

EMERSON RADIO CORP.

**POLICY FOR THE HANDLING OF ACCOUNTING,
AUDITING, CODE OF CONDUCT AND CODE OF ETHICS COMPLAINTS**

**ISSUED UNDER THE AUSPICES OF
THE AUDIT COMMITTEE OF
EMERSON RADIO CORP.**

INTRODUCTION

We at Emerson Radio Corp. (the “Company”) conduct ourselves with integrity, in accord with our own Code of Conduct and Code of Ethics, and in full compliance with all laws and regulations that affect our business activities, including our accounting, auditing, and internal control matters (“accounting matters”).

To facilitate the reporting of concerns, questions, issues or complaints related to the above, the Audit Committee of the Board of Directors of the Company has established procedures for the receipt, retention, and treatment of complaints regarding accounting matters, and the confidential, anonymous submission by employees of concerns regarding accounting matters and the Company’s Code of Conduct and Code of Ethics. The Company will also receive and process complaints about these matters raised by parties outside of the Company. The Audit Committee of the Board of Directors will oversee treatment of these complaints.

REPORTING CONCERNS OR COMPLAINTS

If you have a concern about any accounting matter, or if you are aware of any illegal, unethical, or questionable behavior, or suspected or known violations of the Code of Conduct or Code of Ethics, the Company’s policies or guidelines, or any state or federal statute or rule you have a duty to promptly report such concerns. You may report them 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.

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

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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