

PENDRELL CORPORATION

EMPLOYEE COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS

Any employee of Pendrell Corporation and its subsidiaries (“Pendrell”) may submit a good faith complaint regarding accounting or auditing matters to the management of Pendrell without fear of dismissal or retaliation of any kind. Pendrell is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. Pendrell’s Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, Pendrell’s Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters (“Accounting Matters”), and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Receipt of Employee Complaints

- Employees with concerns regarding Accounting Matters may report their concerns to Pendrell’s General Counsel.
- Employees may forward complaints on a confidential or anonymous basis to Pendrell’s General Counsel through a hotline, e-mail or regular US mail.

Pendrell has established a Whistleblower Hotline at 1-425-278-7110 and whistleblower@pendrell.com, a dedicated e-mail address. Complaints forwarded through regular mail should be addressed to the General Counsel, c/o Pendrell Corporation, at the following address: 2300 Carillon Point, Kirkland, WA 98033. There is no need to identify yourself, if you prefer not to. Whether you identify yourself or remain anonymous, your telephone or e-mail contact information will be kept strictly confidential to the extent reasonably possible.

Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any questionable accounting or auditing matters, including, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of Pendrell;
- fraud or deliberate error in the recording and maintaining of Pendrell’s financial records;
- deficiencies in or noncompliance with Pendrell’s internal accounting controls;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of Pendrell; or
- deviation from full and fair reporting of Pendrell’s financial condition.

Treatment of Complaints

- Upon receipt of a complaint, the General Counsel will (i) determine whether the complaint actually pertains to Accounting Matters, and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting Matters will be reviewed by the Chair of the Audit Committee, with oversight by the General Counsel, and such other Audit Committee members or other persons the Audit Committee Chair determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- Pendrell will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

Reporting and Retention of Complaints and Investigations

- The General Counsel will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with Pendrell's document retention policy.

APPROVED BY THE AUDIT COMMITTEE ON JUNE 29, 2006.

UPDATED WITH CORPORATE NAME CHANGE INFORMATION IN NOVEMBER 2011.