



POLICY STATEMENT

Subject: Stockholder Nominations and Communications Policy	Date Issued: November 6, 2014 Date Amended: February 16, 2017
Approved by: Board of Directors Date: February 16, 2017	Distribution:

General

The Board of Directors (the “Board”) of B. Riley Financial, Inc., a Delaware corporation (the “Company”), has adopted policies with respect to (i) the consideration of candidates for director nominees recommended by stockholders and (ii) stockholder communications with the Board. These policies are subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company or as required by applicable laws.

Nomination of Directors

Directors may be nominated for election by the Board or by stockholders in accordance with the bylaws of the Company. This policy addresses the consideration of candidates recommended by stockholders for nomination by the Board. Direct stockholder nominations must be made in accordance with the advance notice requirements contained in the Company’s bylaws.

As indicated in the Company’s Corporate Governance Guidelines, the Corporate Governance Committee reviews all nominees, including those recommended by stockholders, for nomination by the Board in accordance with the requirements and qualifications contained in the Corporate Governance Guidelines to determine whether they possess attributes the Corporate Governance Committee believes would be most beneficial to the Company. The Corporate Governance Committee will select qualified candidates and make its recommendations to the Board, which will formally decide whether to nominate the recommended candidates for election to the Board.

Stockholders may recommend nominees for consideration by the Corporate Governance Committee by submitting the names and the following supporting information to the Company’s Secretary: Corporate Secretary, Stockholder Nominations, B. Riley Financial, Inc., 21255 Burbank Blvd., Suite 400, Woodland Hills, CA 91367. The submissions should include a current resume and curriculum vitae of the candidate and statement describing the candidate’s qualifications and contact information for personal and professional references. The submission should also include the name and address of the stockholder who is submitting the nominee, the number of shares which are owned of record or beneficially by the submitting stockholder and a description of all arrangements or understandings between the submitting stockholder and the candidate.

As appropriate, the Board may engage a third party director search firm to identify or assist in identifying or evaluating potential nominees.

Stockholder Communications

Stockholders and other interested parties may communicate directly with the Board or the non-management directors. All communications should be in writing and should be directed to the Company's Corporate Secretary at: Corporate Secretary, Stockholder Communications, B. Riley Financial, Inc., 21255 Burbank Blvd., Suite 400, Woodland Hills, CA 91367. Each communication must set forth the name and address of the stockholder on whose behalf the communication is sent and should indicate in the address whether the communication is intended for the entire Board, the non-management directors as a group or an individual director.

Each communication will be screened by the Corporate Secretary or his designee to determine whether it is appropriate, in such reviewer's sole discretion, for presentation to the Board or such director(s). Examples of inappropriate communications include junk mail, spam, mass mailings, resumes, job inquiries, surveys, business solicitations and advertisements, as well as unduly hostile, threatening, illegal, unsuitable, frivolous, patently offensive or otherwise inappropriate material. Communications determined by the Corporate Secretary or his designee to be appropriate for presentation to the Board or the director(s) to whom it is addressed will be submitted to the Board or such director(s) on a periodic basis. Any communications that concern complaints regarding accounting, internal controls or auditing matters will be handled in accordance with procedures adopted by the Audit Committee of the Board.