

TALON INTERNATIONAL, INC.

Complaint Procedures for Accounting and Auditing Matters

Talon International, Inc. (the “*Company*”) has established procedures for: (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters (“*Accounting Matters*”); and (b) the submission by employees of the Company, on a confidential and anonymous basis, of concerns regarding questionable accounting or auditing matters.

As the Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices, any employee of the Company may submit a good faith complaint regarding Accounting Matters to the Board of Directors, or to the management of the Company, without fear of dismissal or retaliation of any kind. Ultimately, the Board of Directors will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, the Company’s Board of Directors has established the following procedures:

Receipt of Employee Complaints

(a) Consistent with the Company’s Code of Ethics, employees with concerns regarding Accounting Matters may report their concerns to Jamey Johns, Chief Accounting Officer, at **jjohns@talonzippers.com**.

(b) Alternatively, employees may forward complaints regarding Accounting Matters directly to the Board of Directors without access by the management of the company at:

- auditcommittee@talonzippers.com, which goes directly to the Board chairman or
- if you are concerned about maintaining anonymity, you may send correspondence on a confidential and anonymous basis to Talon International, Inc., Board of Directors, c/o the company’s legal counsel, Stubbs Alderton & Markiles LLP, 15260 Ventura Blvd, 20th Floor, Sherman Oaks, CA 91403, attention John McIlvery.

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:

(a) fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;

(b) fraud or deliberate error in the recording and maintaining of financial records of the Company;

(c) deficiencies in or noncompliance with the Company's internal accounting controls;

(d) 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 the Company; or

(e) deviation from full and fair reporting of the Company's financial condition.

Treatment of Complaints

(a) Upon receipt of a complaint, the Chief Accounting Officer, or the Board of Directors, as may be applicable, will (i) determine whether the complaint actually pertains to Accounting Matters and (ii) when possible, acknowledge receipt of the complaint to the sender.

(b) Complaints relating to Accounting Matters will be reviewed under Board of Directors' direction and oversight by the Company's outside counsel, Internal Audit or such other persons as the Board of Directors determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.

(c) Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Board of Directors.

(d) The Company 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 Board of Directors will direct the Chief Accounting Officer, Corporate Secretary, Internal Auditor or outside counsel, as it deems necessary, to maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the committee. Copies of complaints and such log will be maintained in accordance with the Company's document retention policy.