



ROCKWELL MEDICAL, INC.
30142 Wixom Road Wixom, Michigan 48393

Dear Shareholder:

You are cordially invited to attend the 2016 annual meeting of shareholders of Rockwell Medical, Inc. (the "Company"), on Thursday, June 2, 2016 at 11:00 a.m. at the Wixom Community Center, 49015 Pontiac Trail, Wixom, Michigan. We look forward to greeting personally those shareholders who are able to attend.

The attached notice and proxy statement describe the items of business to be transacted at the meeting and should be reviewed carefully by shareholders. A copy of the 2015 Annual Report is also enclosed.

Your vote is important, regardless of the number of shares you own. I urge you to vote now, even if you plan to attend the annual meeting. Please sign, date and mail the enclosed proxy card at your earliest convenience. If you receive more than one proxy card, please return each card. Remember, you can always vote in person at the annual meeting even if you vote by proxy, provided you are a shareholder of record or have a legal proxy from a shareholder of record.

Your continued interest and participation in the affairs of the Company are greatly appreciated.

Sincerely,

Robert L. Chioini
President and CEO

Wixom, Michigan
April 18, 2016

ROCKWELL MEDICAL, INC.
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held June 2, 2016

To the Shareholders of Rockwell Medical, Inc.:

Notice is hereby given that the 2016 annual meeting of shareholders of Rockwell Medical, Inc. (the "Company") will be held at the Wixom Community Center, 49015 Pontiac Trail, Wixom, Michigan, on June 2, 2016, at 11:00 a.m., to consider and take action upon the following matters:

- (1) the election of one director for a term expiring in 2019;
- (2) a proposal to approve the 2016 Long Term Incentive Plan;
- (3) a proposal to ratify the selection of Plante & Moran, PLLC as the Company's independent registered public accounting firm for 2016;
- (4) such other business as may properly come before the meeting or any adjournment thereof.

Only shareholders of record at the close of business on April 4, 2016 will be entitled to notice of, and to vote at, the meeting or any adjournment or postponement of the meeting.

All shareholders as of the record date are cordially invited to attend the meeting. Whether or not you intend to be present, please complete, date, sign and return the enclosed proxy card in the stamped and addressed envelope enclosed for your convenience. Shareholders can help the Company avoid unnecessary expense and delay by promptly returning the enclosed proxy card. The business of the meeting to be acted upon by the shareholders cannot be transacted unless a majority of the outstanding common shares of the Company is represented at the meeting.

By Order of the Board of Directors,

THOMAS E. KLEMA
Secretary

Wixom, Michigan
April 18, 2016

ROCKWELL MEDICAL, INC.
30142 Wixom Road Wixom, Michigan 48393

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
June 2, 2016

INTRODUCTION

General

The annual meeting of shareholders of Rockwell Medical, Inc. will be held at the Wixom Community Center, 49015 Pontiac Trail, Wixom, Michigan on Thursday, June 2, 2016, at 11:00 a.m., Eastern Time, for the purposes set forth in the accompanying notice of annual meeting of shareholders. These proxy materials are first being sent or made available to shareholders on or about April 18, 2016. References in this proxy statement to the “Company,” “we,” “our” and “us” are references to Rockwell Medical, Inc.

It is important that your shares are represented at the annual meeting. Whether or not you plan to attend the annual meeting, please sign and date the enclosed proxy and return it to us.

We will bear the cost of soliciting proxies. Proxies may also be solicited by our directors and employees personally, and by telephone, facsimile, or other means. No additional compensation will be paid to these individuals for proxy solicitation nor is it expected to result in more than a minimal cost to us. This proxy statement, the form of proxy and the 2015 Annual Report are being furnished to banks, brokers and other nominees who hold our common stock on behalf of beneficial owners and if asked, we will reimburse banks, brokers and other nominees for their out-of-pocket expenses in forwarding proxy materials to beneficial owners.

