

Rand Logistics, Inc.
Insider Trading Policy and Procedure

Last Updated: March 19, 2008

□ Purpose

- To ensure compliance with SEC insider trading regulations.
- To protect Rand Logistics, Inc.'s and its subsidiaries' (collectively, "Rand") employees from unintentional violation of these regulations.
- To protect Rand from legal exposure to shareholder litigation resulting from violation of insider trading regulations.

□ Scope

- This policy applies to all Rand employees worldwide.

□ Background

- Federal securities laws prohibit the improper use of "material non-public information" to buy or sell securities of Rand (including, without limitation, its common stock, warrants and units), its customers, and its vendors. Substantial penalties can result from violation of these laws. These penalties include fines, disgorgement of any profits and possible criminal sanctions.
- Failure to comply with the law and this policy is possible ground for termination of your employment.
- The number of securities involved in an illegal transaction is irrelevant; an illegal trade of 10, 100, or 1,000 securities is treated equally under the law.

□ What is material non-public information?

"Material" information is any information, positive or negative, upon which a reasonable person would make an investment decision. This information includes, but is not restricted to:

- Significant new products, developments or services.
- The gain or loss of a substantial customer.
- Projections or expectations about future revenues, profits and other financial results.
- News of a pending or proposed merger or acquisition, or a tender offer or exchange offer.
- Information about a major joint venture.
- News of a significant sale of assets or a piece of the business.
- The declaration of a stock split, the offering of securities, a change in the stock repurchase program or the initiation of dividend payments.
- Changes in senior management.
- Significant litigation.

"Non-public" simply means that a company has not released the information in a press release or public statement. We normally regard information as fully absorbed by the public two business days after official release.

□ **What is your obligation or duty under the law?**

If you have material non-public information relating to Rand or any of Rand's customers or suppliers, you may not buy or sell the securities of those companies. Equally important, you may not pass this information along to others. This illegal practice is known as tipping.

Recent insider trading rules expressly state that a duty of trust or confidence exists between an individual and members of his immediate family when a person receives or obtains material inside information. You must not permit any member of your immediate family or anyone acting on your behalf, or anyone to whom you have disclosed information, to purchase or sell those securities.

□ **Policy**

There are two avenues through which a Rand employee can buy and sell Rand securities:

- In open market transactions; or
- Through the exercise of stock options or warrants

In general, you may not buy or sell Rand securities or the securities of its customers or vendors, if you have material non-public information related to that company. Otherwise, you may buy or sell securities at any time.

For employees below the level of vice president or equivalent of Rand or any of its subsidiaries, except for certain individuals:

For **open market transactions**, you may not buy or sell Rand securities if you have material non-public information.

For your **stock options or warrants**, you may exercise either security at any time.

For employees at the level of vice president and above, and certain other individuals:

The following employees require written permission from the Chief Executive Officer, or, in his absence, the President (each, a "Compliance Officer", and collectively, the "Compliance Officers"), before buying or selling Rand securities, because of their presumed routine access to material non-public information.

- Members of the Board of Directors of Rand or any of its Subsidiaries
- Employees of Rand or any of its subsidiaries with the title of vice president and above

- Administrative assistants to senior executives of Rand or any of its Subsidiaries

This procedure covers all transactions involving Rand stock. Stock options or warrants may be exercised (including by way of “cashless exercises”) at any time, if the exercise does not include the sale of the underlying stock.

Certain events would prohibit a Compliance Officer from granting permission to buy or sell Rand securities. These events include

- a material deviation between Rand’s internal revenue and earnings forecasts and investor expectations;
- material business developments such as a pending acquisition;
- the pending disclosure of material information; and
- other business developments that create a circumstance in which trading would put the employee or director in conflict with applicable insider trading laws and regulations.

An employee denied permission to buy or sell Rand securities has the duty not to share this information, since it may result in an unintended distribution of information about a pending material event.

Furthermore, transactions may not occur during blackout periods, which are imposed by a Compliance Officer. A blackout is automatically in place in anticipation of a quarterly earnings release; it covers a period of **three weeks before the end of the quarter through two business days after the release of earnings** to the public. Blackouts may also be imposed if a material news release is pending.

