

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13E-4
ISSUER TENDER OFFER STATEMENT
(PURSUANT TO SECTION 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934)

AUDIOVOX CORPORATION
(Name of Issuer)
AUDIOVOX CORPORATION
(Name of Person(s) Filing Statement)

Warrants to Purchase Class A Common Stock
(Title of Class of Securities)

050757111
050757129
(CUSIP Number of Class of Securities)

Charles M. Stoehr
AUDIOVOX CORPORATION
150 Marcus Blvd.
Hauppauge, NY 11788
(516) 231-7751
(Name, Address and Telephone Number of a Person Authorized to
Receive Notes and Communications on Behalf of the Person(s)
Filing Statement)

Copies to:

Stuart H. Gelfond, Esq.
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One New York Plaza
New York, NY 10004
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New York, NY 10119
(212) 279-7007

August 10, 1998
(Date Tender Offer First Published, Sent or
Given to Security Holders)

CALCULATION OF FILING FEE

Transaction Valuation(FN1)	Amount of Filing Fee(FN1)
\$2,169,537.50	\$433.91*

1. Estimated solely for the purpose of calculating the filing fee. Assumes purchase of 1,668,875 outstanding Warrants at \$1.30 per Warrant.

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

Amount Previously Paid: N/A
Form or Registration No.: N/A
Filing Party: N/A
Date Filed: N/A

ITEM 1. SECURITY AND ISSUER.

(a) The issuer of the securities to which this Statement relates is Audiovox Corporation, a Delaware corporation (the "Company"). The principal executive offices of the Company are located at 150 Marcus Blvd., Hauppauge, New York 11788.

(b) The information set forth in the front cover page, "Introduction," "Section 1. Background; Purpose of the Offer; Certain Effects of the Offer; Plans of the Company After the Offer," "Section 4. Expiration Date; Extension of the Offer" and "Section 12. Transactions and Arrangements Concerning the Warrants" of the Offer to Purchase, a copy of which is attached hereto as Exhibit (a)(1) (the "Offer to Purchase"), is

incorporated herein by reference.

(c) The information set forth in the front cover page, "Introduction" and "Section 9. Price Range of Common Stock" of the Offer to Purchase is incorporated herein by reference.

(d) Not applicable.

ITEM 2. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a) The information set forth in "Section 11. Source and Amount of Funds" of the Offer to Purchase is incorporated herein by reference.

(b) Not applicable.

ITEM 3. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS OF THE ISSUER OR AFFILIATE.

(a)-(j) The information set forth in "Section 1. Background; Purpose of the Offer; Certain Effects of the Offer; Plans of the Company After the Offer" of the Offer to Purchase is incorporated herein by reference.

ITEM 4. INTEREST IN SECURITIES OF THE ISSUER.

The information set forth in "Section 12. Transactions and Arrangements Concerning the Warrants" of the Offer to Purchase is incorporated herein by reference.

ITEM 5. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO THE ISSUER'S SECURITIES.

The information set forth in "Section 1. Background; Purpose of the Offer; Certain Effects of the Offer; Plans of the Company After the Offer" and "Section 12. Transactions and Arrangements Concerning the Warrants" of the Offer to Purchase is incorporated herein by reference.

ITEM 6. PERSONS RETAINED, EMPLOYED OR TO BE COMPENSATED.

The information set forth in "Section 14. Fees and Expenses" of the Offer to Purchase is incorporated herein by reference.

ITEM 7. FINANCIAL INFORMATION.

The information set forth in "Section 10. Certain Information Concerning the Company" of the Offer to Purchase is incorporated herein by reference.

ITEM 8. ADDITIONAL INFORMATION.

(a) Not Applicable

(b) The information set forth in "Section 3. Certain Legal Matters; Regulatory and Foreign Approvals; No Appraisal Rights" of the Offer to Purchase is incorporated herein by reference.

(c) Not Applicable.

(d) Not applicable.

(e) Reference is made to the Offer to Purchase and the related Letter of Transmittal, copies of which are attached hereto as Exhibits (a)(1) and (a)(2), respectively, and incorporated in their entirety herein by reference.

ITEM 9. MATERIAL TO BE FILED AS EXHIBITS.

- (a)(1) Form of Offer to Purchase dated August 10, 1998.
- (a)(2) Form of Letter of Transmittal.
- (a)(3) Form of Notice of Guaranteed Delivery.
- (a)(4) Form of letter to brokers, dealers, commercial banks, trust companies and other nominees dated August 10, 1998.
- (a)(5) Form of letter to clients for use by brokers, dealers, commercial banks, trust companies and other nominees dated August 10, 1998.
- (a)(6) Letter to holders of Warrants dated August 10, 1998.
- (a)(7) Form of press release dated August 10, 1998.
- (a)(8) Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
- (a)(9) Form of dealer manager agreement.
- (b) None.
- (c) None.
- (d) None.

- (e) None.
- (f) None.
- (g) None.

SIGNATURE

After due inquiry and to the best of the Company's knowledge and belief, the undersigned certifies that the information set forth in this Statement is true, complete and correct.

Dated: August 10, 1998

AUDIOVOX CORPORATION

By: /s/ Charles M. Stoehr

Name: Charles M. Stoehr
Title: Senior Vice President &
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
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(a) (2)	Form of Letter of Transmittal.
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(a) (7)	Form of press release dated August 10, 1998.
(a) (8)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
(a) (9)	Form of dealer manager agreement.
(b)	None.
(c)	None.
(d)	None.
(e)	None.
(f)	None.
(g)	None.

AUDIOVOX CORPORATION

OFFER TO PURCHASE FOR CASH
ANY OR ALL OF ITS OUTSTANDING WARRANTS,
EACH EXERCISABLE AT \$7 1/8 PER SHARE OF CLASS A COMMON STOCK,
AT
\$1.30 PER WARRANT

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT,
NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 4, 1998 UNLESS THE
OFFER IS EXTENDED.

Audiovox Corporation, a Delaware corporation (the "Company"), is offering to purchase all of its outstanding warrants (the "Warrants") at a price, net to the seller in cash, of \$1.30 per Warrant (the "Purchase Price"), upon the terms and subject to the conditions set forth herein and in the related Letter of Transmittal (which together constitute the "Offer"). Each Warrant entitles the holder thereof to purchase one share of Class A Common Stock, \$.01 par value per share ("Common Stock"), of the Company at a price of \$7 1/8 per share (the "Warrant Exercise Price"), subject to adjustment, from the date of issuance until March 15, 2001, unless sooner terminated under the circumstances described below. As of August 7, 1998, the Company had issued and outstanding 1,668,875 Warrants. On August 7, 1998, the closing sales price of the Common Stock on the American Stock Exchange was \$4 11/16 per share. See Section 9. WARRANTHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE COMMON STOCK. -----

THE OFFER IS NOT SUBJECT TO ANY FINANCING CONDITION OR TO THE TENDER OF A MINIMUM NUMBER OF WARRANTS PURSUANT TO THE OFFER. THE OFFER IS SUBJECT TO ONLY THOSE CONDITIONS SET FORTH IN SECTION 8 OF THIS OFFER TO PURCHASE.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

THE COMPANY, ITS BOARD OF DIRECTORS AND ITS EXECUTIVE OFFICERS MAKE NO RECOMMENDATION AS TO WHETHER ANY WARRANTHOLDER SHOULD TENDER ANY OR ALL OF SUCH WARRANTHOLDER'S WARRANTS PURSUANT TO THE OFFER. EACH WARRANTHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION WHETHER TO TENDER WARRANTS AND, IF SO, HOW MANY WARRANTS TO TENDER.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTION NOR UPON THE ACCURACY OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

The Dealer Manager for the Offer is:
Ladenburg Thalmann & Co. Inc.

The date of this Offer to Purchase is August 10, 1998.

IMPORTANT

Any warrant holder desiring to tender all or any portion of such holder's Warrants should (a) complete and sign the Letter of Transmittal or a facsimile thereof in accordance with the instructions in the Letter of Transmittal, and mail or deliver it and any other required documents (including the certificates representing the Warrants to be tendered) to Continental Stock Transfer & Trust Company, who will act as depository and escrow agent for the Offer (the "Depository"), (b) request such holder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such holder or (c) tender through The Depository Trust Company ("DTC") pursuant to DTC's Automated Tender Offer Program. Any warrant holder whose Warrants are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such

person if such holder desires to tender Warrants. Any warrant holder who desires to tender Warrants and whose certificates for such Warrants are not immediately available for delivery to the Depository should tender such Warrants by following the procedures for guaranteed delivery set forth in Section 5.

Questions and requests for assistance or for additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery or other materials relating to the Offer may be directed to Ladenburg Thalmann & Co. Inc. (the "Dealer Manager") at the address and telephone number set forth on the back cover of this Offer to Purchase.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE COMPANY AS TO WHETHER WARRANTHOLDERS SHOULD TENDER OR REFRAIN FROM TENDERING WARRANTS PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN THOSE CONTAINED IN THIS OFFER TO PURCHASE OR IN THE LETTER OF TRANSMITTAL. IF GIVEN OR MADE, SUCH RECOMMENDATION AND SUCH INFORMATION AND REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

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SUMMARY

This summary is provided solely for the convenience of the warrant holders and is qualified in its entirety by reference to the full text and more specific details contained in this Offer to Purchase and the related Letter of Transmittal and any amendments hereto and thereto.

Warrants	Each Warrant entitles the holder thereof to purchase one share of Common Stock at a price of \$7 1/8 per share, subject to adjustment, from the date of issuance until March 15, 2001, unless sooner terminated under the circumstances below.
Potential Acceleration of Warrants	If less than 5% of the Warrants initially issued remain outstanding, the Company may elect, by written notice to each holder of Warrants, that the Warrants will expire on the 30th day after delivery of such notice. The Company intends to make such election if more than 95% of the Warrants are tendered pursuant to the Offer. See Section 1.
Number of Warrants	1,668,875 (all of the Warrants outstanding).
Purchase Price	\$1.30 per Warrant, net to the seller in cash, upon the terms and conditions set forth herein and in the Letter of Transmittal.
Expiration	Date of Offer Friday, September 4, 1998, at 12:00 midnight, New York City time, unless extended.
How to Tender Warrants	See Section 5. For further information, call the Dealer Manager or consult your broker for assistance.
Withdrawal Rights	Tendered Warrants may be withdrawn at any time until the Expiration Date of the Offer, and may also be withdrawn after October 5, 1998 (or such later date may apply if the Offer is extended), unless previously accepted for payment by the Company. See Section 4 and Section 6.
Conditions to Offer	The Offer is subject to certain conditions described herein. See Section 8.
Background; Purpose and Effects of Offer	<p>On May 9, 1995, the Company issued 1,668,875 Warrants in a private placement to the beneficial holders, as of June 3, 1994, of approximately \$57,640,000 of the Company's 6 1/4% Convertible Subordinated Debentures due 2001 (the "Subordinated Debentures") in exchange for a release of any claims such holders may have against the Company, its agents, directors and employees in connection with their investment in the Subordinated Debentures. Each holder received 30 Warrants for each \$1,000 principal amount of Subordinated Debentures held, except for Oppenheimer & Co., Inc., which received 25 Warrants per \$1,000 principal amount of the Subordinated Debentures held. Simultaneous with the issuance of the Warrants in May 1995, John J. Shalam, President, Chief Executive Officer and Chairman of the Board of the Company, granted the Company an option (the "Shalam Option") to purchase a number of shares of Common Stock equal to the number of shares purchasable under the Warrants. The purchase price per share of Common Stock (the "Shalam Option Price") upon exercise of the Shalam Option will be equal to the sum of (a) the Warrant Exercise Price plus (b) an additional amount (the "Tax Amount") intended to reimburse Mr. Shalam for any additional taxes per share required to be paid by Mr. Shalam as a result of the payment of the Shalam Option Price being treated for federal, state and local income tax purposes as the distribution to Mr. Shalam of a dividend (taxed at ordinary income rate without consideration of Mr. Shalam's basis), rather than as a payment to Mr. Shalam for the sale of his Common Stock to the Company (taxed at the capital gains rate with consideration of Mr. Shalam's basis and considering any stepped up basis to Mr. Shalam's heirs, successors or assigns) pursuant to the Shalam Option.</p>

The Company is tendering for the Warrants because

the Company believes that purchasing all of the Warrants from the warrant holders would cost less than reimbursing Mr. Shalam for the Tax Amount in the event that warrant holders exercise their rights under the Warrants to acquire shares of the Common Stock and the Company elects to exercise the Shalam Option.

The Company's purchase of Warrants pursuant to the Offer will reduce the number of warrant holders and the number of Warrants outstanding. If more than 95% of the Warrants are tendered pursuant to the Offer, the Company intends to elect, by written notice to each holder of the remaining Warrants, that such Warrants will expire on the 30th day after delivery of such notice.

Market Price of Common Stock	On August 7, 1998, the closing sales price of the American Stock Exchange was \$4 11/16 per share. Warrant holders are urged to obtain a current market quotation. See Section 9.
Trading Market	The Warrants are quoted on the "pink sheets" published by the National Quotation Bureau, Inc. The Company believes that the Warrants are not actively traded.
Brokerage Commissions	Not payable by warrant holders.
Stock Transfer Tax	None, except as provided in Instruction 3 of the Letter of Transmittal and Section 7.
Payment Date	As soon as practicable after the Expiration Date of the Offer.
Further Information	Any questions, requests for assistance or requests for additional copies of this Offer to Purchase, the Letter of Transmittal or other materials relating to the Offer may be obtained by contacting the Dealer Manager at the address and telephone number set forth on the back cover of this Offer to Purchase.

INTRODUCTION

Audiovox Corporation, a Delaware corporation (the "Company"), is offering to purchase all of its outstanding warrants (the "Warrants") at a price, net to the seller in cash, of \$1.30 per Warrant (the "Purchase Price"), upon the terms and subject to the conditions set forth herein and in the related Letter of Transmittal (which together constitute the "Offer"). Each Warrant entitles the holder thereof to purchase one share of Class A Common Stock, \$.01 par value per share ("Common Stock"), of the Company at a price of \$7 1/8 per share (the "Warrant Exercise Price"), subject to adjustment, from the date of issuance until March 15, 2001, unless sooner terminated under certain circumstances. As of August 7, 1998, the Company had issued and outstanding 1,668,875 Warrants. On August 7, 1998, the closing sales price of the Common Stock on the American Stock Exchange was \$4 11/16 per share. See Section 9. WARRANTHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE COMMON STOCK.