Voting Rights and Outstanding Shares

Only shareholders of record of our common stock, no par value, which we refer to as our common shares, at the close of business on April 4, 2016, the record date for the annual meeting, will be entitled to notice of, and to vote at, the annual meeting or any adjournment or postponement thereof. As of the close of business on the record date, we had 51,526,877 outstanding common shares, the only class of stock outstanding and entitled to vote. Each common share is entitled to one vote on each matter submitted for a vote at the annual meeting. The presence, in person or by proxy, of the holders of record of a majority of the outstanding common shares entitled to vote is necessary to constitute a quorum for the transaction of business at the annual meeting or any adjournment or postponement thereof. Abstentions and votes withheld from the election of the director nominee will be treated as shares present at the meeting for purposes of determining the presence of a quorum.

You are considered a shareholder of record if your shares are registered directly in your name with our transfer agent. If you are a shareholder of record, you may vote your shares in either of the following ways:

- By signing and dating each proxy card you received and returning it in the envelope provided; or
- By attending the annual meeting and voting in person.

Valid proxies in the enclosed form which are returned in time for the annual meeting and executed and dated in accordance with the instructions on the proxy will be voted as specified in the proxy. If no specification is made, the proxies will be voted **FOR** the election of the director-nominee listed below and **FOR** approval of the Board proposals listed in this proxy statement.

If your shares are held in a stock brokerage account or by a bank or other nominee, then you are not a shareholder of record but, rather, are considered a beneficial owner holding shares in “street name.” You are also invited to attend the annual meeting. If you hold your shares in street name, the proxy statement, 2015 Annual Report and a vote instruction card have been forwarded to you by your

broker, bank or nominee who is considered, with respect to your shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker, bank or nominee how to vote your shares by using the vote instruction card included in the mailing. In accordance with applicable regulations, unless you provide the record holder with instructions on how to vote your shares, your shares may not be voted by the record holder on the election of directors or any of the proposals specified in this proxy statement other than the ratification of the selection of independent registered public accounting firm for 2016. Therefore, if you want the shares you beneficially own to be voted, you should return your voting instruction form or otherwise vote your shares as set forth below.

If you are a *street name holder*, you may provide instructions on how to vote your shares in any of the following ways:

- If you received your proxy materials by mail, by completing, signing and dating each voting instruction form you received and returning it in the envelope provided;
- By Internet at www.proxyvote.com and following the instructions outlined on the secured website (have the 12 digit control number available);
- Request and obtain a legal proxy from your bank, broker or other agent or nominee, bring it to the meeting with you and attach it to the ballot you vote at the meeting.

Vote Required and Board Recommendation

The vote required to approve each of the proposals listed in this proxy statement other than the election is a majority of the votes cast on the proposal. Abstentions and broker non-votes will not be considered votes cast and will have no effect on the outcome of the vote on these proposals. The election of the director-nominee requires a plurality of the votes cast in the election. Withheld votes and broker non-votes will not be considered votes cast and will have no effect on the election. The Board recommends a vote FOR the director-nominee and FOR each of the proposals listed in this proxy statement.

Revocability of Proxies

A shareholder giving a proxy may revoke it at any time before it is voted at the annual meeting by giving written notice of such revocation to our Secretary or by executing and delivering to the Secretary a later dated proxy. Attendance at the annual meeting by a shareholder who has given a proxy will not have the effect of revoking it unless such shareholder votes at the meeting or gives written notice of revocation to the Company's Secretary before the proxy is voted. Any written notice revoking a proxy, and any later dated proxy, must be received by the Company prior to the date of the annual meeting (unless delivered directly to the Company's Secretary at the annual meeting) and should be sent to Rockwell Medical, Inc., 30142 Wixom Road, Wixom, Michigan 48393, Attention: Thomas E. Klema, Secretary.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on June 2, 2016

This proxy statement, the proxy card and the Company's 2015 Annual Report to Shareholders, which includes the Annual Report on Form 10-K, are available on the internet at <http://www.rockwellmed.com/invest.htm>. Directions to attend the meeting in person may be obtained by contacting Thomas E. Klema, Secretary, at (248)960-9009. Shareholders may request a copy of the proxy statement, proxy card and 2015 Annual Report to Shareholders by sending an e-mail to invest@rockwellmed.com, calling 800-449-3353 or by internet at <http://www.rockwellmed.com>.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The following table sets forth information regarding the ownership of the common shares as of April 4, 2016 (unless otherwise indicated) with respect to

- each current director and nominee,
- each of the officers named in the Summary Compensation Table,
- all current directors and executive officers as a group, and
- each person known to us to be the beneficial owner of more than five percent of the common shares outstanding on the record date.

