

Charter of the Compensation Committee of The Board of Directors of Rand Logistics, Inc.

Statement of Policy

The purpose of the Compensation Committee is 1) to discharge the Board of Directors' (the "Board") responsibilities relating to the review and determination of the compensation of Rand Logistics, Inc.'s (the "Company") executive officers, and 2) to produce an annual report on executive compensation for inclusion in the Company's proxy statement.

Membership

The Compensation Committee shall be composed of at least two directors. Each member of the Compensation Committee shall be independent in accordance with the provisions of Rule 10C-1(b)(1) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules of the NASDAQ Stock Market ("NASDAQ"). Each member of the Compensation Committee must qualify as a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and as an "outside director" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Compensation Committee shall be elected by the Board at the annual organizational meeting of the Board and shall serve such term or terms as the Board may determine or until their respective successors shall be duly elected and qualified.

Scope of Powers and Functions

The Compensation Committee shall have such powers and functions as may be assigned to it by the Board or the Corporate Governance/Nominating Committee from time to time; however, such functions shall, at a minimum, include the following, as well as any functions as shall be required of compensation committees by NASDAQ:

- to review and approve annually the corporate goals and objectives applicable to the compensation of the Chief Executive Officer (which, for purposes of this Charter, shall mean the Chief Executive Officer of the Company or, if such office does not exist, the senior-most executive officer of the Company);
- to evaluate at least annually the Chief Executive Officer's performance in light of such goals and objectives;
- to determine and approve annually the compensation of the Chief Executive Officer;
- to review and approve annually the compensation of the Company's other executive officers;
- to review and make recommendations to the Board with respect to incentive compensation plans and equity-based plans, including without limitation the Company's stock options plans;

- to administer the Company’s equity-based plans and grant restricted stock, stock options or other awards pursuant to such plans;
- to review and discuss with management the Company’s Compensation Discussion and Analysis (“CD&A”) and the related executive compensation information, recommend that the CD&A and the related executive compensation information be included in the Company’s annual report on Form 10-K and proxy statement and produce the compensation committee report on executive officer compensation required to be included in the Company’s proxy statement or annual report on Form 10-K;
- to determine and approve any severance arrangements or plans, including any benefits to be provided in connection with the change in control, for the Chief Executive Officer and other executive officers, which includes the ability to adopt, amend and terminate such agreements, arrangements or plans;
- to review and approve any severance arrangements or plans, including any benefits to be provided in connection with the change in control, for the other executive officers;
- to consider the results of the most recent stockholder advisory vote on executive compensation required by Section 14A of the Exchange Act (“Say on Pay Vote”), in evaluating, determining and approving the compensation of executive officers;
- to review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company’s proxy statement;
- to evaluate its own performance at least annually and report on such performance to the Board; and
- the Compensation Committee shall have such other powers and functions as may be assigned to it by the Board from time to time.

Outside Advisors

The Compensation Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Compensation Committee shall set the compensation, and oversee the work, of the compensation consultant. The Compensation Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Compensation Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Compensation Committee shall receive appropriate funding from the Company, as determined by the Compensation Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors. The authority granted in this section of the Charter shall not affect the ability or obligation of the Compensation Committee to exercise its own judgment in fulfillment of its duties under this Charter or require the Compensation Committee to implement or act consistently with the advice or recommendations received by any such advisor.

The compensation consultant(s), outside counsel and any other advisors retained by, or providing advice to, the Compensation Committee (other than the Company's in-house counsel, if any) shall be independent as determined in the discretion of the Compensation Committee after considering the factors specified in NASDAQ Rule 5605(d). In selecting, retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than the Company's in-house counsel, if any), the Compensation Committee must take into consideration the factors specified in NASDAQ Rule 5605(d). The Compensation Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or that provides information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

The Compensation Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

Administrative

The Board shall designate a member of the Compensation Committee as the chairperson. The Compensation Committee shall meet at least two times per year at such times and places as it deems necessary to fulfill its responsibilities. Minutes of each meeting shall be prepared and the Compensation Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Compensation Committee shall be governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Compensation Committee may invite such members of management to its meetings as it deems appropriate. However, the Compensation Committee shall meet regularly without such members present, and in all cases the Chief Executive Officer and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

The Compensation Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

The Compensation Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees of its members as the Compensation Committee may deem appropriate in its sole discretion.