THE OFFER IS NOT SUBJECT TO ANY FINANCING CONDITION OR TO THE TENDER OF A MINIMUM NUMBER OF WARRANTS PURSUANT TO THE OFFER. THE OFFER IS SUBJECT TO ONLY THOSE CONDITIONS SET FORTH IN SECTION 8 OF THIS OFFER TO PURCHASE.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

THE COMPANY, ITS BOARD OF DIRECTORS AND ITS EXECUTIVE OFFICERS MAKE NO RECOMMENDATION AS TO WHETHER ANY WARRANTHOLDER SHOULD TENDER ANY OR ALL OF SUCH HOLDER'S WARRANTS PURSUANT TO THE OFFER. EACH WARRANTHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION WHETHER TO TENDER WARRANTS AND, IF SO, HOW MANY WARRANTS TO TENDER.

Warrant holders are not under any obligation to accept the Offer or to remit the Warrants to the Company pursuant to the Offer. Tendering

warrantholders will not be obligated to pay brokerage commissions, solicitation fees or, subject to the Instructions to the Letter of Transmittal, stock transfer taxes on the purchase of Warrants by the Company. The Company will pay all charges and expenses of the Depository and the Dealer Manager incurred in connection with the Offer. ANY TENDERING WARRANTHOLDER OR OTHER PAYEE WHO FAILS TO COMPLETE AND SIGN THE SUBSTITUTE FORM W-9 THAT IS INCLUDED IN THE LETTER OF TRANSMITTAL (OR, IN THE CASE OF A FOREIGN INDIVIDUAL, FORM W-8 OBTAINABLE FROM THE DEPOSITARY) MAY BE SUBJECT TO REQUIRED U.S. FEDERAL INCOME TAX BACKUP WITHHOLDING OF 31% OF THE GROSS PROCEEDS PAYABLE TO SUCH WARRANTHOLDER OR OTHER PAYEE PURSUANT TO THE OFFER.

The address of the principal executive offices of the Company is 150 Marcus Boulevard, Hauppauge, New York 11788.

SPECIAL FACTORS

SECTION 1. BACKGROUND; PURPOSE OF THE OFFER; CERTAIN EFFECTS OF THE OFFER; PLANS OF THE COMPANY AFTER THE OFFER

On May 9, 1995, the Company issued 1,668,875 Warrants in a private placement to the beneficial holders, as of June 3, 1994, of approximately \$57,640,000 of the Company's 6 1/4% Convertible Subordinated Debentures due 2001 (the "Subordinated Debentures") in exchange for a release of any claims such holders may have had against the Company, its agents, directors and employees in connection with their investment in the Subordinated Debentures. Each holder received 30 Warrants for each \$1,000 principal amount of Subordinated Debentures, except for Oppenheimer & Co., Inc., which received 25 Warrants per \$1,000 principal amount of the Subordinated Debentures held. Each Warrant is exercisable for one share of Common Stock at a price of \$7 1/8 per share, subject to adjustment under certain circumstances, at any time until 12:00 midnight, New York City time, on March 15, 2001, unless sooner terminated under the circumstances described below.

Simultaneously with the issuance of the Warrants in May 1995, John J. Shalam, President, Chief Executive Officer and Chairman of the Board of the Company, granted the Company an option (the "Shalam Option") to purchase a number of shares of Common Stock equal to the number of shares purchasable under the Warrants. The purchase price per share of Class A Common Stock (the "Shalam Option Price") upon the exercise of the Shalam Option will be equal to the sum of (a) the Warrant Exercise Price plus (b) an additional amount (the "Tax Amount") intended to reimburse Mr. Shalam for any additional taxes per share required to be paid by Mr. Shalam as a result of the payment of the Shalam Option Price being treated for federal, state and local income tax purposes as the distribution to Mr. Shalam of a dividend (taxed at ordinary income rate without consideration of Mr. Shalam's basis), rather than as a payment to Mr. Shalam for the sale of his Common Stock to the Company (taxed at the capital gains rate with consideration of Mr. Shalam's basis and considering any stepped up basis to Mr. Shalam's heirs, successors or assigns) pursuant to the Shalam Option.

On August 7, 1998, there were 1,668,875 Warrants, 17,258,573 shares of Common Stock (447,000 of which were held by the Company as treasury shares) and 2,260,954 shares of Class B Common Stock issued and outstanding. If all outstanding Warrants were exercised for shares of Common Stock on a one-for-one basis, the Common Stock into which such Warrants were converted would represent approximately 7.9% of the issued and outstanding Common Stock and Class B Common Stock of the Company (excluding the effect of the exercise or conversion of the Company's other outstanding options or warrants).

The Company is tendering for the Warrants because the Company believes that purchasing all of the Warrants from the warrantholders would cost less than reimbursing Mr. Shalam for the Tax Amount in the event that warrantholders exercise their rights under the Warrants to acquire shares of the Common Stock and the Company elects to exercise the Shalam Option. The Board of Directors has unanimously authorized the Offer. HOWEVER, THE COMPANY, ITS BOARD OF DIRECTORS AND ITS EXECUTIVE OFFICERS MAKE NO RECOMMENDATION AS TO WHETHER ANY WARRANTHOLDER SHOULD TENDER ANY OR ALL OF SUCH HOLDER'S WARRANTS PURSUANT TO THE OFFER. EACH WARRANTHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION WHETHER TO TENDER WARRANTS AND, IF SO, HOW MANY WARRANTS TO TENDER. The Company anticipates that it will fund the purchase of Warrants pursuant to the Offer and the payment of related fees and expenses from cash generated from operations.

Holders of the Warrants are not under any obligation to accept the Offer or to remit their Warrants to the Company pursuant to the Offer. Warrants that the Company acquired pursuant to the Offer will be retired and will not be reissued.

If fewer than all of the Warrants are purchased pursuant to the Offer, the Company may, in its sole discretion, purchase any then outstanding Warrants through privately negotiated transactions, open market purchases, another tender offer or otherwise, on such terms and at such prices as the Company may determine from time to time, the terms of which could be the same as, or more or less favorable to warrant holders than, the terms of the Offer.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

Any possible future purchases of Warrants by the Company will depend on many factors, including the market price (if any) of the Warrants, the market price of the Common Stock, the Company's business and financial position, alternative investment opportunities available, the results of the Offer and general economic and market conditions. However, Rule 13e-4 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), prohibits the Company and its affiliates from purchasing any Warrants, other than pursuant to the Offer, until at least ten business days after the Expiration Date.

In May 1997, the Company announced that its Board of Directors has authorized the repurchase of up to one million shares of Common Stock. During the pendency of the Offer, the Company will suspend any repurchase of the Common Stock. Except as described above or pursuant to the Offer, the Company has no present plans or proposals that would result in (a) the acquisition by any person of additional securities of the Company, or the disposition of securities of the Company, (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, or any sale or transfer of a material amount of assets, involving the Company or any of its subsidiaries, (c) any change in the present Board of Directors or management of the Company including, but not limited to, any plan or proposal to change the number or term of the directors, to fill any existing vacancy on the Board of Directors or to change any material term of the employment contract of any executive officer of the Company, (d) any material change in the present dividend rate or policy or indebtedness or capitalization of the Company, (e) any other material change in the Company's corporate structure or business, (f) any change in the Company's charter, bylaws or instruments corresponding thereto or any other actions which may impede the acquisition of control of the Company by any person, (g) any class of equity security of the Company (other than the Warrants) being de-listed from a national securities exchange or ceasing to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association, without listing on another national securities exchange or quotation on an inter-dealer quotation system of a registered national securities association, (h) any class of equity securities of the Company (other than the Warrants) becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act or (i) the suspension of the Company's obligation to file reports pursuant to Section 15(d) of the Exchange Act. See Section 10.

SECTION 2. CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following summary of material federal income tax considerations regarding the Offer is based on current law (except as specifically discussed below), is for general purposes only, and is not tax advice. The discussion contained in this summary is based upon the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed United States Treasury regulations promulgated thereunder, rulings, administrative pronouncements and judicial decisions, subject to change, possibly with retroactive effect. This discussion does not purport to deal with all aspects of taxation that may be relevant to particular warrant holders in light of their personal investment or tax circumstances, or to certain types of warrant holders (including insurance companies, tax-exempt organizations, financial institutions or broker-dealers, traders in securities, persons who hold Warrants as part of hedging, "straddle", "conversion" or other integrated transactions and persons who are not United States persons as defined in Section 7701(a)(30) of the Code) subject to special treatment under the federal income tax laws. This discussion assumes that the Warrants are (and the Common Stock issuable upon exercise of the Warrants, would be) held as "capital assets" within the meaning of Section 1221 of the Code.

EACH WARRANTHOLDER SHOULD CONSULT HIS OR HER OWN TAX ADVISOR REGARDING THE SPECIFIC U.S. FEDERAL INCOME TAX CONSEQUENCES TO SUCH WARRANTHOLDER TENDERING WARRANTS PURSUANT TO THE OFFER, AND THE APPLICABILITY AND EFFECT

OF ANY STATE, LOCAL OR FOREIGN TAX LAWS AND RECENT OR POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

The purchase by the Company of a Warrant pursuant to the Offer will be a taxable transaction in which a tendering warrant holder will generally recognize taxable gain or loss in an amount equal to the difference between the amount realized on the sale and the holder's adjusted tax basis in the Warrants. Any gain or loss recognized on the transaction will be capital gain or loss, which would be long-term if the Warrants have been held for more than one year.

SECTION 3. CERTAIN LEGAL MATTERS; REGULATORY AND FOREIGN APPROVALS; NO APPRAISAL RIGHTS

The Company is not aware of any license or regulatory permit that appears to be material to its business that might be adversely affected by its purchase of Warrants as contemplated in the Offer or of any approval or other action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, that would be required for the Company's purchase of Warrants pursuant to the Offer. Should any such approval or other action be required, the Company currently contemplates that it will seek such approval or other action. The Company cannot predict whether it may determine that it is required to delay the acceptance for payment of, or payment for, Warrants tendered pursuant to the Offer pending the outcome of any such matter. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to the Company's business. In lieu of seeking such approval, the Company may determine to terminate the Offer as described in Section 8. The Company intends to make all required filings under the Exchange Act with regard to the Offer. The Company's obligations under the Offer to accept for payment, or make payment for, Warrants is subject to certain conditions. See Section 8.

There is no stockholder or warrant holder vote required in connection with the Offer.

There are no appraisal rights available to holders of Warrants in connection with the Offer.

THE OFFER

SECTION 4. EXPIRATION DATE; EXTENSION OF THE OFFER

Upon the terms and subject to the conditions of the Offer, the Company will accept for payment (and thereby purchase) all Warrants that are properly tendered on or before the Expiration Date (and not withdrawn in accordance with Section 6) at the Purchase Price. The term "Expiration Date" means 12:00 midnight, New York City time, on Friday, September 4, 1998, unless and until the Company shall have extended the period of time during which the Offer is open, in which event the term "Expiration Date" shall refer to the latest time and date at which the Offer, as so extended by the Company, shall expire. See Section 8 regarding certain conditions of the Offer.

As described in Section 13, the Company expressly reserves the right, in its sole discretion, at any time or from time to time, to extend the period of time during which the Offer is open by giving oral or written notice of such extension to the Depository and by making public announcement thereof. See Section 13. There can be no assurance, however, that the Company will exercise its right to extend the Offer.

If the Company increases the price to be paid for Warrants and the Offer is scheduled to expire at any time earlier than the tenth business day from and including the date that notice of such increase is first published, sent or given in the manner specified in Section 13, the Offer will be extended until the expiration of the ten business day period immediately following the date of such notice. For purposes of the Offer, "business day" means any day other than a Saturday, Sunday or federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, New York City time.

All Warrants purchased pursuant to the Offer will be purchased at the Purchase Price in cash, upon the terms and subject to the conditions set forth in this Offer to Purchase. All Warrants not purchased pursuant to the Offer, including Warrants tendered and withdrawn, will be promptly returned to the tendering warrant holders at the Company's expense.

SECTION 5. PROCEDURE FOR TENDERING OF WARRANTS

Proper Tender of Warrants. For Warrants to be properly tendered pursuant to the Offer:

(a) the Warrants, together with a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) with any required signature guarantees, and any other documents required by the Letter of Transmittal, or (in the case of a book-entry transfer) an Agent's Message in lieu of the Letter of Transmittal must be received before the Expiration Date by the Depository at its address set forth on the back cover of this Offer to Purchase; or

(b) the tendering warrant holder must comply with the guaranteed delivery procedure set forth below.

The term "Agent's Message" means a message, transmitted by DTC and received by the Depository and forming a part of a book-entry confirmation ("Book-Entry Confirmation"), which states that DTC has received an express acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by the Letter of Transmittal and that the Company may enforce such Letter of Transmittal against such participant. A tender of Warrants made pursuant to any method of delivery set forth herein will constitute a binding agreement between the tendering warrant holder and the Company upon the terms and conditions of the Offer. LETTERS OF TRANSMITTAL AND CERTIFICATES REPRESENTING WARRANTS SHOULD NOT BE SENT DIRECTLY TO THE COMPANY.

Signature Guarantees and Method of Delivery. No signature guarantee is required on the Letter of Transmittal if the Letter of Transmittal is signed by the registered owner of the Warrants tendered therewith, and payment and delivery are to be made directly to such registered owner at such owner's address shown on the records of the Company, or if Warrants are tendered for the account of a bank, dealer, credit union, savings association or other entity that is a member in good standing of a recognized Medallion Program approved by the Securities Transfer Association (each such entity being hereinafter referred to as an "Eligible Institution"). In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 2 of the Letter of Transmittal. If a Warrant is registered in the name of a person other than the signer of a Letter of Transmittal, or if payment is to be made, or Warrants not purchased or tendered are to be issued, to a person other than the registered owner, the Warrant must be endorsed or accompanied by an appropriate power, in either case signed exactly as the name of the registered owner appears on the Warrant, with the signature on the Warrant or power guaranteed by an Eligible Institution. In all cases, payment for Warrants tendered and accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of such Warrants, a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantee, and any other required documents.

