

**ELECTRO RENT CORPORATION**  
**COMPENSATION COMMITTEE CHARTER**  
**AMENDED AND RESTATED OCTOBER 15, 2009**

**Responsibilities**

The Compensation Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Electro Rent Corporation ("**Electro Rent**") will be responsible for overseeing and, as appropriate, determining the annual salaries and other compensation of the Executive Officers (defined below) of Electro Rent and Electro Rent's general employee compensation and other policies, providing assistance and recommendations with respect to the compensation policies and practices of Electro Rent, and assisting with the administration of Electro Rent's compensation plans. The Committee will have the authority necessary to carry out its duties and responsibilities as set forth in this Charter and take any action reasonably related thereto, subject to any restrictions in Electro Rent's articles of incorporation or bylaws and applicable law.

In particular, the Committee will:

- On an annual basis, without the participation of the Chief Executive Officer, (i) review and approve the corporate goals and objectives with respect to compensation for the Chief Executive Officer, (ii) evaluate the Chief Executive Officer's performance in light of the established goals and objectives, and (iii) set the Chief Executive Officer's compensation, including salary, bonus, incentive and equity compensation.
- On an annual basis, (i) review and approve the evaluation process and compensation structure for Electro Rent's officers other than the Chief Executive Officer, (ii) review the Chief Executive Officer's evaluation of the performance and his recommendations concerning the compensation, including salary, bonus, incentive and equity compensation, of other officers and (iii) approve the other Executive Officers' compensation.
- Review and approve any employment agreement or severance or termination agreement or arrangement to be made with any executive officers (as defined under the Securities Exchange Act of 1934, as amended) ("**Executive Officers**").
- On an annual basis, and more frequently as matters are brought to the attention of the Committee, review and oversee Electro Rent's policies relating to the compensation of, and other matters relating to, its employees generally.
- As appropriate, approve the grants of stock options and other equity incentives to employees (under Electro Rent's option plans or otherwise), make recommendations to the Board with respect to incentive compensation plans and equity-based plans and administer any incentive plans and bonus plans that include officers of Electro Rent.
- Assist the Board in developing and evaluating potential candidates for officer positions, including the Chief Executive Officer, and oversee the development of executive succession plans.
- Produce an annual report on executive compensation for inclusion in Electro Rent's proxy statement as required by Securities and Exchange Commission ("**SEC**") rules and regulations.

**Committee Composition**

The Committee shall be comprised solely of "independent" directors in accordance with the applicable rules and regulations of the SEC and the Nasdaq Stock Market. The Committee's chairperson shall be

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designated by the full Board or, if the Board does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee.

**Policies and Procedures**

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible in order to be able to best react to changing conditions, and to help ensure that the corporate accounting and reporting practices of Electro Rent meet or exceed all applicable legal and business standards. However, the Committee will:

- Determine whether to investigate any matter brought to its attention within the scope of its duties.
- Meet in an executive session at least annually, and more frequently as circumstances dictate.
- Be governed by majority vote of its members.
- Report the results of and any recommendations from each Committee meeting to the Board.

The Committee shall have the authority to obtain advice and seek assistance from internal and external legal, accounting and other advisors such as consultants and shall determine the extent of funding necessary for the payment of compensation to such persons.

Approved by the Board and the Committee as of October 15, 2009.