, but it sets out basic guiding principles to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submit to, the SEC and in other public communications made by the Company;
- compliance with applicable laws and stock exchange and governmental rules and regulations;
- prompt internal reporting of code violations to an appropriate person or persons identified in this Code of Conduct; and
- accountability for adherence to the Code of Conduct.

If a law conflicts with a policy in this Code of Conduct, you must comply with the law; however, if a local custom or policy conflicts with this Code of Conduct, you must comply with this Code of Conduct. **Those who violate the standards in this Code of Conduct will be subject to disciplinary action.**

If you have any questions or are unsure how to handle a situation, you should ask your supervisor, a manager, or Human Resources for help.

II. Scope

The Code of Conduct applies to all employees, officers, and directors (referred to collectively as “employees”), and third party representatives (including, but not limited to suppliers, and business partners) acting on behalf of the Company. All employees and third party representatives must conduct themselves according to this Code of Conduct, and seek to avoid even the appearance of improper behavior. The Company expects everyone to practice good judgment when working on its behalf. Business actions and communications – both oral and written – should be consistent with this Code of Conduct and legal obligations.

### III. Compliance with Laws, Regulations, and Company Policies and Procedures

Obedying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. Everyone must respect and obey the laws of the cities, provinces, states, and countries in which the Company operates. Although everyone is not expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers, or other appropriate personnel.

### IV. Anti-Bribery and Foreign Corrupt Practices Act Policy

Bribes, kick-backs and other illegal payments to or from any individual with whom the Company conducts business (in any form and for any purpose) are strictly prohibited.

The promise, offer, or delivery to an official or employee of the U.S. or any government, of a gift, favor or other gratuity will violate Company policy and could also be a criminal offense. The U.S. Foreign Corrupt Practices Act ("FCPA") prohibits giving or offering anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to offer or make illegal payments to government officials of any country.

It is never acceptable to give, receive, or offer a bribe – and it is never acceptable for a third party to do so on the Company's behalf. Bribes are not limited to cash payments and can include anything of value, such as travel, entertainment, promotional or demonstrative items, the promise of a job or even a gift.

Employees, business partners, suppliers and any other third party operating on behalf of the Company may not, directly or indirectly, offer, provide, promise or accept anything of value in exchange for favorable business treatment or to obtain or retain business.

You and members of your family must not solicit or accept loans, fees, services, or monetary gifts of any kind from suppliers, customers or others dealing with the Company. To the extent permitted by law, you may accept unsolicited non-monetary gifts or entertainment which conform to customary business practices and are not of significant value. Should you accept such gifts or entertainment, you must not give the person or entity offering such gifts or entertainment any preferential treatment.

Charitable contributions and political donations cannot be used as a pretext to make an improper or unauthorized payment.

### V. Anti-Money Laundering Policy

The Company must also comply with all applicable anti-money laundering laws. Immediately report to your manager or another member of management any unusual or suspicious activities or transactions, such as:

- attempted payment in cash or from an unusual financing source;

- arrangements that involve the transfer of funds to or from countries or entities unrelated to the transaction or customer;
- unusually complex deals that do not reflect a real business purpose; or
- attempts to evade record-keeping or reporting requirements.

## VI. Conflicts of Interest and Outside Associations and Activities

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors. No employee may compete with the Company directly or indirectly. Employees, officers, directors, and third party representatives of the Company owe a duty to the Company to advance its legitimate interests.

A “conflict of interest” exists when a person’s private interest interferes in any way with the interests of the Company. A conflict can arise when an employee, officer, director, or a third party representative of the Company takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest may also arise when an employee, officer, director, or third party representative, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company.

A conflict of interest can arise in dealing with anyone with whom the Company transacts business: customers, clients, owners, buyers, suppliers, banks, insurance companies, and people in other organizations with whom the Company contracts and makes agreements.