Book-Entry Delivery of the Warrants. Within two business days after the date of this Offer to Purchase, the Depository will establish an account with respect to the Warrants at DTC for purposes of the Offer. Any financial institution that is a participant in the DTC system may make book-entry delivery of the Warrants by causing DTC to transfer such Warrants into the Depository's account in accordance with DTC's procedure for such transfer. Although delivery of Warrants may be effected through book-entry at DTC, the Letter of Transmittal, with any required signature guarantees, or (in the case of a book-entry transfer) an Agent's Message in lieu of the Letter of Transmittal and any other required documents, should be transmitted to and received by the Depository prior to the Expiration Date at the address set forth on the back cover of this Offer to Purchase. Delivery of such documents to DTC does not constitute delivery to the Depository.

THE METHOD OF DELIVERY OF THE WARRANTS IS AT THE ELECTION AND RISK OF THE TENDERING WARRANTHOLDER. IF DELIVERY IS TO BE MADE BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE TIMELY DELIVERY.

Federal Backup Withholding. Unless an exemption applies under the applicable law and regulations concerning "backup withholding" of federal income tax, the Depository will be required to withhold, and will withhold, 31% of the gross proceeds otherwise payable to a warrant holder or other payee pursuant to the Offer unless the warrant holder or other payee provides such person's tax identification number (social security number or employer identification number) and certifies that such number is correct. Each tendering warrant holder, other than a non-corporate foreign warrant holder, should complete and sign the main signature form and the Substitute Form W-9 included as part of the Letter of Transmittal, so as to provide the information and certification necessary to avoid backup

withholding, unless an applicable exemption exists and is proved in a manner satisfactory to the Company and the Depository. Non-corporate foreign warrant holders should generally complete and sign a Form W-8, Certificate of Foreign Status, a copy of which may be obtained from the Depository, in order to avoid backup withholding.

Guaranteed Delivery. If a warrant holder desires to tender Warrants pursuant to the Offer and such holder's Warrants are not immediately available or time will not permit all required documents to reach the Depository before the Expiration Date or the procedures for book-entry transfer cannot be completed on a timely basis, such Warrants may nevertheless be tendered provided that all of the following conditions are satisfied:

(a) such tender is made by or through an Eligible Institution;

(b) the Depository receives (by hand, mail, or facsimile transmission), on or prior to the Expiration Date, a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form the Company has provided with this Offer to Purchase; and

(c) the tendered Warrants in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a facsimile thereof) with any required signature guarantees, and any other documents required by the Letter of Transmittal are received by the Depository within three Nasdaq trading days after the date of execution of such Notice of Guaranteed Delivery.

Determinations of Validity of Warrants; Rejection of Warrants; Waiver of Defects; No Obligation to Give Notice of Defects. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Warrants will be determined by the Company, in its sole discretion, which determination shall be final and binding on all parties. The Company reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance for payment of which may, in the opinion of the Company's counsel, be unlawful. The Company also reserves the absolute right to waive any of the conditions of the Offer and any defect or irregularity in the tender of any particular Warrants. No tender of Warrants will be deemed to be properly made until all defects or irregularities have been cured or waived. None of the Company, the Depository, the Dealer Manager or any other person is or will be obligated to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice.

SECTION 6. WITHDRAWAL RIGHTS

Except as otherwise provided in this Section 6, a tender of Warrants pursuant to the Offer is irrevocable. Warrants tendered pursuant to the Offer may be withdrawn (a) at any time before the Expiration Date and (b) unless therefore accepted for payment by the Company as described in the first paragraph of Section 7, may also be withdrawn at any time after October 5, 1998 (or such later date may apply if the Offer is extended). If the Company extends the period of time during which the Offer is open, is delayed in accepting for payment or paying for Warrants or is unable to accept for payment or pay for Warrants pursuant to the Offer for any reason, then, without prejudice to the Company's rights under the Offer, the Depository may, on behalf of the Company, retain all Warrants tendered, and such Warrants may not be withdrawn except as otherwise provided in this Section 6, subject to Rule 13e-4(f)(5) under the Exchange Act, which provides that the issuer making a tender offer shall either pay the consideration offered or return the tendered securities promptly after the termination or withdrawal of the tender offer.

For a withdrawal to be effective, the Depository must timely receive (at its address set forth on the back cover of this Offer to Purchase), by written, telegraphic or facsimile transmission, a notice of withdrawal. Such notice of withdrawal must specify the name of the person having tendered the Warrants to be withdrawn, the number of Warrants to be withdrawn and the name of the registered owner, if different from that of the person who tendered such Warrants. If the Warrants have been delivered or otherwise identified to the Depository, then, prior to the release of such Warrants, the tendering warrant holder must also submit the serial numbers shown on the particular Warrants, and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution (except in the case of Warrants tendered by an Eligible Institution). If the Warrants have been tendered pursuant to the procedures for book-entry transfer as set forth herein, any notice of withdrawal must also specify the name and number of the account at DTC to be credited with the withdrawn Warrants.

All questions as to the form and validity (including timely receipt) of notices of withdrawal will be determined by the Company, in its sole discretion, which determination shall be final and binding on all parties. None of the Company, the Depositary, the Dealer Manager or any other person is or will be obligated to give any notice of any defects or irregularities in any notice of withdrawal, and none of them will incur any liability for failure to give any such notice. A withdrawal of a tender of Warrants may not be rescinded, and Warrants properly withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. Withdrawn Warrants may, however, be re-tendered before the Expiration Date by again following the applicable procedures described in Section 5.

SECTION 7. ACCEPTANCE FOR PAYMENT OF WARRANTS AND PAYMENT OF PURCHASE PRICE

Upon the terms and subject to the conditions of the Offer, promptly after the Expiration Date, the Company will purchase and pay the Purchase Price for all Warrants (subject to certain matters discussed in Section 4 and Section 13) as are properly tendered and not withdrawn as permitted in Section 6. For purposes of the Offer, the Company will be deemed to have accepted for payment (and thereby purchased) Warrants which are tendered and not withdrawn when, as and if it gives oral or written notice to the Depositary of its acceptance of such Warrants for payment pursuant to the Offer. See Section 8 regarding certain conditions of the Offer.

Payment for Warrants pursuant to the Offer will be made by depositing the aggregate Purchase Price therefor with the Depositary, which will act as agent for tendering warrant holders for the purpose of receiving payment from the Company and transmitting payment to the tendering warrant holders. Notwithstanding any other provision hereof, payment for Warrants accepted for payment pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of the accepted Warrants, a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantees and any other required documents. Under no circumstances will interest on the Purchase Price be paid by the Company, regardless of any delay in making such payment.

The Company will pay any stock transfer taxes with respect to the transfer and sale of Warrants to it pursuant to the Offer. If, however, (a) payment of the Purchase Price is to be made to any person other than the registered holder, (b) Warrants not tendered or accepted for purchase are to be registered in the name of any person other than the registered holder, (c) tendered Warrants are registered in the name of any person other than the person signing the Letter of Transmittal or (d) a transfer tax is imposed for any reason other than the transfer or sale of the Warrants to the Company pursuant to the Offer, then the amount of any transfer taxes (whether imposed on the registered holder or such person) payable on account of the transfer to such person will be deducted from the Purchase Price unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted. See Instruction 3 of the Letter of Transmittal.

ANY TENDERING WARRANTHOLDER OR OTHER PAYEE WHO FAILS TO COMPLETE FULLY AND SIGN THE SUBSTITUTE FORM W-9 INCLUDED IN THE LETTER OF TRANSMITTAL (OR, IN THE CASE OF A FOREIGN INDIVIDUAL, FORM W-8 OBTAINABLE FROM THE DEPOSITARY) MAY BE SUBJECT TO REQUIRED U.S. FEDERAL INCOME TAX WITHHOLDING OF 31% OF THE GROSS PROCEEDS PAID TO SUCH WARRANTHOLDER OR OTHER PAYEE PURSUANT TO THE OFFER. SEE SECTION 5.

SECTION 8. CERTAIN CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, and in addition to (and not in limitation of) the Company's right to extend or otherwise amend the Offer at any time in its sole discretion, the Company shall not be required to accept for payment or make payment for any Warrant tendered, and may terminate or amend the Offer, if before acceptance for payment of payment for any such Warrant any of the following shall have occurred or shall have been determined to have occurred by the Company, whose determination shall be conclusive:

(a) there shall have been threatened, instituted or pending any action or proceeding by any government or governmental, regulatory or administrative agency or authority or tribunal or any other person, domestic or foreign, before any court or governmental, regulatory or administrative authority, agency or tribunal, domestic or foreign, which (i) challenges or seeks to challenge the making of the Offer, the purchase of Warrants pursuant to the Offer or otherwise relates in any manner to the Offer; or (ii) in the sole judgment of the Company, could materially adversely affect the business, condition (financial or other), income, operations or prospects of the Company and its subsidiaries, taken as a whole, or otherwise materially impair in any way the contemplated future conduct of the business of the Company or

any of its subsidiaries or materially impair the Offer's contemplated benefits to the Company;

(b) there shall have been any action, threatened, pending or taken, or approval withheld, or any statute, rule, regulation, judgment, order or injunction threatened, proposed, sought, promulgated, enacted, entered, amended, enforced, or deemed to be applicable to the Offer or the Company or any of its subsidiaries, by any court or any government or governmental, regulatory or administrative authority, agency, tribunal, domestic or foreign, which in the Company's sole judgment, would or might directly or indirectly, (i) make the acceptance for payment of, or payment for, Warrants illegal or otherwise restrict or prohibit consummation of the Offer; (ii) delay or restrict the ability of the Company, or render the Company unable, to accept for payment, or pay for, Warrants; (iii) materially impair the contemplated benefits of the Offer to the Company; or (iv) materially and adversely affect the business, condition (financial or other), income, operations or prospects of the Company and its subsidiaries, taken as a whole, or otherwise materially impair in any way the contemplated future conduct of the business of the Company or any of its subsidiaries;

(c) there shall have occurred (i) any general suspension of trading in, or limitation on prices for, securities on any United States national securities exchange or in the over-the-counter market (excluding any coordinated trading halt triggered solely as a result of a specified decrease in a market index); (ii) any significant decline in the market prices of equity securities in the United States or abroad; (iii) the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States; (iv) the commencement of a war, armed hostilities or other international or national crisis directly or indirectly involving the United States; (v) any limitation (whether or not mandatory) by any governmental, regulatory or administrative agency or authority on, or any event which, in the sole judgment of the Company, might affect, the extension of credit by banks or other lending institutions in the United States; (vi) any change in the general political, market, economic or financial conditions in the United States or abroad that could, in the sole judgment of the Company, have a material adverse effect on the Company's business, operations, prospects or the trading in the Warrants; or (vii) in the case of any of the foregoing existing at the time of the commencement of the Offer, a material acceleration or worsening thereof;

(d) any tender or exchange offer with respect to the Warrants (other than the Offer) or any other class of the Company's equity securities or any merger, acquisition, business combination or other similar transaction with or involving the Company or any subsidiary, shall have been proposed, announced or made by any unaffiliated person or entity;

(e) any change shall occur or be threatened in the business, condition (financial or other), income, operations or prospects of the Company and its subsidiaries, taken as a whole, which in the sole judgment of the Company, is or may be materially adverse to the Company; or

(f) it shall have been publicly disclosed or the Company shall have learned that (i) any person, entity or "group" (as that term is used in Section 13(d)(3) of the Exchange Act) shall have acquired, or proposed to acquire, beneficial ownership of more than 5% of the outstanding Common Stock (other than a person, entity, or "group" which had publicly disclosed such ownership in a Schedule 13D or 13G (or an amendment thereto) on file with the Commission prior to August 10, 1998, (ii) any such person or group that on or prior to August 10, 1998, had filed such a Schedule with the Commission thereafter shall have acquired or shall propose to acquire beneficial ownership of additional shares of Common Stock representing 2% or more of the outstanding Common Stock, (iii) any new group shall have been formed which beneficially owns more than 5% of the outstanding Common Stock or (iv) any person, entity or group shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or made a public announcement reflecting an intent to acquire the Company or any of its subsidiaries or any of their respective assets or securities;

and, in the sole judgment of the Company, in any such case and regardless of the circumstances (including any action or inaction by the Company) giving rise to such condition, such event makes it inadvisable or undesirable to proceed with the Offer or with such acceptance for payment or payment.

The foregoing conditions are for the sole benefit of the Company and may be asserted or waived by the Company regardless of the circumstances (including any action or inaction by the Company) giving rise to any such condition, and any such condition may be waived by the Company, in whole or in part, at any time and from time to time in its sole discretion, provided, however, that the Exchange Act and the rules and regulations promulgated thereunder require that all conditions to the Offer, other than those relating to the receipt of certain necessary governmental approvals, must be satisfied or waived prior to the Expiration Date. The Company's failure at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right or the waiver of any such right with respect to particular facts or circumstances, and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time. Any determination by the Company concerning the events described above and any related judgment by the Company regarding the inadvisability of proceeding with the acceptance of payment or payment for any tendered Warrants will be final and binding on all parties.

SECTION 9. PRICE RANGE OF COMMON STOCK

The Warrants are quoted on the "pink sheets" published by the National Quotation Bureau, Inc. The Company believes that the Warrants are not actively traded. The Common Stock is traded on the American Stock Exchange under the trading symbol "VOX". The following table sets forth, for each period shown, the high and low closing bid information for the Common Stock as reported by the American Stock Exchange.

1997 ----	High ----	Low ---
Fourth Quarter.....	\$10 3/4	\$7 5/16
1998 ----		
First Quarter.....	\$9	\$5 3/4
Second Quarter.....	\$7 7/16	\$4 3/4
Third Quarter (through August 4, 1998)...	\$6	\$3 11/16

On August 7, 1998, the closing sales price of the Common Stock as reported by the American Stock Exchange was \$4 11/16 per share. WARRANTHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE COMMON STOCK.