The number of shares beneficially owned is determined under rules of the Securities and Exchange Commission, or SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has sole or shared voting power or investment power and also any shares which the individual has the right to acquire on the record date or within 60 days thereafter through the exercise of any stock option or other right. The persons named in the table have sole voting power and sole dispositive power with respect to the common shares beneficially owned, except as otherwise noted below.

<u>Name of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership(a)</u>	<u>Percent of Class</u>
Patrick J. Bagley	502,951	1.0%
Ronald D. Boyd	242,501	0.5%
Robert L. Chioini(b)	4,477,266	8.4%
Ajay Gupta	1,393,334	2.7%
Kenneth L. Holt	323,576	0.6%
Thomas E. Klema	1,274,841	2.4%
Raymond D. Pratt	742,367	1.4%
All directors and current executive officers as a group (7 persons)	8,956,836	15.9%
Richmond Brothers, Inc.(c)	3,288,541	6.4%
BlackRock Inc.(d)	2,824,943	5.5%

(a) Includes restricted shares subject to forfeiture to us under certain circumstances and shares that may be acquired upon exercise of stock options as set forth in the table below. Also includes 2,093,933 shares owned by Mr. Chioini, 504,840 shares owned by Mr. Klema, 326,667 shares owned by Dr. Gupta, 23,575 shares owned by Mr. Holt, 17,500 shares owned by Mr. Boyd and 160,700 shares owned by Dr. Pratt that are pledged as collateral under standard margin loan arrangements.

<u>Name</u>	<u>Restricted Shares</u>	<u>Option Shares</u>
Patrick J. Bagley	15,000	285,001
Ronald D. Boyd	15,000	210,001
Robert L. Chioini	325,000	2,058,333
Ajay Gupta	165,000	901,667
Kenneth L. Holt	15,000	285,001
Thomas E. Klema	150,000	620,001
Raymond D. Pratt	165,000	416,667
All directors and current executive officers as a group	850,000	4,776,671

(b) The address for Mr. Chioini is 30142 Wixom Road, Wixom, Michigan 48393.

- (c) Based on the most recent Schedule 13G amendment filed by Richmond Brothers, Inc., reporting ownership as of June 7, 2013. Richmond Brothers, Inc. has sole dispositive power over the reported common shares but has no voting power with respect to such shares. The address for Richmond Brothers, Inc. is 7415 Foxworth Court, Jackson, Michigan 49201.
- (d) Based on the Schedule 13G filed by BlackRock, Inc. reporting ownership as of December 31, 2015. BlackRock, Inc. has sole dispositive power over the reported common shares and sole voting power over 2,732,200 common shares. The address for BlackRock, Inc. is 55 East 52nd Street, New York, NY 10055.

ELECTION OF DIRECTORS

Background

The Company's Restated Articles of Incorporation divide the directors into three classes, designated Class I, Class II and Class III. Each year, on a rotating basis, the terms of office of the directors in one of the three classes expire. Successors to the class of directors whose terms have expired will be elected for a three-year term. The term for the Class I director whose term as a director is expiring at the 2016 annual meeting and who is nominated for reelection this year will expire at the 2019 annual meeting of shareholders and upon the election and qualification of his successor. If for any reason the nominee becomes unavailable for election, the proxies solicited will be voted for a replacement nominee selected by the other directors. Management has no reason to believe that the nominee named below is not available or will not serve if elected. Officers serve as such at the pleasure of the Board of Directors. Mr. Chioini's term of office as President and Chief Executive Officer is unaffected by his term of office as a director.

