Remark Holdings

Corporate Governance Guidelines

The Board of Directors of Remark Media, Inc. (hereafter the "Company") has adopted these corporate governance guidelines to serve the best interests of the Company and its stockholders. These guidelines serve as a flexible framework in which the Board may conduct Company business and do not constitute binding legal obligations. The guidelines should be interpreted in the context of all applicable laws, rules, regulations, and other governing legal documents. From time to time, the Board may modify the guidelines.

The Board of Directors

a. **Role and Responsibilities:** The Board of Directors has responsibility for ensuring that the business is managed in the best interests of the Company and its stockholders. The Board oversees the Chief Executive Officer (CEO), who, with his direct reports, runs the Company on a daily basis. In its oversight role, the Board evaluates and monitors the Company's strategy and determines whether the Company is being operated in an effective, ethical manner that will produce value for the stockholders. The Board's other responsibilities include:
   - Selecting, evaluating and compensating the CEO;
   - Advising management on significant business issues and risks facing the Company;
   - Understanding, reviewing and monitoring the Company's operating plans and budget;
   - Ensuring integrity of financial information and the Company's compliance with laws and regulations;
   - Providing counsel and guidance to senior management on significant executive appointments;
   - Reviewing management succession plans; and
   - Monitoring and managing potential conflicts of interests.

b. **Size of Board:** The authorized number of directors will be determined from time to time by resolution of the Board. Currently, the Board has 3 members.

c. **Board Membership Criteria:** Nominees for director should be selected on the basis of, among other things, their integrity, knowledge, experience, expertise, understanding of the Company's business, and other qualities deemed important by the Governance and Nominating Committee. Directors are expected to limit the number of other boards, including non-profits, on which they service to ensure they have sufficient time to devote to their responsibilities. Directors shall advise the Governance and Nominating Committee in advance of their intention to accept outside board or executive appointments. If a director retires or has a significant change from the position he or she held upon joining the Board, the director shall offer to resign from the Board. The Board will then consider the continued appropriateness of Board membership under the new circumstances.

d. **Director Nomination, Selection and Tenure:** The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. The Governance and Nominating Committee is responsible for screening and recommending candidates for Board membership. Directors are re-elected each year, and the Board has established no limit on terms so as to ensure flexibility in retaining directors who have significant experience and understanding of the Company's business and operations. The Governance and Nominating Committee will monitor and review director performance and the Board's composition periodically, and take steps as necessary to ensure the Board has experience and expertise to meet its obligations to the Company and its stockholders.

e. **Independent Directors:** The Board will ensure that its membership includes the required number of independent directors as defined by the Sarbanes-Oxley Act of 2002, the rules and regulations of the Securities and Exchange Commission, and the NASDAQ Stock Market. The Board's composition and each director's relationship with the Company shall be monitored and reviewed periodically by the Board in light of these requirements.

f. **Selection and Role of Chairman:** The Board shall select a Chairman in accordance with its Articles of Incorporation and By-Laws. The Chairman, in consultation with directors, shall be responsible for scheduling Board meetings and establishing the agenda for each session.

g. **Board Meetings:** The Board will meet at least four times a year, with as many additional sessions as deemed necessary to fulfill its responsibilities. Board members are expected to make attendance a priority, to have reviewed the materials sent in advance of the meeting, and to take an active part in its deliberations and discussions. Board members may propose agenda items and raise topics during meetings that are not on the agenda. The Board welcomes regular attendance at each Board meeting of the appropriate representatives of senior management of the Company as shall be determined from time to time, subject to the Board's right in all instances to meet in executive session or with a more limited number of management representatives. If the CEO wishes to have additional Company personnel attendees on a regular basis, this suggestion should be brought to the Board for consideration.

h. **Executive Sessions:** NASDAQ rules require independent Board members to meet regularly in executive session without non-independent directors. The Board's policy is to hold executive sessions without the presence of management, including the CEO and on other non-independent directors, in connection with the each regularly scheduled Board meeting, and at other times it deems appropriate. Committees of the Board may also meet in executive session as deemed appropriate.

i. **Access to Management and Outside Advisors:** The Board shall have access to the Company's management and, as appropriate, to the Company's outside advisers. Board members shall coordinate such access through the Chairman. The Board and its Committees may also retain outside advisors, at the expense of the Company, if they determine such steps are necessary to carry out their responsibilities.

Committees

a. **Standing Committees:** The Board shall establish the three following standing committees: the Governance and Nominating Committee, the Audit Committee and the Compensation Committee. The role and responsibilities of each committee shall be outlined in a committee charter adopted by the Board. In consultation with the Governance and Nominating Committee, the Board may, from time to time, form a new committee, disband a committee or change committee responsibilities. Each committee shall comply with the independence and other requirements established by applicable law and regulations, including the Securities and Exchange Commission and NASDAQ rules.

b. **Committee Appointments:** Members of the standing committees are appointed by the Board. The Board determines the number of members on each committee and can remove or replace committee members, and may reallocate committee responsibilities.

c. **Committee proceedings:** The Chair of each committee of the Board will, in consultation with appropriate committee members and in accordance with the committee's charter, determine the frequency and length of committee meetings and develop the committee's agenda.

Board Evaluation and Compensation

a. **Annual Performance Evaluation:** The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Governance and Nominating Committee will establish and maintain a process for gathering the views of directors and report annually to the Board on the results of the self-evaluation.

b. **Compensation:** The form and amount of non-employee director compensation will be determined by the Compensation Committee, in accordance with the policies and principles set forth in its charter.

CEO Evaluation and Management Succession

a. **CEO Review:** The Compensation Committee will conduct an annual review of the CEO's performance. The Board will review the Compensation Committee's report in order to confirm that the CEO is providing effective leadership for the Company in the long and short term.

b. **Succession Planning:** The Governance and Nominating Committee should periodically report to the Board on succession planning. The entire Board will work with the Governance and Nominating Committee to nominate and evaluate potential successor to the CEO as appropriate. The CEO should make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Preventing and Managing Conflicts of Interest

a. **Code of Conduct:** Board members, as well as all officers and employees of the Company, are required to adhere to the Company's Code of Conduct and to avoid conflicts of interests. Directors are expected to notify the Board as soon as reasonably practicable should there arise a potential or actual conflict of interest with the Company.

b. **Audit Committee Role:** The Audit Committee of the Board will review and approve all related party transactions as required by applicable law and or the rule of the NASDAQ Stock Market. The Board shall establish additional policies and procedures as it deems appropriate to guard against unlawful related party transactions and abuses of corporate assets.