SECTION 10. CERTAIN INFORMATION CONCERNING THE COMPANY

General. The Company, together with its operating subsidiaries, markets and supplies, under its own name or trade names, a diverse line of aftermarket products which include wireless products, both hand-held portables and vehicle-installed cellular telephones and accessories, automotive sound equipment and automotive accessories, which includes vehicle security systems, cruise controls, defoggers, remote start systems and vehicle tracking systems, all of which are designed primarily for installation in cars, trucks and vans after they have left the factory, and consumer electronic products.

Schedule A hereto sets forth the name, business address and present principal occupation or employment and any other material occupations, positions, offices or employments during the last five years of each director and executive officer of the Company.

Summary Consolidated Financial Data. The summary consolidated financial data of the Company as of May 31, 1998 set forth below has been excerpted or derived from the financial statements and notes of the Company's Form 10-K for the years ended November 30, 1997 and November 30, 1996 and the Company's Form 10-Q for the quarter ended May 31, 1998. More comprehensive financial information is included in such reports and in other documents filed by the Company with the Commission. The summary consolidated financial information that follows is qualified in its entirety by reference to such reports and such other documents and all the financial information (including any related notes) contained therein. Such reports and other documents may be examined and copies may be obtained from the offices of the Commission as described in "--Additional Information."

CONSOLIDATED SUMMARY FINANCIAL DATA
(amounts in thousands, except share and per share data)

	For the Year Ended November 30		For the Six Months Ended	
	1997	1996	May 31, 1998	May 31, 1997
STATEMENT OF OPERATIONS DATA: (FN1)				
Revenues	\$ 639,082	\$ 597,915	\$ 253,384	\$ 314,809
Operating expenses	85,164	80,015	40,589	43,805
Depreciation and amortization.....	1,903	3,298	1,135	924
Operating income (loss)	19,695	13,075	(5,422)	8,328
Net income (loss)	21,022	(26,469)	(3,056)	12,557
Net income (loss) per share applicable to common stockholders (FN2) - Basic.....	\$ 1.11	\$ (2.82)	\$ (0.16)	\$ 0.68
Diluted.....	\$ 1.09	\$ (2.82)	\$ (0.16)	\$ 0.67
Weighted average number of shares of common stock outstanding (FN2) - Basic.....	18,948,356	9,398,352	19,183,459	18,541,023
Diluted.....	19,508,132	9,398,352	19,183,459	19,081,884
OTHER OPERATING DATA:				
Ratio of earnings (losses) to fixed charges.....	13.72	-0.99	-1.61	17.44
BALANCE SHEET DATA:				
Cash	\$ 9,445		\$ 12,350	\$ 24,946
Current assets	239,534	220,673	228,036	209,290
Total assets	289,827	265,545	291,154	263,738
Current liabilities	60,256	62,496	56,288	60,589
Long term debt	38,996	70,413	46,312	15,426
Total indebtedness	99,252	132,909	102,600	76,015
Stockholders' equity	187,892	131,499	185,743	185,808
Book value per common share.....	\$ 9.65	\$ 7.91	\$ 9.55	\$ 9.42

1 The Offer will have no impact on the pro forma income statement. See "-Capitalization" for the pro forma capitalization of the Company.

2 Earnings per share computed based upon Statement of Financial Accounting Standard No. 128, "Earnings Per Share," which the Company adopted in the first quarter of fiscal 1988.

Capitalization. The following table sets forth the actual capitalization of the Company at May 31, 1998 and the pro forma capitalization of the Company at May 31, 1998, giving effect to the consummation of the Offer. The following table should be read in conjunction with the summary financial information set forth above and the detailed information and financial statements included in reports and in other documents filed by the Company with the Commission. The table below is qualified in its entirety by reference to such reports and such other documents and all financial information (including any related notes) contained therein. Such reports and other documents may be examined and copies may be obtained from the offices of the Commission as described in "--Additional Information."

	May 31, 1998 (in thousands)	
	Actual	Pro Forma for the Offer
Cash and cash equivalents	\$ 7,247	\$ 5,077
Stockholders' equity:		
Preferred stock	2,500	2,500
Common stock:		
Class A; 30,000,000 authorized; 17,258,573 issued.....	173	173
Class B; 10,000,000 authorized; 2,260,954 issued.....	22	22

Paid-in capital	145,252	143,082
Retained earnings	29,869	29,869
Cumulative foreign currency translation and adjustment.....	(4,131)	(4,131)
Unrealized gain on marketable securities, net.....	13,918	13,918
Gain on hedge of available-for-sale securities.....	929	929
Treasury stock, 340,000 Class A common stock, at cost	(2,789)	(2,789)
	-----	-----
Total stockholders' equity	\$ 185,743	\$ 183,573
	=====	=====

Additional Information. The Company is subject to the informational requirements of the Exchange Act and in accordance therewith files periodic reports, proxy statements and other information with the Commission. The Company is required to disclose in such proxy statements certain information, as of particular dates, concerning the Company's directors and officers, their remuneration, stock options granted to them, the principal holders of the Company's securities and any material interest of such persons in transactions with the Company. The Company has also filed an Issuer Tender Offer Statement on Schedule 13E-4 with the Commission which includes certain additional information relating to the Offer.

For further information with respect to the Company and the Offer, reference is made to the Schedule 13E-4 and the exhibits thereto. Such Schedule and exhibits, along with reports and other information filed with the Commission, may be inspected without charge at the office of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 and at the regional offices of the Commission located at Seven World Trade Center, 13th Floor, New York, New York 10048 and at 500 West Madison (Suite 1400), Chicago, Illinois 60661. Copies of such material may also be obtained at prescribed rates from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. The Commission maintains a Web site at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding issuers that file electronically with the Commission. Statements contained in this Offer to Purchase as to the contents of any contract or other document referred to are not necessarily complete, and in each instance reference is made to the copy of such contract or document filed with the Commission, each such statement being qualified in all respects by such reference.

SECTION 11. SOURCE AND AMOUNT OF FUNDS

Assuming that the Company purchases 1,668,875 outstanding Warrants pursuant to the Offer, the total amount required by the Company to purchase such Warrants at \$1.30 per Warrant and to pay related fees and expenses will be approximately \$2.3 million. See Section 14. The Company anticipates that it will fund the purchase of the Warrants pursuant to the Offer and the payment of related fees and expenses from cash generated from operations.

SECTION 12. TRANSACTIONS AND ARRANGEMENTS CONCERNING THE WARRANTS

Simultaneously with the issuance of the Warrants in May 1995, Mr. Shalam granted the Company the Shalam Option to purchase a number of shares of Common Stock equal to the number of shares purchasable under the Warrants. The Shalam Option Price upon exercise of the Shalam Option will be equal to the sum of (a) the Warrant Exercise Price plus (b) the Tax Amount, an additional amount intended to reimburse Mr. Shalam for any additional taxes per share required to be paid by Mr. Shalam as a result of the payment of the Shalam Option Price being treated for federal, state and local income tax purposes as the distribution to Mr. Shalam of a dividend (taxed at ordinary income rates without consideration of Mr. Shalam's basis), rather than as a payment to Mr. Shalam for the sale of his Common Stock to the Company (taxed at the capital gains rate with consideration of Mr. Shalam's basis and considering any stepped up basis to Mr. Shalam's heirs, successors or assigns) pursuant to the Shalam Option.

Other than the transactions described in the foregoing paragraph, neither the Company nor any of its subsidiaries has effected any transactions in the Warrants since the issuance thereof in May 1995. No director or executive officer of the Company listed on Schedule A hereto, or any of its subsidiaries or any associates of any of the foregoing, owns any of the Warrants or has effected any transactions in the Warrants since the issuance of the Warrants in May 1995. None of the Company, any of its directors or executive officers listed on Schedule A hereto nor any of its subsidiaries is a party to any contract, arrangement, understanding or relationship with any other person relating, directly or indirectly, to the Offer (whether or not legally enforceable) with respect to any securities of the Company (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any

such securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or the giving or withholding of proxies, consents or authorizations.)

SECTION 13. EXTENSION OF THE TENDER PERIOD; TERMINATION; AMENDMENTS

The Company expressly reserves the right, in its sole discretion, at any time or from time to time and regardless of whether or not any of the events set forth in Section 8 shall have occurred or shall be deemed by the Company to have occurred, to extend the period of time during which the Offer is open and thereby delay acceptance for payment of, or payment for, any Warrants by giving oral or written notice of such extension to the Depository and making a public announcement thereof. During any such extension, all Warrants previously tendered and not purchased or withdrawn will remain subject to the Offer, except to the extent that such Warrants may be withdrawn as set forth in Section 6. The Company also expressly reserves the right, in its sole discretion, to terminate the Offer, not accept for payment and not make payment for any Warrants not theretofore accepted for payment or paid for upon the occurrence of any of the conditions specified in Section 8 by giving oral or written notice of such termination to the Depository and making a public announcement thereof. Subject to compliance with applicable law, the Company further reserves the right, in its sole discretion, and regardless of whether or not any of the events set forth in Section 8 shall have occurred or shall be deemed by the Company to have occurred, to amend the Offer in any respect, including, without limitation, by increasing or decreasing the consideration offered in the Offer to owners of Warrants. Amendments to the Offer may be made at any time or from time to time by public announcement thereof, such announcement, in the case of an extension, to be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. Any public announcement made pursuant to the Offer will be disseminated promptly to warrant holders in a manner reasonably designed to inform warrant holders of such change. Without limiting the manner in which the Company may choose to make a public announcement, except as required by applicable law, the Company shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to the Dow Jones News Service.

If the Company materially changes the terms of the Offer or the information concerning the Offer, the Company will extend the Offer to the extent required by Rule 13e-4 promulgated under the Exchange Act. If the Company increases the price to be paid for Warrants and the Offer is scheduled to expire at any time earlier than the expiration of a period ending on the tenth business day from and including the date that notice of such increase is first published, sent or given, the Offer will be extended until the expiration of such period of ten business days.

SECTION 14. FEES AND EXPENSES

The Company has retained Continental Stock Transfer & Trust Company as the Depository and Ladenburg Thalmann & Co. Inc. as the Dealer Manager. The Dealer Manager will assist warrant holders who request assistance in connection with the Offer and may request brokers, dealers and other nominee warrant holders to forward materials relating to the Offer to beneficial owners. Brokers, dealers, commercial banks and trust companies will be promptly reimbursed by the Company for customary handling and mailing expenses incurred by them in forwarding material to their customers.

As compensation for acting as Dealer Manager, the Company will pay the Dealer Manager a fee of approximately \$67,000 and will reimburse the Dealer Manager for all its out-of-pocket expenses incurred in connection with the Offer. The Company will pay the Depository a fee of approximately \$2,500 for its services in connection with the Offer, plus reimbursement for out-of-pocket expenses. The Company has agreed to indemnify the Depository and the Dealer Manager against certain liabilities and expenses in connection with the Offer, including certain liabilities under the federal securities laws. The Depository has not been retained to make solicitations or recommendations in its role as Depository.

Certain directors or executive officers of the Company may, from time to time, contact warrant holders to provide them with information regarding the Offer. Such directors and executive officers will not make any recommendation to any warrant holder as to whether to tender all or any Warrants and will not solicit the tender of any Warrants. The Company will not compensate any director or executive officer for this service.

The Company will pay (or cause to be paid) any stock transfer taxes on its purchase of Warrants, except as otherwise provided in Instruction 3 of the Letter of Transmittal. See Section 7.

Assuming all outstanding Warrants are tendered pursuant to the Offer, it is estimated that the expenses incurred by the Company in connection with the Offer will be approximately \$120,000. The Company will be responsible for paying all such expenses.

SECTION 15. MISCELLANEOUS

The Offer is not being made to, nor will the Company accept tenders from, owners of Warrants in any jurisdiction in which the Offer or its acceptance would not be in compliance with the laws of such jurisdiction. The Company is not aware of any jurisdiction where the making of the Offer or the tender of Warrants would not be in compliance with applicable law. If the Company becomes aware of any jurisdictions where the making of the Offer or the tender of Warrants is not in compliance with any applicable law, the Company will make a good faith effort to comply with such law. If, after such good faith effort, the Company cannot comply with such law, the Offer will not be made to (nor will tenders be accepted from or on behalf of) the holders of Warrants residing in such jurisdiction. In any jurisdiction in which the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on the Company's behalf by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

AUDIOVOX CORPORATION

August 10, 1998

SCHEDULE A. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

The following table sets forth the name, present principal occupation or employment and any other material occupations, positions, offices or employments (and business addresses thereof) during the last five years of each director and executive officer of the Company. The business address of each of the persons listed below is c/o Audiovox Corporation, 150 Marcus Blvd., Hauppauge, NY 11788. Each such person is a citizen of the United States.

NAME	PRESENT PRINCIPAL OCCUPATION OR EMPLOYMENT AND OTHER MATERIAL OCCUPATIONS, POSITIONS, OFFICES OR EMPLOYMENTS DURING THE LAST FIVE YEARS
John J. Shalam	Mr. Shalam has served as President, Chief Executive Officer and Director of the Company since 1987. Mr. Shalam also serves as president and a director of most of the Company's operating subsidiaries. From 1960 to 1987, Mr. Shalam was president and a director of the Company's predecessor, Audiovox Corp.
Philip Christopher	Mr. Christopher, Executive Vice President of the Company, has been with the Company since 1970 and has held his current position since 1983. Mr. Christopher has been a director of the Company since 1987. Mr. Christopher is also President of the Company's cellular subsidiary, Audiovox Communications Corp.
Paul C. Kreuch, Jr.	Mr. Kreuch has been a director of the Company since 1997. Mr. Kreuch has been the President and Chief Executive Officer of Lafayette American Bank since December 1, 1997. Prior thereto he was a Senior Vice President at Handy HRM Corp., an executive search firm, from June 1996 through November 1997. From 1993 through 1996, Mr. Kreuch was an Executive Vice President of NatWest Bank N.A. and prior thereto, was President of National Westminster Bank USA.
Dennis F. McManus	Mr. McManus has been a director of the Company since 1998. Mr. McManus has been self-employed as a telecommunications consultant since January 1, 1998. Prior

thereto he was employed by NYNEX Corp. for over 27 years, most recently as a Senior Vice President and Managing Director. Mr. McManus was in this position from 1991 through December 31, 1997.