Class I Nominee For Term Expiring In 2019

Ronald D. Boyd, age 53, has been a director since March 2000. Mr. Boyd has over 27 years of experience in the dialysis industry, including the ownership and operation of dialysis clinics as well as experience in dialysis product design, product development, regulatory approval and marketing. He has also been a private investor for many years. He currently is an owner and managing partner of Southeast Acute Services, LLC and Southern Renal Administrations, LLC, which is primarily in the business of acute dialysis services, since 2001. He was a founder and Managing Partner of East Georgia Regional Dialysis Center, an outpatient, freestanding dialysis center located in southern Georgia from 2001 until 2005. He was a founder of Diatek, Inc. in 2001 where he developed, designed and holds the patent to the Cannon Cath., the first "retrograde" dual lumen dialysis catheter in the market. The company has since been sold. He was a founder and co-owner of Classic Medical, Inc., a dialysis and medical products company, and served as the Executive Vice President of Classic Medical, Inc. from its inception in November 1993 until April 2007 when he sold his interest in that company. From May 1993 to November 1993, Mr. Boyd served as a consultant for Dial Medical of Florida, Inc., a manufacturer and distributor of dialysis products. From 1990 to 1993, Mr. Boyd served as a Regional Sales Manager for Future Tech, Inc., a dialysis products distributor. With his extensive experience in the dialysis industry, Mr. Boyd brings to the Board entrepreneurial experience and expertise in marketing, product development and strategy.

Other Information Relating to Directors

Class II Director

Kenneth L. Holt, age 63, has been a director since March 2000. Mr. Holt has over 30 years of experience in the dialysis industry. Since 1986, Mr. Holt, as an owner, was instrumental in the development, management and operation of several outpatient clinics in North Carolina, South Carolina and Georgia. Since 2001, he has been an owner and managing partner of two firms that

provide in-patient acute dialysis services to hospitals; Southeast Acute Services, LLC and Southern Renal Administrators. Among the outpatient facilities mentioned above, he was a founder and co-owner of Charleston Renal Care, LLC, a kidney disease management company specializing in the treatment of end-stage renal disease, until its sale in 2005. He was a founder and co-owner of Savannah Dialysis Specialists, LLC, a disease management company specializing in the treatment of end-stage renal disease, and served as the Managing Partner from October 1999 until its sale in 2004. From 1996 to October 1999, Mr. Holt served as Vice President for Gambro Healthcare, Inc., in its Carolinas Region, and held the same position at Vivra Renal Care, Inc., its predecessor company, which was acquired in 1997 by Gambro Healthcare, Inc. From 1986 to 1996, Mr. Holt was also the co-owner and Managing Partner of six other dialysis clinics that he founded. Additionally, Mr. Holt has been a private investor for many years. With his extensive experience in the dialysis industry, Mr. Holt brings to the Board entrepreneurial experience and expertise in operations and strategy, as well as financial expertise. Mr. Holt also brings strong accounting and financial skills to our audit committee and Board, having supervised the accounting and finance function for several businesses, and is an “audit committee financial expert” as defined by applicable SEC and NASDAQ Stock Market rules. Mr. Holt’s term as a director will expire at the 2017 annual meeting of shareholders and upon the election and qualification of his successor.

Class III Directors

Robert L. Chioini, age 51, is a founder of the Company, has served as our Chairman of the Board since March 2000, has served as our President and Chief Executive Officer since February 1997, has been one of our directors since our formation in October 1996 and served as President of the Company’s predecessor, which he founded in January 1995. Mr. Chioini has over 20 years of operational and sales experience in the dialysis industry. Mr. Chioini, as our current President and Chief Executive Officer, brings to the Board extensive knowledge regarding the Company, the dialysis industry and the current environment in which we operate, allowing him to provide critical insight into operational requirements and strategic planning. In that position, he is also able to promote the flow of information between the Board and management and provide management’s perspective on issues facing the Board. Mr. Chioini’s term as a director will expire at the 2018 annual meeting of shareholders and upon the election and qualification of his successor.

Patrick J. Bagley, age 51, has been a director since July 2005. Mr. Bagley is Senior Partner of the law firm Bagley and Langan, P.L.L.C. and has been a practicing attorney since 1995, with a focus on general legal matters and litigation. Since 1987, Mr. Bagley has also been a licensed insurance agent licensed and certified in property and casualty insurance as well as life, accident and health insurance. Mr. Bagley has started and managed numerous businesses, including three different national franchises of retail service businesses. In addition, since 1988, Mr. Bagley has been a licensed real estate agent, real estate developer and real estate investor. Mr. Bagley brings strong risk management skills, substantial entrepreneurial experience and keen analytical abilities to the Board. His background as a lawyer provides a valuable perspective to the Board on legal, litigation and risk management matters. Mr. Bagley’s term as a director will expire at the 2018 annual meeting of shareholders and upon the election and qualification of his successor.

