

Regulation Fair Disclosure Policy



1. Policy Statement

NetWolves Corporation (NetWolves) is committed to fair disclosure of information about NetWolves without advantage to any particular analyst or investor, consistent with the Securities and Exchange Commission's Fair Disclosure Regulation ("Regulation FD"). The Corporation will continue to provide current and potential shareholders access to key information reasonably required to make an informed decision on whether to invest in NetWolves stock.

Our Regulation FD policy (i) prohibits the selective disclosure of material, nonpublic information about NetWolves, (ii) sets forth procedures that will prevent such disclosure, and (iii) provides for the broad, public distribution of material information regarding NetWolves.

2. Philosophy

NetWolves and its management believe it is in the Corporation's best interest to maintain an active and open dialogue with shareholders and potential investors regarding the Corporation's historical performance and future prospects. NetWolves can best create shareholder value by publicly articulating its strategies, business strengths, and growth opportunities through an active dialogue.

3. Compliance

NetWolves complies with all periodic reporting and disclosure requirements outlined by the Securities and Exchange Commission, including Regulation FD. It has been, and will continue to be, our practice to disclose material information about the Corporation publicly, not selectively.

4. Compliance Guidelines

NetWolves has established the following guidelines to ensure compliance with Regulation FD and to avoid selective disclosure of nonpublic material information.

A. Disclosure Policy

NetWolves will communicate its anticipated approach to compliance with Regulation FD by posting its policy on its web site. Any changes will be posted promptly.

B. Authorized Representatives of Corporation

Only the CEO, CFO or Director of Corporate Communications may communicate on behalf of the Corporation to analysts, securities market professionals, institutional investors, and shareholders of the Corporation ("Regulation FD Persons").

Other executive officers of the Corporation may communicate with Regulation FD Persons as part of the Corporation's investor relations program. In such instances, the CEO, CFO or Director of Corporate Communications must also be present. No employee is authorized to communicate business or financial information about the Corporation to Regulation FD Persons that is nonpublic, material information.

Employees and officers should refer all questions on Corporation financial results or future financial performance to the CFO, or in his or her absence, to the CEO or Director of Corporate Communications.

Senior managers may make appropriate announcements and conduct interviews about their business, technology and significant developments with the media. Media interviews are exempt from Regulation FD except in disclosing financial projections.

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C. Quarterly Earnings Release Conference Calls and Updates

NetWolves will hold quarterly investor conference calls open to the public and media and provide public notice about the call through a media release by electronic distribution through a business wire and posting on the NetWolves web site. For quarterly conference calls, notice will be posted on our web site approximately one week before the conference call.

A playback of the conference call will be provided for approximately one week after the conference call and transcripts of the call will be available upon request.

Any guidance to Regulation FD Persons relative to NetWolves financial goals will be provided through public disclosure, such as annual reports, media releases or conference calls open to the public.

D. Questions to Investor Relations

NetWolves Investor Relations will still take phone calls from Regulation FD persons with questions. In order to comply with Regulation FD, however, NetWolves has adopted new rules about when and how they are answered.

The Director of Corporate Communications or CFO will reply directly to questions that relate to information, which is solely historical and already public.

Following NetWolves' quarterly earnings release, the CFO may also answer questions that relate to forward-looking information contained in our quarterly earnings release or disclosed by us during the earnings conference call.

All other questions from Regulation FD Persons must be submitted in writing to NetWolves Investor Relations via e-mail investor@netwolves.com or by letter. The Director of Corporate Communications or the CFO will then determine whether to respond (i) directly to the person making the inquiry, (ii) through a public disclosure, or (iii) not at all.

If questions are of interest to a wider audience, NetWolves may also post any answers on the Investor Relations section of our web site.

E. Analyst Models and Reports

NetWolves will not provide Regulation FD Persons with nonpublic earnings guidance under any circumstances.

While NetWolves may elect to review materials prepared by Regulation FD Persons, NetWolves will not comment (orally or in writing) upon any such material, except to correct inaccuracies relating to public, historical information.

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F. Presentations

NetWolves will continue to use the safe harbor guidelines for forward-looking information as part of individual, group, and conference investor communications formats.

NetWolves may participate in securities firm-sponsored and other investor conferences. If any inadvertent disclosures at these conferences of material, nonpublic information occurs, appropriate public disclosure will be made promptly.

The CEO, CFO or Director of Corporate Communications may continue to meet with individual investors or groups of investors during any Corporation-sponsored facility tours. Similarly, NetWolves may continue to participate in other public forums at which analysts or investors could be present, including industry seminars, trade shows, employee, retiree and annual shareholder meetings, and meetings with commercial partners that are shareholders. We do not intend to disclose any material, non-public information during these meetings. If the authorized representative determines that material, non-public information has been disclosed, appropriate public disclosure will be made promptly.

All inquiries regarding the provisions or procedures of this policy should be addressed to NetWolves Investor Relations via e-mail or by letter.