Charles M. Stoehr Mr. Stoehr has been Chief Financial Officer since 1979 and was elected Senior Vice President in 1990. Mr. Stoehr has been a director of the Company since 1987. From 1979 through 1990 he was a Vice President of the Company.

Patrick M. Lavelle Mr. Lavelle has been Senior Vice President of the Automotive Electronics Division since 1996 and has been a Vice President of the Company since 1982. Mr. Lavelle has been a director of the Company since 1993.

Chris L. Johnson Ms. Johnson has been a Vice President of the Company since 1986 and Secretary since 1980. Ms. Johnson has been employed by the Company in various positions since 1968 and was a director of the Company from 1987 to 1993.

Ann E. Boutcher Ms. Boutcher has been a Vice President since 1984. Ms. Boutcher has been a director of the Company since 1995.

Richard Maddia Mr. Maddia has been a Vice President of the Company since 1992. Prior thereto, Mr. Maddia was Assistant Vice President. Mr. Maddia has been a director of the Company since 1996.

Facsimile copies of the Letter of Transmittal, properly completed and duly executed, will be accepted. The Letter of Transmittal, Warrants and any other required documents should be sent or delivered by each warrant holder of the Company or such holder's broker, dealer, commercial bank or trust company to the Depository at its address set forth below.

The Depository for the Offer is:

Continental Stock Transfer & Trust Company

By Facsimile Transmission:	By Mail, Hand or	For Information:
(212) 509-5150	Overnight Delivery:	(212) 509-4000
Attn: Reorganization	Continental Stock Transfer & Trust	
Department	Company	
	2 Broadway, 19th Floor	
	New York, New York 10004	

Any questions or requests for assistance or for additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery or any other materials relating to the Offer may be directed to the Dealer Manager. Warrant holders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Dealer Manager for the Offer is:

Ladenburg Thalmann & Co. Inc.
(212) 409-2008

Ladies and Gentlemen:

Subject to, and effective upon, acceptance for payment of the Warrants tendered herewith, in accordance with the terms and subject to the conditions set forth in the Offer to Purchase, the undersigned hereby sells, assigns and transfers to the Company all right, title and interest in the above-described Warrants that are being tendered hereby.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Warrants tendered hereby, and that when the same are accepted for purchase by the Company, the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and such Warrants shall not be subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the purchase of the Warrants tendered hereby and constitutes and appoints the Depository the true and lawful agent and attorney-in-fact of the undersigned with respect to the Warrants, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) present such Warrants for registration and transfer on the books of the Company and (b) receive all benefits and otherwise exercise all rights of beneficial ownership of the Warrants all in accordance with the terms of the Offer.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, executors, administrators, trustees in bankruptcy and legal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, the tender of Warrants submitted herewith is irrevocable.

The undersigned understands that tenders of Warrants pursuant to any one of the procedures described in Offer to Purchase under "Section 5. Procedure for Tendering of Warrants" and in the instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Offer, including the undersigned's representation and warranty that (a) the undersigned has a "net long position" in the Warrants being tendered within the meaning of Rule 14e-4 promulgated under the Exchange Act, and (b) the tender of such Warrants complies with Rule 14e-4. The Company's acceptance for payment of Warrants tendered pursuant to the Offer will constitute a binding agreement between the undersigned and the Company upon the terms and conditions of the Offer.

The Offer to Purchase is subject to a number of conditions, each of which may be waived or modified by the Company, as described in the Offer to Purchase under the caption "Section 8. Certain Conditions of the Offer." THE UNDERSIGNED RECOGNIZES THAT, AS A RESULT OF SUCH CONDITIONS, THE COMPANY MAY NOT BE REQUIRED TO ACCEPT THE WARRANTS TENDERED HEREBY. In such event, the tendered Warrants not accepted for purchase will be returned to the undersigned at the address shown below the undersigned's signature(s), unless otherwise indicated in the boxes entitled "Special Issuance Instructions" or "Special Delivery Instructions" below.

Unless otherwise indicated herein under "Special Issuance Instructions," please issue the check for the purchase price of the Warrants purchased or Warrant certificates evidencing Warrants (if any) not tendered or not accepted for purchase in the name(s) of the registered holder(s) appearing under the "Description of Warrants Tendered" above. Similarly, unless otherwise indicated herein under "Special Delivery Instructions," please mail the check for the purchase price of the Warrants purchased or Warrant certificates evidencing Warrants (if any) not tendered or not accepted for purchase to the address(es) of the registered holder(s) appearing under the "Description of Warrants Tendered" above.

SPECIAL ISSUANCE INSTRUCTIONS

To be completed ONLY if the check for the purchase price of the Warrants purchased or Warrant certificates evidencing Warrants (if any) not tendered or not accepted for purchase are to be issued in the name of someone other than the person whose signature appears on the face of the Warrants.

Issue (check appropriate box(es)):

[] Check [] Warrants to:

Name(s):

Address(es) :

(INCLUDE ZIP CODE)

(COMPLETE SUBSTITUTE FORM W-9)

Tax Identification or Social Security No.:

SPECIAL DELIVERY INSTRUCTIONS

To be completed ONLY if the check for the purchase price of the Warrants purchased or Warrant certificates evidencing Warrants (if any) not tendered or not accepted for purchase are to be mailed to someone other than the person whose signature appears on the face of the Warrants or to such persons at an address other than that shown in the box entitled "Description of Warrants Tendered."

Mail (check appropriate box(es)):

[] Check [] Warrants to:

Name(s) :

Address(es) :

(INCLUDE ZIP CODE)

(COMPLETE SUBSTITUTE FORM W-9)

Tax Identification or Social Security No.:

SIGNATURE(S)

IMPORTANT: A HOLDER WHO WISHES TO TENDER WARRANTS IN THE TENDER OFFER MUST SIGN WHETHER OR NOT SUCH WARRANT CERTIFICATES ARE BEING PHYSICALLY TENDERED HEREBY

(See Instructions 1 and 2 and the instructions in Section 5 of the Offer to Purchase)

Signature of Registered Holder or Authorized Signatory:

Type or Print Name:

Dated:

Tax Identification or Social Security No:

Signature of Registered Holder or Authorized Signatory (if more than one):

Type or Print Name:

Dated:

Tax Identification or Social Security No:

Must be signed by registered holder(s) exactly as his, her or its

name(s) appear(s) on the certificate(s) for the tendered Warrants or by person(s) authorized to become registered holder(s) by certificates and documents transmitted herewith. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, agent or other person acting in a fiduciary or representative capacity, please provide the following information and see Instruction 2 (please print):

Name: -----
Address: -----

Area Code and Telephone No.: -----
Capacity (Full Title): -----

GUARANTEE OF SIGNATURE(S)
(If required)
(See Instruction 2)

Name of Firm: -----
Authorized Signature: -----
Title: -----
Dated: _____, 1998

(Please complete Substitute Form W-9
on the last page of this Letter of Transmittal)

INSTRUCTIONS

1. DELIVERY OF THIS LETTER OF TRANSMITTAL AND CERTIFICATES FOR WARRANTS. Unless an Agent's Message is utilized, this Letter of Transmittal must be used whether (a) certificates for Warrants are to be physically delivered to the Depository herewith or (b) tenders are to be made according to the guaranteed delivery procedures set forth in the Offer to Purchase.

Certificates for all physically delivered Warrants, as well as a properly completed and duly executed Letter of Transmittal (or facsimile thereof) and any other documents required by this Letter of Transmittal, must be received by the Depository at its address set forth on the front page of this Letter of Transmittal on or prior to 12:00 midnight, New York City time, on the Expiration Date. Warrantholders who cannot deliver their Warrants and all other required documents to the Depository on or prior to such time must tender their Warrants pursuant to the guaranteed delivery procedure set forth in the Offer to Purchase under the caption "Section 5. Procedure for Tendering of Warrants--Guaranteed Delivery." Pursuant to such procedure: (a) such tender must be made by or through an Eligible Institution, (b) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by the Company, must be received by the Depository on or prior to 12:00 midnight, New York City time, on the Expiration Date and (c) the tendered Warrants in proper form for transfer (or a Book-Entry Confirmation), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantees (or, in the case of book-entry delivery, an Agent's Message), and any other documents required by the Letter of Transmittal, must be received by the Depository within three Nasdaq trading days after the date of execution of such Notice of Guaranteed Delivery. See the Offer to Purchase under "Section 5. Procedure for Tendering of Warrants."

THE METHOD OF DELIVERY OF WARRANTS AND ALL OTHER REQUIRED DOCUMENTS IS AT THE OPTION AND RISK OF THE TENDERING WARRANTHOLDER. IF CERTIFICATES FOR SHARES ARE TO BE SENT BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED.

No alternative, conditional or contingent tenders will be accepted. By executing this Letter of Transmittal (or photocopy thereof), the tendering warrant holder waives any right to receive any notice of the acceptance for payment of the Warrants.

2. SIGNATURE ON THIS LETTER OF TRANSMITTAL; POWERS AND ENDORSEMENTS;

GUARANTEE OF SIGNATURES. The signature(s) of the registered holder(s) on this Letter of Transmittal in the page titled "Signature(s)" must correspond with the name(s) as written on the face of the Warrants without alteration, enlargement or any change whatsoever.

(a) If any of the Warrants are held of record by two or more persons, all such persons must sign this Letter of Transmittal.

(b) If any of the Warrants are registered in different names, it will be necessary to complete, sign and submit as many separate Letters of Transmittal and any necessary accompanying documents as there are different registrations.

(c) If this Letter of Transmittal is signed by the registered holder(s) of the Warrants, no endorsements of Warrants or separate powers are required, unless certificates for Warrants not tendered are to be issued in the name of, or delivered to, any person other than the registered holder(s). Signatures on any such Warrants or powers must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

(d) If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Warrants, such Warrants must be endorsed or accompanied by appropriate powers and signed exactly as the name(s) of the registered holder(s) appear(s) on such Warrants. Signatures on any such Warrants or powers must be guaranteed by an Eligible Institution (unless signed by an Eligible Institution).

(e) If this Letter of Transmittal or any certificates or powers are signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and unless waived by the Company, proper evidence satisfactory to the Company of the authority of such person to so act must be submitted with this Letter of Transmittal.

3. TRANSFER TAXES. The Company will pay or cause to be paid all stock transfer taxes, if any, with respect to the tender of any Warrants to it pursuant to the Offer. If, however, (a) payment of the purchase price for the Warrants is to be made to, or certificates for any Warrants not tendered or accepted for purchase are to be issued in the name of, or delivered to, any person other than the registered holder(s), (b) tendered Warrants are registered in the name of any person other than the person signing the Letter of Transmittal or (c) a stock transfer tax is imposed for any reason other than the transfer or sale of the Warrants to the Company pursuant to the Offer, the amount of any stock transfer taxes (whether imposed on the registered holder(s) or such other person) will be payable by the tendering holder(s). Unless satisfactory evidence of the payment of such taxes, or exemption therefrom, is submitted herewith, the amount of such transfer taxes will be deducted from the purchase price payable to the tendering holder(s). EXCEPT AS PROVIDED IN THIS INSTRUCTION 3, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE WARRANT CERTIFICATES LISTED IN THIS LETTER OF TRANSMITTAL.

4. PARTIAL TENDERS. If fewer than all the Warrants represented by any certificate delivered to the Depository are to be tendered, fill in the number of Warrants that are to be tendered in the column three of the box entitled "Description of Warrants Tendered." In such case, a new certificate for the remainder of the Warrants represented by the old certificate will be sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the boxes entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter of Transmittal, as promptly as practicable following the expiration of termination of the Offer. ALL WARRANTS REPRESENTED BY CERTIFICATES DELIVERED TO THE DEPOSITORY WILL BE DEEMED TO HAVE BEEN TENDERED UNLESS OTHERWISE INDICATED.

5. SPECIAL ISSUANCE AND DELIVERY INSTRUCTIONS. If the check for the Purchase Price or any Warrants purchased is to be issued in the name of, and/or any Warrants not tendered or not purchased are to be returned to, a person other than the person(s) signing this Letter of Transmittal or if the check and/or any certificates for Warrants not tendered or not purchased are to be mailed to someone other than the person(s) signing this letter of Transmittal or to an address other than that shown below the signature of the person(s) signing this Letter of Transmittal, then the pages captioned "Special Issuance Instructions" and/or "Special Delivery Instructions" on this Letter of Transmittal should be completed.

6. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Any questions or requests for assistance may be directed to the Dealer Manager at the telephone number and address listed on the front of this Letter of

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP
WITHHOLDING OF 31% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER.
PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER
IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED
THE BOX IN PART 3 OF SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties that a taxpayer identification number has not
been issued to me, and either (a) I have mailed or delivered an application
to receive a taxpayer identification number to the appropriate Internal
Revenue Service Center or Social Security Administration Office, or (b) I
intend to mail or deliver an application in the near future. I understand
that if I do not provide a taxpayer identification number by the time of
payment, 31% of all reportable payments made to me will be withheld; but
that such amounts will be refunded to me if I then provide a Taxpayer
Identification Number within sixty (60) days.

Signature

Date

AUDIOVOX CORPORATION

Offer To Purchase For Cash
Any Or All Of Its Outstanding Warrants,
Each Exercisable At \$7 1/8 Per Share
of Class A Common Stock
At
\$1.30 Per Warrant

NOTICE OF GUARANTEED DELIVERY

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK
CITY TIME, ON FRIDAY, SEPTEMBER 4, 1998 UNLESS THE OFFER IS EXTENDED.