Independence

Based on the absence of any material relationship between them and us, other than in their capacities as directors and shareholders, the Board of Directors has determined that each of Messrs. Bagley, Boyd and Holt are independent as independence is defined in the applicable NASDAQ Stock Market and SEC rules.

Executive Officers

The executive officers of the Company are elected or appointed annually and serve as executive officers of the Company at the pleasure of the Board of Directors. The Company's current executive officers are described below.

Robert L. Chioini's business experience is described above under "Other Information Relating to Directors—Class III Directors."

Thomas E. Klema, CPA/MBA, age 62, has served as the Company's Vice President, Chief Financial Officer, Treasurer and Secretary since January 1999. Prior to joining the Company, Mr. Klema was employed as Vice President of Finance and Administration at a specialty products division of Whistler Corporation from 1997 to 1998 and, from 1980 to 1996, held several management positions in the areas of finance, accounting, human resources, business planning, customer service and operations, including from 1993 to 1996 as a vice president, at Diversey Corporation, a subsidiary of the Molson Companies, until it was acquired by Unilever. Prior to 1980, Mr. Klema was employed as a certified public accountant. Mr. Klema holds both an MBA in finance and a BA in accounting from Michigan State University.

Ajay Gupta M.D., age 57, joined the Company as Chief Scientific Officer in June 2009. Before joining the Company, Dr. Gupta spent the prior seven years as an Associate Professor of Medicine at UCLA and Charles Drew University Schools of Medicine, Los Angeles, CA, where he had an active nephrology practice. Prior to that, Dr. Gupta served on the faculties of Henry Ford Hospital, Detroit, MI, University of Alabama, Birmingham, State University of New York, Syracuse and Washington University, St. Louis. Dr. Gupta also completed a clinical fellowship in Nephrology from Wayne State University, Detroit, Michigan and a research fellowship in Nephrology from Washington University, St. Louis, Missouri. Dr. Gupta, who is the Founder and Chairman of the Indian Society for Bone and Mineral Research, earned his MBBS degree and completed his residency in Internal Medicine from All India Institute of Medical Sciences, New Delhi. Dr. Gupta is the inventor of Triferic® (Ferric Pyrophosphate Citrate), our FDA-approved iron maintenance therapy drug for dialysis patients. He has filed a number of patents in the areas of drugs, medical devices and diagnostic tests.

Raymond D. Pratt M.D., age 65, joined the Company in April 2012 as its Chief Medical Officer. Prior to joining the Company, Dr. Pratt worked at Shire PLLC from 2003 to 2010 as Vice President Research and Development and as the scientific leader in its Emerging Business Unit and Renal Business Unit. Previous roles at Shire included Vice President Global Clinical Medicine and Global Clinical Affairs and head of US Clinical Development. Dr. Pratt served in a consulting role at Quintiles, a global biopharmaceutical services company, as a vice president of strategic drug development innovation from August 2011 until joining the Company, and as an industry consultant during 2011 after leaving Shire. Prior to working at Shire, he was Senior Director, Clinical Research and Development at Eisai Medical Research from 1994 to 2003, where he was head of Central Nervous System and Internal Medicine clinical development. Dr. Pratt is a graduate of the University of Illinois College of Medicine and completed his nephrology fellowship at the Walter Reed Army Medical Center where he practiced nephrology and served as the Assistant Chief of Nephrology Services and Director of Dialysis Services from 1983 to 1985. Dr. Pratt was the recipient of a physician scientist training grant at Johns Hopkins School of Medicine and the recipient of a James Shannon New Investigator award from the NIH. He served as an Assistant Professor in the John Hopkins Department of Medicine and Nephrology from 1989 to 1993.

Meetings and Committees of the Board of Directors

During 2015, the Board of Directors held three meetings. Each director attended at least 75% of the total number of meetings of the Board and committees of which he was a member in 2015. We encourage all of our directors to attend the annual meeting of shareholders, if possible, but have no formal policy on such attendance. One director attended the 2015 annual meeting. In addition to formal Board meetings, the Board members have frequent informal discussions and conferences with management throughout the year.

