

February 13, 2003

Asensio's three (3) page letter to REFR dated November 15, 2001.

November 15, 2001

Board of Directors

Research Frontiers Incorporated

240 Crossways Park Drive

Woodbury, NY 11797-2033

Attention: Victor F. Keen, Secretary

Re: Information request concerning certain questionable Research Frontiers Inc. ("REFR") transactions. Notification of Asensio & Company's opinion concerning REFR's stock promotion.

Dear Directors:

This letter serves as our final notice. We believe that the transactions referred to herein, along with the analysis of the public record created by REFR contained in our nine (9) page June 14, 2001 letter and the nine research reports we have already issued, establish a firm factual basis for our opinion concerning REFR's stock promotion. We believe REFR's leaders are engaged in a "pump and dump" securities fraud.

During the last six years Robert L. Saxe and Joseph M. Harary have received at least \$4.4 million in cash payments from REFR. This disclosed cash compensation represents an extraordinary 39.4% of total operating expenses during the entire six-year period. Yet the \$4.4 million does not remotely approximate the total compensation paid to these individuals. During this same period Saxe and Harary received, at no cost to them, options and warrants to buy over 1.3 million REFR shares.

In addition to the above cash and stock compensation REFR lends its officers money. The balance owed at the end of the year has exceeded \$1.4 million during the last six years. While the total REFR has lent during the last six years is not disclosed, REFR officers have repaid at least \$2.4 million in cash and an additional \$1.4 million was repaid through the surrender of REFR stock.

There is no reasonable economic justification for these highly questionable insider transactions. During the examined period, REFR lost over \$22.5 million. REFR has never had any profits or any product sales revenues in its entire 36-year history. In fact, during the entire six year period referred to above, operating revenues were a total \$681,983.

REFR and its agents were making positive representations to the public while its insiders were continually selling stock. The positive representations were entirely devoid of any acknowledgement or explanation of REFR's uninterrupted 36-year history of commercial failure. All along REFR failed to meet projections. Furthermore, suspicious insider abuses are not the only evidence of securities fraud at REFR.

In the six years ending December 31, 2000 REFR sold privately 3,603,784 shares and then bought back in the public market 621,161 shares. REFR has no ability to generate cash internally. In 34 of its 36-year existence REFR has sold stock. There is no reasonable economic justification for REFR's use of cash generated from stock sales to repurchase stock. REFR's program of systematically selling stock privately and then using the money obtained from those very same private stock sales to purchase its own stock in the public markets is wrong and highly questionable. It gets much worse.

This year REFR sold 350,577 shares privately and then repurchased 400,665 shares in the open market. Astonishingly, REFR (cash poor with no ability to generate cash internally) lost \$2,055,506 in the process. We believe this illustrates management's willingness to manipulate REFR's stock price not just through deceptive press releases but through the use of its ill-gotten cash in suspicious stock transactions. We find no legitimate explanation for these senseless trades. There is more.

In addition to questionable insider cash payments and treasury stock transactions, since 1994 REFR has sold approximately 4.5 million shares through highly questionable unregistered, private sales. These shares were then dumped onto the public by REFR selected intermediaries.

In 1998, REFR made its largest highly questionable deal with an off-shore company called Ailouros Ltd., which REFR calls a "London based institutional money management fund." Public records shows Ailouros has engaged in transactions with only ten United States public companies, including REFR. Of Ailouros' nine known deals (other than REFR) seven are trading below \$0.50 per share and one for less than \$2.

A September 9, 2001 New York Times article states "Michael Katz, the managing director of Ailouros, a fund management company in London, has held stock in Research Frontiers for over five years, increasing his position despite the company's nonexistent commercial sales." This is an extremely misleading representation of REFR's dealings with Ailouros. In a 1999 SEC filing REFR represented that "Ailouros does not, and has never, held any position, office or other material relationship with Research Frontiers." Furthermore, all of Ailouros' known transactions are short-term investments made to take advantage of penny-stock promotions. Ailouros entered into its REFR agreement in 1998. The agreement allows Ailouros to buy stock from REFR privately and to then sell that stock to the public.

REFR insiders are not controlled by any authority that can act to prevent them from making false claims and taking excessive salaries. As a result, they have an incentive to tell stories to small, unsophisticated investors and to work with penny stock promoters to raise funds. REFR insiders take much of the proceeds and use the balance to perpetuate their scheme. Saxe and Harary also take advantage by selling stock to the public.

On June 14, 2001 Asensio & Company, Inc. provided you with an account of the factual basis for our opinion that REFR is knowingly disseminating false product claims and exaggerated earnings projections for the apparent purpose of defrauding investors. We requested relevant factual information related to our opinion. We have not received any information.

Please be advised that if we do not receive a reasonable and correct response to this letter and our July 14, 2001 letter we will publish, at our sole discretion, either copies of these letters or reports stating the opinion that: We believe REFR's leaders are engaged in a "pump and dump" securities fraud. We request a response by the close of business on November 23, 2001.

Sincerely,

Asensio & Company, Inc.

Manuel P. Asensio

Chairman, President and

Chief Executive Officer

cc: Robert L. Saxe

Chairman, President and Treasurer

Joseph M. Harary

Executive Vice President and Chief Counsel