Conflicts of interest should be avoided and include the following examples:

- Engaging in a part-time activity for profit or gain in any field in which the Company is engaged (e.g., as a board member for a competitor, customer, or supplier).
- Borrowing from, or lending money to individuals representing organizations with which business dealings are conducted.
- Accepting or giving gifts to individuals representing organizations with which business dealings are conducted or potentially conducted. The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair personal advantage.
- Accepting personal opportunities that are discovered through the use of corporate property, information, or position without the consent of the Board of Directors. No employee may use corporate property, information, or his/her position for improper personal gain.

Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management. Any employee, officer, director, or third party representative of the Company who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager, or other appropriate personnel.

## VII. Political Contributions and Activities

In the United States, federal and many state laws prohibit corporations from making direct political contributions to candidates. No employee may make any political contribution of any kind, on the federal, state, or local level, in the name of the Company, or use Company funds or materials for this purpose. You should not make political contributions based on a promise to be reimbursed by the Company.

## VIII. Discrimination and Harassment

The Company is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate illegal discrimination or harassment of any kind. Examples include, but are not limited to, derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Additionally, the Company does not tolerate retaliation against employees who come forward with complaints of discrimination or any other illegal or unethical behavior.

## IX. Health and Safety

The Company strives to provide each employee with a safe and healthful work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The possession, use or sale of illegal drugs in the workplace or course of employment will not be tolerated.

## X. Record-Keeping

The Company requires honest and accurate recording of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Do not knowingly create or provide false information regarding work processes or make defamatory statements. This applies to e-mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Company's record retention policies.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is a legitimate business expense, ask your supervisor or Human Resources.

Laws (including the FCPA) require that the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect transactions, and must conform to the Company's system of internal controls. Unrecorded or "off the books" funds, assets, or transactions are prohibited.

## XI. Cooperating with Governmental Authorities

It is the policy of the Company to cooperate with governmental investigations or inquiries. Accordingly, if you reasonably believe that a governmental investigation or inquiry is in progress, you should communicate that information immediately to your immediate supervisor, or, if you are an officer or director of the Company or any of its subsidiaries, to the Chief Executive Officer of the Company.

You should never:

- Destroy or alter any Company documents in anticipation of a request for those documents from any governmental agency or judicial authority.
- Make any false or misleading statements to any governmental investigator during an investigation.
- Attempt to cause any other Company employee or any other person to fail to provide information to a governmental investigator, or to provide false or misleading information.

## XII. Confidential Information and Trading Stock in a Public Company

It is illegal and against Company policy for you to buy or sell Company stock when in possession of “inside information.”

As a general matter, inside information is any material, nonpublic information concerning a company or its business. Information may be considered “material” if (1) it would likely be considered important to an investor in deciding whether to purchase or sell the Company’s securities, or (2) would reasonably be expected to have an impact on the price of the Company’s stock if the information were publicly released. For example, inside information might include information relating to proposed acquisitions, important financial data, major new contracts, research projects, the status of a product in the governmental approval process, or significant management changes.

Even after information is publicly released, it should still be considered nonpublic until a sufficient amount of time has passed for the information to become generally available to, and absorbed by, the investing public. While the amount of time that must pass for information to be considered public may vary depending on the circumstances, generally, information may be considered to be public 48 hours following its release to the investing public.

In addition, the Company maintains a policy with respect to trading in the Company’s stock and you are required to comply with such policy.

## XIII. Company Disclosure Obligations

As a public company, the Company is required to make disclosures about its activities and operations in quarterly reports filed shortly after the end of its first three fiscal quarters and in an annual report filed shortly after the end of its fiscal year. It is the policy of the Company to

make full, fair, accurate, timely and understandable disclosure in reports and documents that it files with, or submits to, the SEC and in other public communications made by the Company. While the disclosure rules are complex, essentially the Company is obligated to disclose anything that a reasonable investor would want to consider in deciding whether to purchase or sell the Company's stock. If you are aware of an act or omission which you believe satisfies this standard and you do not believe that such act or omission has been disclosed by the Company, you should describe that information to your immediate supervisor, or if you are an officer or director of the Company or any of its subsidiaries, to the Chief Executive Officer of the Company.