As set forth in Section 5 of the Offer to Purchase, dated August 10, 1998 (the "Offer to Purchase"), this form, or one substantially equivalent hereto, must be used to accept the Offer (as defined below) of Audiovox Corporation, a Delaware corporation (the "Company"), if (a) certificates for the warrants (the "Warrants") of the Company are not immediately available, (b) the warrant holders cannot deliver their Warrants, Letter of Transmittal and other required documents to Continental Stock Transfer & Trust Company, who will act as depository and escrow agent for the Offer (the "Depository"), on or prior to 12:00 midnight, New York City time, on the Expiration Date (as defined in Section 4 of the Offer to Purchase) or (c) the procedures for delivery of Warrants by book-entry transfer cannot be completed on a timely basis. Such form may be delivered by hand or transmitted by facsimile transmission or mail to the Depository prior to 12:00 midnight, New York City time, on the Expiration Date.

The Eligible Institution (as defined in Section 5 of the Offer to Purchase) that completes this form must communicate the guarantee to the Depository and must deliver the Letter of Transmittal and certificates for the Warrants to the Depository within the time period shown herein. Failure to do so could result in a financial loss to such Eligible Institution.

The Depository for the Offer is:

CONTINENTAL STOCK TRANSFER & TRUST COMPANY

BY FACSIMILE TRANSMISSION: BY MAIL, HAND OR OVERNIGHT DELIVERY: FOR INFORMATION:
(212) 509-5150 Continental Stock Transfer & Trust Company (212) 509-4000
Attn: Reorganization Department & Trust Company
2 Broadway, 19th Floor
New York, New York 10004

Delivery of this instrument to an address, or transmission of instructions via facsimile number, other than as set forth above will not constitute valid delivery.

This form is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature must appear in the applicable space provided in the signature box in the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tenders to the Company, upon the terms and subject to the conditions set forth in the Offer to Purchase and related Letter of Transmittal (which together constitute the "Offer"), receipt of which is hereby acknowledged, the number of Warrants specified below pursuant to the Guaranteed Delivery procedure set forth in Section 5 of the Offer to Purchase.

(PLEASE TYPE OR PRINT ALL INFORMATION BELOW)

Number of Warrants Tendered: _____

Warrant Certificate No(s) (if available): _____

Total Number of Warrants

Represented by Certificate(s): -----

Signature(s): -----

Name(s) of Record Holder(s): -----

Address(es): -----

Area Code and Telephone No(s): -----

Name of Tendering Institution: -----

Account Number: -----

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States, hereby guarantees (a) that the above named person(s) has a "net long position" in the Warrants tendered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended, (b) that such tender of Warrants complies with Rule 14e-4 and (c) that delivery to the Company of certificates representing the Warrants tendered hereby, or, in the case of book-entry delivery of Warrants, a Book-Entry Confirmation (as defined in the Offer to Purchase), together with a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof properly completed and duly executed), or, in the case of book-entry delivery of Warrants, an Agent's Message (as defined in the Offer to Purchase), and any other required documents, will be received by the Depository no later than, in the case of Warrants, three Nasdaq trading days after the date of execution of this Notice of Guaranteed Delivery.

Name of Firm: -----

Address: -----

Zip Code

Area Code and Telephone Number: -----

AUTHORIZED SIGNATURE

TITLE

Name: -----

PLEASE TYPE OR PRINT

Dated: -----, 1998

=====
NOTE: DO NOT SEND WARRANT CERTIFICATES WITH THIS FORM. CERTIFICATES MUST BE SENT WITH THE LETTER OF TRANSMITTAL.

AUDIOVOX CORPORATION

Offer To Purchase For Cash
Any Or All Of Its Outstanding Warrants,
Each Exercisable At \$7 1/8 Per Share
of Class A Common Stock
At
\$1.30 Per Warrant

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 4, 1998 UNLESS THE OFFER IS EXTENDED.

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

Audiovox Corporation, a Delaware corporation (the "Company"), is offering to purchase any or all of its outstanding warrants (the "Warrants") at a price, net to the seller in cash, of \$1.30 per Warrant (the "Purchase Price"), upon the terms and subject to the conditions set forth in the enclosed Offer to Purchase, dated August 10, 1998 (the "Offer to Purchase"), and in the enclosed Letter of Transmittal (which together constitute the "Offer"). Each Warrant entitles the holder thereof to purchase one share of Class A Common Stock, \$.01 par value per share (the "Common Stock"), of the Company at a price of \$7 1/8 per share, subject to adjustment, from the date of issuance until March 15, 2001, unless sooner terminated under the circumstances described below.

THE OFFER IS NOT SUBJECT TO ANY FINANCING CONDITION OR TO THE TENDER OF A MINIMUM NUMBER OF WARRANTS PURSUANT TO THE OFFER. THE OFFER IS SUBJECT TO ONLY THOSE CONDITIONS SET FORTH IN SECTION 8 OF THE OFFER TO PURCHASE.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

We are asking you to contact clients for whom you hold Warrants registered in your name or in the name of your nominee or who hold Warrants registered in their own names.

The Company will not pay any fees or commissions to any broker or dealer or other person for soliciting tenders of Warrants pursuant to the Offer. However, you will be reimbursed for customary mailing and handling expenses incurred by you in forwarding any of the enclosed materials to your clients. The Company will pay or cause to be paid all transfer taxes, if any, applicable to the purchase of Warrants to it or its order, except as otherwise provided in Instruction 3 of the Letter of Transmittal.

For your information and for forwarding to your clients for whom you hold Warrants registered in your name or in the name of your nominee of who hold Warrants registered in their own names, enclosed are copies of the following documents:

1. The Offer to Purchase, dated August 10, 1998;
2. The Letter of Transmittal;
3. A form letter that may be sent to your clients for whose accounts you hold Warrants registered in your name or the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer to Purchase;
4. A Notice of Guaranteed Delivery;
5. Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9; and
6. A return envelope addressed to the Depository.

WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. The Offer will expire at 12:00 midnight, New York City time, on Friday, September 4, 1998, unless extended.

A warrant holder wishing to tender Warrants pursuant to the Offer should either (a) complete and execute the Letter of Transmittal (or facsimile thereof) and have the signature thereon guaranteed if required by the instructions thereof, and deliver such Letter of Transmittal, together with certificates representing the Warrants to be tendered, or, in the case of book-entry delivery of Warrants, such Warrants should be tendered by book-entry transfer into the Depository's account maintained at DTC, and any other required documents, to the Depository on or prior to the Expiration Date or (b) request his broker, dealer, commercial bank, trust company or other nominee to effect the transaction for him. See the Offer to Purchase under "Section 5. Procedure for Tendering of Warrants."

Warrant holders who wish to tender their Warrants pursuant to the Offer and (a) whose certificate(s) for such Warrants are not immediately available, (b) who cannot deliver their Warrants and Letter of Transmittal to the Depository on or prior to the Expiration Date or (c) who cannot comply with the book-entry transfer procedures on a timely basis, must tender their Warrants according to the guaranteed delivery procedures set forth in the Offer to Purchase under "Section 5. Procedure for Tendering of Warrants."

All questions relating to the Offer, as well as requests for assistance, may be directed to the Company's Dealer Manager, Ladenburg Thalmann & Co. Inc., at its address and telephone number set forth on the back cover of the Offer to Purchase. Requests for additional copies of the Offer to Purchase, the Letter of Transmittal and the other Offer materials may be directed to the Dealer Manager.

Very truly yours,

AUDIOVOX CORPORATION

Enclosures

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY, THE DEPOSITARY OR ANY AFFILIATE OF THEM, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY REPRESENTATION ON BEHALF OF ANY OF THEM WITH RESPECT TO THE OFFER NOT MADE IN THE OFFER TO PURCHASE OR THE LETTER OF TRANSMITTAL.

AUDIOVOX CORPORATION

Offer To Purchase For Cash
Any Or All Of Its Outstanding Warrants,
Any Or Each Exercisable At \$7 1/8 Per Share
of Class A Common Stock
At
\$1.30 Per Warrant

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON FRIDAY, SEPTEMBER 4, 1998 UNLESS THE OFFER IS EXTENDED.

To Our Clients:

Audiovox Corporation, a Delaware corporation (the "Company"), is offering to purchase any or all of its outstanding warrants (the "Warrants") at a price, net to the seller in cash, of \$1.30 per Warrant, upon the terms and subject to the conditions set forth in the enclosed Offer to Purchase, dated August 10, 1998 (the "Offer to Purchase"), and the enclosed Letter of Transmittal (which together constitute the "Offer"). Each Warrant entitles the holder thereof to purchase one share of Class A Common Stock, \$.01 par value per share, of the Company at a price of \$7 1/8 per share, subject to adjustment, from the date of issuance until March 15, 2001, unless sooner terminated under the circumstances described below.

THE OFFER IS NOT SUBJECT TO ANY FINANCING CONDITION OR TO THE TENDER OF A MINIMUM NUMBER OF WARRANTS PURSUANT TO THE OFFER. THE OFFER IS SUBJECT ONLY TO THOSE CONDITIONS SET FORTH IN SECTION 8 OF THE OFFER TO PURCHASE.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

This material is being forwarded to you as the beneficial owner of Warrants held by us in your account but not registered in your name. A TENDER WITH RESPECT TO SUCH WARRANTS MAY BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER WARRANTS HELD BY US FOR YOUR ACCOUNT.

Accordingly, we request instructions as to whether you wish us to tender any or all of your Warrants held by us for your account, pursuant to the terms and conditions of the Offer. Your instructions to us should be forwarded as promptly as possible in order to permit us to tender your Warrants on your behalf in accordance with the provisions of the Offer.

Your attention is directed to the following:

1. The Offer will expire at 12:00 midnight, New York City time, on Friday, September 4, 1998, unless the Offer is extended.
2. Any stock transfer taxes applicable to the sale of Warrants to the Company pursuant to the Offer will be paid by the Company, except as otherwise provided in Instruction 3 of the Letter of Transmittal.

If you wish to have us tender any or all of your Warrants, please so instruct us by completing, executing and returning to us the instruction form on the next page. An envelope to return your instructions to us is enclosed. If you authorize tender of your Warrants, all such Warrants will be tendered unless otherwise specified on the attached instruction form. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf before the expiration of the Offer.

We urge you to read carefully the enclosed Offer to Purchase before instructing us to tender your Warrants.

THE OFFER IS NOT BEING MADE TO, NOR WILL TENDERS BE ACCEPTED FROM OR ON BEHALF OF, WARRANTHOLDERS IN ANY JURISDICTION IN WHICH THE MAKING OF THE OFFER OR ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF SUCH JURISDICTION. IN THOSE JURISDICTIONS THE LAWS OF WHICH REQUIRE THAT THE OFFER BE MADE BY A LICENSED BROKER OR DEALER, THE OFFER SHALL BE DEEMED

TO BE MADE ON BEHALF OF THE COMPANY BY ONE OR MORE REGISTERED BROKERS OR DEALERS LICENSED UNDER THE LAWS OF SUCH JURISDICTION.

INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH ANY OR ALL OUTSTANDING WARRANTS OF AUDIOVOX CORPORATION.

The undersigned acknowledge(s) receipt of your letter enclosing the Offer to Purchase and the Letter of Transmittal relating to the Offer by Audiovox Corporation to purchase Warrants.

This will instruct you to tender the number of Warrants indicated below (or, if no number is indicated below, the entire number of Warrants) that are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and related Letter of Transmittal.

Please TENDER _____ Warrants held by you for my account on the appropriate Letter of Transmittal.

Signature(s) : _____

Name(s) : _____

Address(es) : _____

Area Code and Telephone No(s) : _____

Taxpayer Identification or Social Security No(s) : _____

Dated: _____

UNLESS A SPECIFIC CONTRARY INSTRUCTION IS GIVEN IN THE SPACE PROVIDED, YOUR SIGNATURE(S) HEREON SHALL CONSTITUTE AN INSTRUCTION TO US TO TENDER ALL OF YOUR WARRANTS PURSUANT TO THE TERMS AND CONDITIONS SET FORTH IN THE OFFER TO PURCHASE AND THE LETTER OF TRANSMITTAL.

AUDIOVOX CORPORATION

150 Marcus Boulevard
Hauppauge, New York 11788

Re: The Warrants of Audiovox Corporation

Dear Warrantholder:

Audiovox Corporation (the "Company") is offering to purchase any or all of its outstanding warrants (the "Warrants") at a price, net to the seller in cash, of \$1.30 per Warrant (the "Offer").

THE OFFER IS NOT SUBJECT TO ANY FINANCING CONDITION OR TO THE TENDER OF A MINIMUM NUMBER OF WARRANTS PURSUANT TO THE OFFER. THE OFFER IS SUBJECT TO ONLY THOSE CONDITIONS SET FORTH IN SECTION 8 OF THE OFFER TO PURCHASE.

UNDER THE TERMS OF THE WARRANTS, IF LESS THAN 5% OF THE WARRANTS INITIALLY ISSUED REMAIN OUTSTANDING AT ANY TIME, THE COMPANY MAY ELECT, BY WRITTEN NOTICE TO EACH HOLDER OF WARRANTS, THAT THE WARRANTS WILL EXPIRE ON THE 30TH DAY AFTER DELIVERY OF SUCH NOTICE. THE COMPANY INTENDS TO MAKE SUCH ELECTION IF MORE THAN 95% OF THE WARRANTS ARE TENDERED PURSUANT TO THE OFFER.

The Company believes that the Warrants are not actively traded. On August 7, 1998, the closing sales price of the Company's Class A Common Stock, par value \$.01 per share (the "Common Stock"), on the American Stock Exchange was \$4 11/16 per share. WARRANTHOLDERS ARE URGED TO OBTAIN A CURRENT MARKET QUOTATION FOR THE COMMON STOCK.

The Offer is explained in detail in the enclosed Offer to Purchase and the Letter of Transmittal. The instructions on how to tender your Warrants are also explained in detail in the enclosed accompanying materials. We encourage you to read these materials carefully before making any decision with respect to the Offer. If you do not wish to participate in the Offer, you do not need to take any action.

The Board of Directors of the Company has approved the making of the Offer. HOWEVER, THE COMPANY, ITS BOARD OF DIRECTORS AND ITS EXECUTIVE OFFICERS MAKE NO RECOMMENDATION AS TO WHETHER ANY WARRANTHOLDER SHOULD TENDER ANY OR ALL OF SUCH HOLDER'S WARRANTS PURSUANT TO THE OFFER. EACH WARRANTHOLDER MUST MAKE HIS, HER OR ITS OWN DECISION WHETHER TO TENDER WARRANTS AND, IF SO, HOW MANY WARRANTS TO TENDER.