Exceptions to trading during a blackout period can be made by a Compliance Officer at his discretion. These exceptions would be made on a case-by-case basis for certain circumstances, including hardships and emergencies.

□ **Post-Termination Transactions.**

The Policy Statement continues to apply to transactions in Rand securities even after you have terminated employment. If you are in possession of material nonpublic information when your employment ends, you may not trade in Rand securities until that information becomes public or is no longer material.

If you are aware of material nonpublic information when you terminate service as a director, officer or other employee of Rand, you may not trade in Rand securities until that information becomes public or is no longer material. In all other respects, the procedures set forth in this memorandum will cease to apply to your transactions in Rand securities upon the expiration of any “blackout period” that is applicable to your transactions at the time of your termination of service.

□ Insider Trading Policy and Procedure Addendum For Rule 10b5-1 Plans

Trading by employees can proceed under approved arrangements established under Rule 10b5-1. Rule 10b5-1 permits officers and directors of public companies to adopt predetermined plans for selling specified amounts of stock. The plans may be entered into only when the director or officer is not in possession of material, nonpublic information and may be used to gradually diversify investment portfolios over a period of time.

Rule 10b5-1(c) under the Securities Exchange Act of 1934 provides an affirmative defense to insider trading liability for purchases or sales of securities executed pursuant to a contract, plan or instructions that complies with requirements set forth in that Rule. Accordingly, persons ("Covered Individuals") who otherwise, according to the Rand Insider Trading Policy and Procedures, can trade Rand securities only with the written approval of a Compliance Officer, if designated by a Compliance Officer from time to time, may establish contracts, plans or instructions (referred to in this Policy as "10b5-1 Arrangements") that comply with Rule 10b5-1(c), subject to the following requirements:

- A Covered Individual must obtain the written approval of a Compliance Officer before entering into a 10b5-1 Arrangement. Rand reserves the right to approve or not approve any plan, as it determines in its sole discretion. Rand reserves the right to make public disclosure of the existence of any 10b5-1 Arrangements a condition to approving such Arrangement;
- A Covered Individual may not enter into a 10b5-1 Arrangement during a blackout period or while aware of material, non-public information about Rand;
- Any modification of a 10b5-1 Arrangement is subject to the prior written approval of a Compliance Officer. A Covered Individual, however, may not modify a 10b5-1 Arrangement during a blackout period or while aware of material, non-public information about Rand; and
- A Covered Individual may terminate a 10b5-1 Arrangement at any time. However, Rand encourages Covered Individuals not to engage in a pattern of establishing and terminating 10b5-1 Arrangements, and a Compliance Officer may disapprove a proposed 10b5-1 Arrangement if he believes such a pattern exists.

Any purchase or sale of Rand securities by a Covered Individual executed in accordance with the requirements of Rule 10b5-1 (c) pursuant to a pre-approved 10b5-1 Arrangement will not be subject to the requirements of the Rand Insider Trading Policy and Procedure that (i) such trade not be made while aware of material, non-public information, (ii) that such trade not be made during a "black-out period" or (iii) that such individual trade be pre-approved (specifically) by the Compliance Officer.

□ Summary

For all employees:

- You may not buy or sell Rand securities when you possess material non-public information;
- You may not buy or sell the securities of one of Rand's customers or vendors if you have material non-public information related to that company; and

- You are prohibited from disclosing material non-public information to anyone who may use it to buy or sell securities in that company.

For vice presidents and above and certain other individuals:

- If you are a vice president or above (or the equivalent), or other specifically designated employee of Rand or any of its subsidiaries, you must obtain written permission from a Compliance Officer to buy or sell Rand securities;
- A blackout period automatically extends from three weeks before the end of a quarter through two business days after the release of earnings;
- Individuals can trade Rand securities under pre-approved 10b5-1 Arrangements; and
- This policy is for your protection as well as Rand's. If you have any questions about the provisions of the policy, please direct them to Rand's Chief Executive Officer or President.

Date: