

INTERNATIONAL SHIPHOLDING CORPORATION
COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER

Purpose

The primary purposes of the Compensation Committee shall be to:

- discharge the Board's responsibilities relating to the compensation of the Company's CEO;
- make recommendations to the Board relating to the compensation of the Company's non-CEO executive officers, as defined in Section 303A of the New York Stock Exchange Listed Company Manual; and
- administer and make grants under the Company's equity incentive program.

Committee Membership

The Compensation Committee shall be composed of no fewer than three members. The members of the Compensation Committee shall meet the independence requirements of the New York Stock Exchange and all legal requirements, including but not limited to (i) the requirements specified in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, to qualify as a member of a committee of the board of directors able to approve the transactions described therein and (ii) the requirements specified in Internal Revenue Code §162(m) and the regulations promulgated thereunder relating to members of compensation committees. The members of the Compensation Committee shall be appointed by the Board on the recommendation of the Nominating & Governance Committee. Compensation Committee members may be replaced by the Board. The Compensation Committee may delegate responsibilities to subcommittees composed of its own members.

Meetings

The Compensation Committee shall meet as often as it determines, but at least annually.

Committee Authority and Responsibilities

The Compensation Committee shall have the following authority and responsibilities:

1. Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's base compensation and incentive compensation based on this evaluation.
2. Make recommendations to the Board with respect to non-CEO executive officer compensation and with respect to the terms and conditions of the Company's incentive-compensation plans and equity-based plans.
3. Retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO, or non-CEO executive officer compensation, including the sole authority to select the consultant and to approve its fees and other retention terms.
4. In consultation with the Nominating and Governance Committee, undertake an annual evaluation of its own performance.

5. Evaluate no less than annually and report to the full Board regarding the status of the Company's director compensation practices in relation to other companies of comparable size and within the industry; recommend to the full Board for its approval no less than annually a compensation policy for the Company's non-employee directors.
6. Grant options and make awards of shares to the Company's directors and key personnel, both always in accordance with the terms of the Company's equity incentive plans.
7. Review the Committee's Charter annually and recommend proposed changes to the Board if necessary or advisable.
8. From time to time assess risks arising from the Company's employee and executive compensation policies and practices.
9. Issue committee reports in the manner required under the rules and regulations of the U. S. Securities and Exchange Commission, including reports regarding the Compensation Committee's review and recommendation of the Compensation Discussion and Analysis to be included or incorporated in the Company's proxy statement and annual report on Form 10-K.
10. The Compensation Committee shall make regular reports to the Board about committee activities, issues and related recommendations.
11. Recommend to the Board any employment or change of control agreement with the CEO or any non-CEO executive officer.
12. Perform any other services or conduct any other activities consistent with applicable law, this Charter, and the Company's organizational documents and corporate governance guidelines that the Board may delegate from time to time to the Committee.