#### XIV. Waivers of the Code of Conduct

Any waiver of this Code of Conduct for executive officers or directors may be made only by the Board of Directors or a committee thereof and will be promptly disclosed as required by law or stock exchange regulation.

#### XV. Duty to Report Violations

You are responsible for reporting in good faith to the Company any circumstances that you believe may constitute a violation of this Code of Conduct. You may report such concerns to any one of the following:

- Your manager;
- Another member of management;
- Human Resources;
- Chief Executive Officer; or
- Chairman of the Audit Committee of the Board of Directors.

All information provided to immediate supervisors pursuant to this Code of Conduct is to be communicated by such immediate supervisor to the Chief Executive Officer of the Company or the Chief Executive Officer's designee.

If you prefer to make a confidential or anonymous report, you may do so by the following means:

**Telephone Number of the Audit Committee Chairman:**  
416-364-9816

**E-mail Address of the Audit Committee Chairman:**  
[ksethi@streetwisecapital.com](mailto:ksethi@streetwisecapital.com)

**Mailing Address of the Audit Committee Chairman:**

Kareem E. Sethi  
Streetwise Capital Partners Inc.  
1517 - 44 Victoria Street  
Toronto, Ontario, M5C 1Y2

XVI. No Retaliation

The Company will not tolerate any retaliation taken against any individual who in good faith reports a possible violation of this Code of Conduct. Any employee who violates this no retaliation provision will be subject to discipline, up to and including termination. However, if any employee makes a knowingly false report of a possible violation in bad faith or for the purpose of harming another employee, that employee will be subject to disciplinary action.

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**Effect of this Code of Conduct. NOTHING PROVIDED FOR IN THIS CODE IS INTENDED TO CREATE A CONTRACT OF EMPLOYMENT FOR ANY INDIVIDUAL.** Employees may terminate their employment whenever they wish and for whatever reason, just as the Company may terminate an individual's employment at any time and for any reason.

**Telephone Number of the Audit Committee Chairman:**

416-364-9816

**E-mail Address of the Audit Committee Chairman:**

[ksethi@streetwisecapital.com](mailto:ksethi@streetwisecapital.com)

**Mailing Address of the Audit Committee Chairman:**

Kareem E. Sethi  
Streetwise Capital Partners Inc.  
1517 - 44 Victoria Street  
Toronto, Ontario, M5C 1Y2

**RECEIPT AND TREATMENT OF COMPLAINTS**

When the Company receives a complaint, question, concern or other communication related to accounting matters, the Code of Conduct, Code of Ethics or related matters, the communication will be forwarded to the Audit Committee Chairman, who will determine if and whether the complaint pertains to an accounting matter, Code of Conduct or Code of Ethics issue.

If the answer is “yes,” the Audit Committee, in consultation with such counsel or other advisors as it chooses, will determine an appropriate course of investigation. Confidentiality will be maintained to the fullest extent possible throughout the course of the investigation, consistent with the need to conduct an adequate review and investigation. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.

If the answer is “no,” the Audit Committee Chairman will refer the matter to human resources personnel, management, or counsel as appropriate.

**NO RETALIATION**

The Company will not discharge, demote, suspend, threaten, harass, or in any manner discriminate against any employee in the terms or conditions of employment based upon any lawful actions of that employee with respect to good faith reporting of concerns or complaints regarding accounting matters, potential Code of Conduct or Code of Ethics violations, or related matters. Nor will the Company take any other action prohibited by the Sarbanes-Oxley Act of 2002 or the Dodd-Frank Act of 2010. The Company will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought advice or reported questionable behavior or a possible violation. Nor will the Company tolerate any retribution or retaliation against any employee who provides information or causes information to be provided or assist in an investigation regarding violations of law, or files, testifies, or participates in a proceeding relating to violations of law. Employees who believe they have been subject to retaliation for reporting concerns or complaints should report those concerns using the

procedures as outlined herein. However, if any employee makes a knowingly false report of a possible violation in bad faith or for the purpose of harming another employee, that employee will be subject to disciplinary action.

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