Please contact Ladenburg Thalmann & Co. Inc. if you have any questions. Their phone number is (212) 409-2008. They will be pleased to answer your questions and can help you complete the enclosed materials.

Very truly yours,

AUDIOVOX CORPORATION

Charles M. Stoehr
Senior Vice President &
Chief Financial Officer

AUDIOVOX FILES TENDER OFFER FOR WARRANTS

Hauppauge, New York, August , 1998 - Audiovox Corporation (AMEX:VOX) today announced that it has commenced a tender offer (the "Offer") to purchase all of its outstanding Warrants at a price of \$1.30 per Warrant. Each Warrant entitles the holder to purchase one share of Class A Common Stock of the Company at a price of \$7 1/8 per share, subject to adjustment, until March 15, 2001, unless sooner terminated under certain circumstances. As of August 7, 1998, there were 1,668,875 Warrants issued and outstanding.

The Offer is not subject to any financing condition or to the tender of a minimum number of Warrants pursuant to the Offer. The Offer is subject to certain conditions set forth in the Offer to Purchase.

Under the terms of the Warrants, if less than 5% of the Warrants initially issued remain outstanding at any time, the Company may elect by written notice to each holder of Warrants, that the Warrants will expire on the 30th day after delivery of such notice. The Company intends to make such election if more than 95% of the Warrants are tendered pursuant to the Offer.

Audiovox Corporation is an international leader in the marketing of cellular telephones, auto sound, vehicle security, mobile video systems, and home and portable stereo systems. The Company conducts its business through two separate marketing groups. The Company markets its products, both domestically and internationally to the regional Bell Operating Companies, other carriers and the agents, distributors, retailers, car dealers and mass merchandisers. The Company markets its products under its own brands as well as functioning as an OE (Original Equipment) supplier to several customers.

These securities may not be sold, nor may offers to buy be accepted, prior to the time the Offer becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

An Offer to Purchase and related documents may be obtained from Ladenburg Thalmann & Co. Inc. at (212) 409-2008, which is acting as the Dealer Manager for the Offer.

Except for historical information contained herein, statements made in this release that would constitute forward-looking statements may involve certain risks such as market volatility, price competition and new product introductions. These factors may cause actual results to differ materially from results suggested in the forward-looking statements, including those risks detailed from time to time in the Company's reports on file at the Securities and Exchange Commission, including the Company's Form 10-K.

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GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER -- Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

For this type of account:	Give the SOCIAL SECURITY number of --	For this type of account:	Give the EMPLOYER IDENTIFICATION number of --
1. An individual's account	The individual	8. Sole proprietorship account	The owner (FN4)
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, any one of the individuals (FN1)	9. A valid trust, estate, or pension trust	The legal entity (Do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title.) (FN5)
3. Husband and wife (joint account)	The actual owner of the account or, if joint funds, either person (FN1)	10. Corporate account	The corporation
4. Custodian account of a minor (Uniform Gift to Minors Act)	The minor (FN2)	11. Religious, charitable or educational organization account	The organization
5. Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor (FN1)	12. Partnership account held The organization in the name of the business	The partnership
6. Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor or incompetent person (FN3)	13. Association, club, or other tax-exempt organization	The organization
7. a) The usual revocable savings trust account (grantor is also trustee);	The grantor-trustee (FN1)	14. A broker or registered nominee	The broker or nominee
b) So-called trust account that is not a legal or valid trust under State law	The actual owner (FN1)	15. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district, or prison) that receives agricultural program payments.	The public entity

(1) List first and circle the name of the person whose number you furnish.

- (2) Circle the minor's name and furnish the minor's social security number.
- (3) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.
- (4) You must show your individual name, but you may also enter business or "doing business as" name. You may use either your SSN or EIN (if you have one).
- (5) List first and circle the name of the legal trust, estate, or pension trust.

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Number Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

For purposes of the Offer, payees exempted from backup withholding include the following:

- - A corporation.
- - A financial institution.
- - An organization exempt from tax under section 501(a), or an individual retirement plan.
- - The United States or any agency or instrumentality thereof.
- - A State, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- - A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- - An international organization or any agency, or instrumentality thereof.
- - A dealer in securities or commodities required to register in the United States, the District of Columbia or a possession of the United States.
- - A real estate investment trust.
- - A common trust fund operated by a bank under section 584(a)
- - An entity registered at all times under the Investment Company Act of 1940.
- - A foreign central bank of issue.

Payments of dividends not generally subject to withholding include the following:

- - payments to nonresident aliens subject to withholding under Section 1441
- - payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner payments made to a nominee

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE DIVIDENDS, ALSO SIGN AND DATE THE FORM.

Certain payments that are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A(a), 6045, and 6050A.

PRIVACY ACT NOTICE -- Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to IRS. IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER -- If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING -- If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION -- Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE OBTAINING A NUMBER.

AUDIOVOX CORPORATION
150 MARCUS BOULEVARD
HAUPPAUGE, NEW YORK 11788

DEALER MANAGER AGREEMENT

August 10, 1998

Ladenburg Thalmann & Co. Inc.
590 Madison Avenue
New York, New York 10022

Dear Sirs:

1. The Offer. Audiovox Corporation, a Delaware corporation (AAudiovox@ or the ACompany@), is making a tender offer (hereinafter referred to, together with any amendments, supplements or extensions thereof, as the "Offer") to purchase all of its issued and outstanding common stock purchase warrants exercisable at \$7.125 per share of common stock (the "Warrants"), on the terms and subject to the conditions set forth in the Offer to Purchase and Letter of Transmittal (the "Letter of Transmittal") attached hereto as Exhibit A.
2. Appointment as Dealer Manager. The Company hereby appoints you as Dealer Manager (the "Dealer Manager"), and authorizes you to act as such in connection with the Offer. As Dealer Manager, you agree, in accordance with your customary practice, to perform those services in connection with the Offer as are customarily performed by investment banks in connection with tender offers of a like nature, including, but not limited to, communicating generally regarding the Offer with brokers, dealers, commercial banks and trust companies and similar holders of the Warrants. In such capacity, you shall act as an independent contractor, and each of your duties arising out of your engagement pursuant to this Agreement shall be owed solely to the Company.

The Company further authorizes you to communicate with Continental Stock Transfer & Trust Company, in its capacity as depository (the "Depository"), with respect to matters relating to the Offer. The Company has instructed the Depository to advise you as often as you request, but no more than daily, as to the number of Warrants which have been tendered pursuant to the Offer and as to such other matters in connection with the Offer as you may reasonably request.

Notwithstanding the foregoing, nothing set forth in this Agreement shall require you to continue to perform your obligations hereunder (i) for the period of time during which any restraining, injunctive or other similar order shall remain in effect with respect to the Offer or with respect to any of the transactions in connection with, or contemplated by, the Offer or this Agreement if, after consultation with the Company, in your good faith judgment, you believe it is inadvisable for you to render your services as Dealer Manager hereunder, or (ii) if your continuing so to act would, after consultation with the Company, in your good faith judgment, violate any statute, regulation or other law of the United States or any state or other jurisdiction thereof applicable to the Offer.

3. No Liability for Acts of Dealers, Banks and Trust Companies. You shall have no liability to the Company or any other person for any losses, claims, damages, liabilities and expenses (each a "Loss" and collectively, the "Losses") arising from any act or omission on the part of any broker or dealer in securities (a "Dealer"), bank or trust company, or any other person, and neither you nor any of your affiliates shall be liable for any Losses arising from your own acts or omissions in performing your obligations as Dealer Manager or as a Dealer hereunder or otherwise in connection with the Offer, except for any such Losses which are finally judicially determined to have resulted primarily and directly from your fraud, bad faith or gross negligence or to have resulted primarily and directly from your breach of this Agreement. In soliciting or obtaining tenders, no Dealer, bank or trust company is to be deemed to be acting as your agent or the agent of the Company or any of its affiliates, and you, as Dealer Manager, are not to be deemed the agent of any Dealer, bank or trust company or the agent or fiduciary of the Company or any of its affiliates, equity holders, creditors or of any other person. You

shall not be and shall not be deemed for any purpose to act as a partner or joint venturer of or a member of a syndicate or group with the Company or any of its affiliates in connection with the Offer, any purchase of the Warrants, or otherwise, and neither the Company nor any of its affiliates shall be deemed to act as your agent. The Company shall have sole authority for the acceptance or rejection of any and all tenders.

4. The Offer Material. The Company agrees to furnish you, at their expense, with as many copies as you may reasonably request of the Letter of Transmittal, the Offer Statement on Schedule 13E-4 (together with all exhibits, amendments and supplements thereto, the "Schedule") filed or to be filed by the Company with the Securities and Exchange Commission (the "Commission") and any other documents filed or to be filed with the Commission as exhibits to the Schedule (including, without limitation, press releases, advertisements and other communications), all statements and other documents filed or to be filed with the Commission or any other federal, state, local or foreign governmental or regulatory authorities or any court (each an "Other Agency" and collectively, the "Other Agencies") and any amendments or supplements to any such statements and documents (the definitive forms of all of the foregoing materials are hereinafter collectively referred to as the "Offer Material") to be used by the Company in connection with the Offer, and you are authorized to use copies of the Offer Material in connection with the Offer. The Offer Material has been or will be prepared and approved by, and is the sole responsibility of, the Company.

You hereby agree, as Dealer Manager, that you will not disseminate any written material for tenders of the Warrants pursuant to the Offer other than the Offer Material, and you agree that you will not make any statements other than the statements that are set forth in the Offer Material or as otherwise authorized by the Company.

The Company agrees that no Offer Material will be used in connection with the Offer or filed with the Commission or any Other Agency with respect to the Offer without first consulting with the Dealer Manager. In the event that the Company uses or permits the use of any Offer Material in connection with the Offer or files any such material with the Commission or any Other Agency without your prior approval of any material change, then you shall be entitled to withdraw as Dealer Manager in connection with the Offer without any liability or penalty to you or any Indemnified Person (as hereinafter defined), and you shall remain entitled to the indemnification provided in Section 11 hereof and to receive the payment of all fees and expenses payable under this Agreement which have accrued to the date of such withdrawal or would otherwise be due to you on such date. If you withdraw as Dealer Manager, the fees accrued and reimbursement for your expenses through the date of such withdrawal shall be paid to you promptly after such date. In addition, the Company has the right to terminate this Agreement if you shall have breached, in any material respect, any of your material representations, warranties, agreements or covenants herein.

5. Compensation. The Company agrees to pay you, as compensation for your services as Dealer Manager in connection with the Offer, a fee of \$.04 per Warrant for each Warrant validly tendered and not withdrawn in the Offer, to be offset against the fee of \$25,000, payable on the date hereof by the Company.
6. Expenses of Dealer Manager and Others. In addition to your compensation for your services hereunder pursuant to Section 5 hereof, the Company agrees to pay directly, or reimburse you, as the case may be, for (i) all expenses incurred by you relating to the preparation, printing, filing, mailing and publishing of all Offer Material, (ii) all fees and expenses of the Depository, (iii) all advertising charges in connection with the Offer, including those of any public relations firm or other person or entity rendering services in connection therewith, to the extent there are any, (iv) all fees, if any, payable to Dealers (including you), and banks and trust companies as reimbursement for their customary mailing and handling expenses incurred in forwarding the Offer Material to their customers and (v) all other reasonable fees and expenses incurred by you in connection with the Offer or otherwise in connection with the performance of your services hereunder (including fees and disbursements of your legal counsel, not to exceed \$11,000). All payments to be made by the Company pursuant to this Section 6 shall be made promptly against delivery to the Company of statements therefor. The Company shall be liable for the foregoing payments whether or not the Offer is commenced, withdrawn, terminated or canceled prior to the purchase of any Warrants or whether the Company or any of its subsidiaries or

affiliates acquires any Warrants pursuant to the Offer or whether you withdraw pursuant to Section 4 hereof, unless the Dealer Manager has materially breached any of its material obligations under this Agreement.

7. **Warrantholder Lists.** The Company will cause you to be provided with cards or lists or other records in such form as you may reasonably request showing the names and addresses of, and the number of Warrants held by, the holders of Warrants as of a recent date and will cause you to be advised from day to day during the period of the Offer as to any transfers of record of Warrants. You agree that you will use such information only in connection with the Offer.
8. **Sufficient Funds.** The Company represents and warrants to you that it has or, at the time it becomes obligated to purchase Warrants under the Offer, will have, sufficient funds to enable it to pay, and the Company hereby agrees that it will pay promptly, in accordance with the terms and conditions of the Offer and Sections 5 and 6 hereof, the purchase price (and related costs) for the Warrants which the Company has offered, and which the Company may be required, to purchase under the Offer, and the fees and expenses payable hereunder, subject to the Company's right, as and to the extent set forth in the Offer Materials or as otherwise permitted by law, not to purchase Warrants.
9. **Additional Representations and Warranties of the Company.** The Company represents and warrants to you that:
 - a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or the ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or to be in good standing, considering all such cases in the aggregate, would not have a material adverse effect on the business, properties, financial position or results of operations of the Company and all of its subsidiaries and affiliates taken as a whole, as the case may be.
 - b) The Company has full corporate power and authority to take and has duly taken all necessary corporate action to authorize (i) the Offer (including any related borrowings by the Company or any of its subsidiaries or affiliates), (ii) the purchase by the Company of Warrants pursuant to the Offer and (iii) the execution, delivery and performance of this Agreement, and this Agreement has been duly executed and delivered on behalf of the Company and, assuming due authorization, execution and delivery of this Agreement by you, is a legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, except that (a) the enforceability hereof may be limited by (x) bankruptcy, insolvency, reorganization, moratorium and other laws now or hereafter in effect relating to creditors' rights generally and (y) general principles of equity and (b) indemnification and contribution provisions contained herein may not be enforceable.
 - c) The Company has duly filed, or will have duly filed the Schedule as required by and pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the Commission thereunder (collectively, the "Exchange Act"), copies of which (including the documents filed or to be filed therewith as exhibits thereto) in the form filed or to be filed, have been or will be promptly furnished to you. The Schedule complies, and all forms of all such other Offer Material to be filed with the Commission or published or distributed to holders of the Warrants will comply, in all material respects, with the applicable provisions of the Exchange Act, and neither the Schedule nor any of such other Offer Material contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading; provided, however, that no representation is made with respect to any statements contained in, or any matter omitted from, the Schedule or any other Offer Material in reliance upon and in conformity with information furnished or confirmed in writing by you to the Company expressly for use therein.
 - d) The Company will file, as required, any and all necessary amendments or supplements to the Schedule and the other documents filed with the Commission relating to the Offer and will promptly

furnish to you true and complete copies of each such amendment and supplement upon the filing thereof.

- e) The Offer (including any related borrowings by the Company or any of its subsidiaries or affiliates), the purchase by the Company of Warrants pursuant to the Offer, and the execution, delivery and performance of this Agreement by the Company, comply and will comply in all material respects with all applicable requirements of federal, state, local and foreign law, including, without limitation, any applicable regulations of the Commission and Other Agencies, and all applicable judgments, orders or decrees; and no consent, authorization, approval, order, exemption, registration, qualification or other action of, or filing with or notice to, the Commission or any Other Agency is required in connection with the execution, delivery and performance of this Agreement by the Company, the making or consummation by the Company of the Offer or the consummation of the other transactions contemplated by this Agreement, except where the failure to obtain or make such consent, authorization, approval, order, exemption, registration, qualification or other action or filing or notification would not materially adversely affect the ability of the Company to execute, deliver and perform this Agreement or to commence and consummate the Offer in accordance with its terms. All such required consents, authorizations, approvals, orders, exemptions, registrations, qualifications and other actions of and filings with and notices to the Commission and the Other Agencies will have been obtained, taken or made, as the case may be, and all statutory or regulatory waiting periods will have elapsed, prior to the purchase of the Warrants pursuant to the Offer.
- f) The Offer (including any related borrowings by the Company or any of its subsidiaries or affiliates), the purchase of the Warrants by the Company pursuant to the Offer, and the execution, delivery and performance of this Agreement by the Company, do not and will not (i) conflict with or result in a violation of any of the provisions of the certificate of incorporation or by-laws (or similar organizational documents) of the Company, (ii) conflict with or violate in any material respect any law, rule, regulation, order, judgment or decree applicable to the Company or by which any property or asset of the Company or any of its subsidiaries is or may be bound or (iii) result in a breach of any of the material terms or provisions of, or constitute a default (with or without due notice and/or lapse of time) under, any loan or credit agreement, indenture, mortgage, note or other material agreement or instrument to which the Company or any of its subsidiaries is a party or by which any of them or any of their respective properties or assets is or may be bound, except that clauses (ii) and (iii) do not apply to conflicts or violations which would not have a material adverse effect on the Company.
- g) No stop order, restraining order or denial of an application for approval has been issued and no investigation, proceeding or litigation has been commenced or, to the best of the Company's knowledge, threatened before the Commission or any Other Agency with respect to the making or consummation of the Offer (including the obtaining or use of funds to purchase Warrants pursuant thereto) or the consummation of the other transactions contemplated by this Agreement or with respect to the ownership of the Warrants by the Company or any of its subsidiaries or affiliates.
- h) The Company is not, nor will it be as a result of the purchase by the Company of Warrants that it may become obligated to purchase pursuant to the terms of the Offer, an "investment company" under the Investment Company Act of 1940, as amended, and the rules and regulations promulgated by the Commission thereunder.
- i) Each of the representations and warranties set forth in this Agreement will be true and correct on and as of the date on which the Offer is commenced and on and as of the date on which any Warrants are purchased pursuant to the Offer.

10. Notification of Certain Events. The Company shall advise you promptly of (i) the occurrence of any event which could cause the Company to withdraw rescind or terminate the Offer or would permit it to exercise any right not to purchase Warrants tendered under the Offer, (ii) the occurrence of any event, or the discovery of any fact, the occurrence or existence of which it believes would require the making of any change in any of the Offer Material then being used or would cause any

representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect, (iii) any proposal or requirement to make, amend or supplement any filing required by the Exchange Act in connection with the Offer or to make any filing in connection with the Offer pursuant to any other applicable law, rule or regulation, (iv) the issuance by the Commission or any Other Agency of any comment or order or the taking of any other action concerning the Offer (and, if in writing, will furnish you with a copy thereof), (v) any material developments in connection with the Offer or the financing thereof, including, without limitation, the commencement of any lawsuit concerning the Offer and (vi) any other information relating to the Offer, the Offer Material or this Agreement which you may from time to time reasonably request.

11. Indemnification.

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- a) The Company agrees to hold harmless and indemnify you (including any affiliated companies) and any officer, director, partner, shareholder, employee or agent (including, for the purposes of this Section 11, any broker-dealer acting on your behalf and at your request in connection with the Offer) of you or any of such affiliated companies and any entity or person controlling (within the meaning of Section 20(a) of the Exchange Act) you, including any affiliated companies (collectively, the "Indemnified Persons"), from and against any and all Losses whatsoever (including, but not limited to, any and all expenses incurred in investigating, preparing or defending against any litigation or proceeding, commenced or threatened, or any claims whatsoever whether or not resulting in any liability) (i) arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in the Offer Material, the Schedule or in any other material used by the Company, or authorized by the Company in writing for use in connection with the Offer or the transactions contemplated thereby, or arising out of or based upon the omission or alleged omission to state in any such document a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (other than statements or omissions made in reliance on information furnished by you to the Company expressly for use therein), (ii) arising out of or based upon any withdrawal by the Company of, or failure by the Company to make or consummate, the Offer or the transactions contemplated thereby or any other failure to comply with the terms and conditions specified in the Offer Material, (iii) arising out of the breach or alleged breach by the Company of any representation, warranty or covenant set forth in this Agreement, or (iv) otherwise arising out of, relating to or in connection with the Offer, the other transactions described in the Offer Material or your services as Dealer Manager hereunder. The Company shall not, however, be responsible for any Loss pursuant to clause (iv) of the preceding sentence of this Section 11(a) which has been finally judicially determined to have resulted primarily and directly from the bad faith or gross negligence on the part of any Indemnified Person, other than any Loss arising out of or resulting from actions performed at the request of, with the consent of, or in conformity with actions taken or omitted to be taken by, the Company.
- b) The Company and you agree that if any indemnification sought by any Indemnified Person pursuant to this Section 11 is unavailable for any reason or insufficient to hold you harmless, then the Company and you shall contribute to the Losses for which such indemnification is held unavailable or insufficient in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by the Company, on the one hand, and actually received by you, on the other hand, in connection with the transactions contemplated by this Agreement or, if such allocation is not permitted by applicable law, not only such relative benefits but also the relative faults of the Company, on the one hand, and you, on the other hand, as well as any other equitable considerations, subject to the limitation that in any event the aggregate contribution by you to all Losses with respect to which contribution is available hereunder shall not exceed the fees actually received by you in connection with your engagement hereunder. It is hereby agreed that the relative benefits to the Company, on the one hand, and you, on the other hand, with respect to the Offer and the transactions contemplated thereby shall be deemed to be the same proportion as (i) the total value paid or proposed to be paid to holders of the Warrants pursuant to the Offer (whether or not the Offer or such

transactions are consummated) bears to (ii) the fees actually received by you from the Company in connection with your engagement hereunder.

- c) The foregoing rights to indemnity and contribution shall be in addition to any other right which you and the other Indemnified Persons may have against the Company at common law or otherwise. If any litigation or proceeding is brought against any Indemnified Person in respect of which indemnification may be sought against the Company pursuant to this Section 11, such Indemnified Person shall promptly notify the Company in writing of the commencement of such litigation or proceeding, but the failure so to notify the Company shall relieve the Company from any liability which it may have hereunder only if, and to the extent that, such failure results in the forfeiture by the Company of substantial rights and defenses, and will not in any event relieve the Company from any other obligation or liability that they may have to any Indemnified Person other than under this Agreement. In case any such litigation or proceeding shall be brought against any Indemnified Person and such Indemnified Person shall notify the Company in writing of the commencement of such litigation or proceeding, the Company shall be entitled to participate in such litigation or proceeding, and, after written notice from the Company to such Indemnified Person, to assume the defense of such litigation or proceeding with counsel of its choice at its expense; provided, however, that such counsel shall be satisfactory to the Indemnified Person in the exercise of its reasonable judgment. Notwithstanding the election of the Company to assume the defense of such litigation or proceeding, such Indemnified Person shall have the right to employ separate counsel and to participate in the defense of such litigation or proceeding, and the Company shall bear the reasonable fees, costs and expenses of such separate counsel and shall pay such fees, costs and expenses at least quarterly (provided that with respect to any single litigation or proceeding or with respect to several litigations or proceedings involving substantially similar legal claims, the Company shall not be required to bear the fees, costs and expenses of more than one such counsel) if (i) in the reasonable judgment of such Indemnified Person the use of counsel chosen by the Company to represent such Indemnified Person would present such counsel with a conflict of interest, (ii) the defendants in, or targets of, any such litigation or proceeding include both an Indemnified Person and the Company, and such Indemnified Person shall have been advised by its counsel that representation of such Indemnified Person and the Company by the same counsel would be inappropriate under applicable standards of professional conduct due to actual or potential differing interests between them (in which case the Company shall not have the right to direct the defense of such action on behalf of the Indemnified Person), (iii) the Company shall not have employed counsel satisfactory to such Indemnified Person, in the exercise of the Indemnified Person's reasonable judgment, to represent such Indemnified Person within a reasonable time after notice of the institution of such litigation or proceeding or (iv) the Company shall authorize in writing such Indemnified Person to employ separate counsel at the expense of the Company. In any action or proceeding the defense of which the Company assumes, the Indemnified Person shall have the right to participate in such litigation and retain its own counsel at such Indemnified Person's own expense. The Company and you agree to notify the other promptly of the assertion of any claim against it, any of its officers or directors or any entity or person who controls it within the meaning of Section 20(a) of the Exchange Act in connection with the Offer. The foregoing indemnification commitments shall apply whether or not the Indemnified Person is a formal party to such litigation or proceeding.
- d) The Company also agrees to reimburse each Indemnified Person for reasonable out-of-pocket expenses (including fees and disbursements of counsel) as they are incurred by such Indemnified Person in connection with investigating, preparing for, defending or providing evidence (including appearing as a witness) with respect to any action, claim, investigation, inquiry, arbitration or other proceeding referred to in this Section 11 or enforcing this Agreement, whether or not in connection with pending or threatened litigation in which any Indemnified Person is a party.
- e) The Company agrees that it will not, without your prior written consent, settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding

in respect of which indemnification may be sought hereunder (whether or not you, any other Indemnified Person or the Company is an actual or potential party), unless such settlement, compromise or consent includes an unconditional release of each Indemnified Person from all liability arising out of such claim, action or proceeding.

12. Conditions to Obligations of the Dealer Manager. Your obligations hereunder shall at all times be subject to the conditions that (a) all representations, warranties and other statements of the Company contained herein are now, and at all times during the period of the Offer shall be, true and correct in all material respects and (b) the Company at all times shall have performed in all material respects all of its obligations hereunder theretofore to be performed.

13. Termination. This Agreement shall terminate upon the expiration, termination or withdrawal of the Offer or upon withdrawal by you, or termination by us of you, as Dealer Manager pursuant to Section 4 hereof, it being understood that Sections 3, 5, 6, 8, 9, 11, 12, 14, 15, 16, 19, 20, 21 and 22 hereof shall survive any termination of this Agreement.

14. Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be given (and shall be deemed to have been given upon receipt) by delivery in person, by cable, by telecopy, by telegram, by telex, by registered or certified mail (postage prepaid, return receipt requested) or by recognized overnight delivery service (such as Federal Express) to the applicable part at the addresses indicated below:

a) if to you:

Ladenburg Thalmann & Co. Inc.
590 Madison Avenue
New York, New York 10022
Telecopy No.: 212-409-2173
Attention: Seth E. Lemler

with a copy to:

Fulbright & Jaworski LLP
666 Fifth Avenue
New York, NY 10103
Telecopy No.: 212-752-5958
Attn: Warren J. Nimetz, Esq.

b) if to the Company:

Audiovox Corporation
150 Marcus Boulevard
Hauppauge, New York 11788
Telecopy No.: 516-273-6922
Attention: John J. Shalam

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson
1 New York Plaza
New York, New York 10004
Telecopy No.: 212-859-4000
Attention: Stuart H. Gelfond, Esq.

15. Consent to Jurisdiction: Service of Process. The Company hereby (a) submits to the jurisdiction of any New York State or Federal court sitting in the City of New York with respect to any actions and proceedings arising out of or relating to this Agreement, (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such New York State or Federal court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in a New York State or Federal court sitting in the City of New York and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

16. Joint and Several Obligations, Etc. In the event that the Company makes the Offer through one or more of its affiliates, each reference in this Agreement to the Company shall be deemed to be a reference to the Company and any such affiliates, and the representations, warranties, covenants and agreements of the Company and any such

affiliates hereunder shall be joint and several.

17. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof.
18. Amendment. This Agreement may not be amended except in writing signed by each party to be bound thereby.
19. Governing Law. THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED IN AND TO BE PERFORMED IN THAT STATE WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF.
20. Waiver of Jury Trial. THE COMPANY HEREBY AGREES ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS SECURITY HOLDERS, TO WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTERCLAIM OR ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (INCLUDING, WITHOUT LIMITATION, THE OFFER).
21. Counterparts; Severability. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.
22. Parties in Interest. This Agreement, including rights to indemnity and contribution hereunder, shall be binding upon and inure solely to the benefit of each party hereto, the Indemnified Persons and their respective successors, heirs and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Please indicate your willingness to act as Dealer Manager and your acceptance of the foregoing provisions by signing in the space provided below for that purpose and returning to us a copy of this Agreement so signed, whereupon this Agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

AUDIOVOX CORPORATION

By: _____

Charles M. Stoehr
Senior Vice President
and Chief Financial Officer

Accepted as of the
date first above written:

LADENBURG THALMANN & CO. INC.

By: _____

Seth E. Lemler
Managing Director