Audit Committee

We have an Audit Committee comprised of Messrs. Holt, Bagley and Boyd. The Board has determined that Kenneth L. Holt, who is the Chairman of the Audit Committee, is an “audit committee financial expert,” as defined by applicable SEC rules. In addition, the Board has determined that each member of the Audit Committee is independent as independence for audit committee members is defined in applicable NASDAQ Stock Market and SEC rules. During 2015, the Audit Committee held four meetings. The Board of Directors has adopted a written charter for the Audit Committee, a copy of which is posted on our website at www.rockwellmed.com. Pursuant to its charter, the purpose of the Audit Committee is to assist the Board in its oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company. The functions of the Audit Committee include, among other things, (1) monitoring the adequacy of the Company’s internal controls; (2) engaging and overseeing the work of the registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for us, including the conduct of the annual audit and overseeing the independence of such firm; (3) overseeing our independent accountants’ relationship with the Company; (4) reviewing the audited financial statements and the matters required to be discussed by Auditing Standard No. 16 with management and the independent accountants, including their judgments about the quality of our accounting principles, applications and practices; (5) recommending to the Board whether the audited financial statements should be included in our Annual Report on Form 10-K; (6) reviewing with management and the independent accountants the quarterly financial information before we file our Forms 10-Q; (7) reviewing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters; (8) reviewing related party transactions required to be disclosed in our proxy statement for potential conflict of interest situations and, where appropriate, approving such transactions; and (9) monitoring with management the status of pending litigation.

Audit Committee Report

Our Audit Committee has:

- Reviewed and discussed our audited financial statements for the fiscal year ended December 31, 2015 with management;
- Discussed with our independent accountants the matters required to be discussed by Auditing Standard No. 16, “Communications with Audit Committees” issued by the Public Company Accounting Oversight Board;
- Received the written disclosures and the letter from our independent accountants required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant’s communications with the Audit Committee concerning independence; and
- Discussed with our independent accountants the independent accountants’ independence.

Based on the review and discussions described above, the Audit Committee recommended to our Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2015 as filed with the SEC.

Management is responsible for our financial reporting process, including its system of internal control, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. Our independent accountants are responsible for auditing those financial statements. The Audit Committee's responsibility is to monitor and review these processes. The Audit Committee has relied, without independent verification, on management's representation that the financial statements have been prepared with integrity and objectivity and in conformity with accounting principles generally accepted in the United States of America and on the representations of the independent accountants included in their report on our financial statements.

By the Audit Committee:

Kenneth L. Holt

Patrick J. Bagley

Ronald D. Boyd

Compensation Committee

We have a Compensation Committee composed of Messrs. Boyd (chairman), Holt and Bagley. The Compensation Committee has a written charter setting forth the responsibilities of the Committee, a copy of which is posted on our website at www.rockwellmed.com. The charter provides that the Compensation Committee will oversee, review and approve all compensation and benefits for executive officers and make recommendations to the Board for director compensation. The Compensation Committee is also responsible for administering the stock compensation program, overseeing the development of our compensation and employee benefit plans and discharging its responsibilities under such plans, reporting to the Board on compensation policies, programs and plans, and approving other employee compensation and benefit programs where Board action is necessary or appropriate. The Compensation Committee held four meetings in 2015. Except to the extent prohibited by NASDAQ Stock Market rules and state law, the Compensation Committee may delegate its authority to subcommittees when it deems appropriate and in the best interests of the Company.

Nominating and Advance Notice Procedures

Our Board of Directors does not have a standing nominating committee or a nominating committee charter. Instead, the full Board of Directors, a majority of the members of which are independent (as defined under applicable NASDAQ Stock Market rules), performs the function of a nominating committee. The Board of Directors believes it is appropriate not to have a standing nominating committee because we are a small company with little turnover in our Board of Directors. Moreover, we believe the current structure provides better oversight and is more efficient. The entire Board of Directors identifies the individuals to become Board members, but the recommendation of a majority of our independent directors (by a vote without the participation of any directors who are not independent) is necessary to nominate directors to be presented for shareholder approval at the annual meeting of shareholders or to fill any vacancies.

The Board of Directors' policy is to consider any director candidates proposed by shareholders and evaluate them using the same criteria used to evaluate candidates submitted by the Board of Directors for nomination. Proposals of director candidates must be made pursuant to timely notice in writing to our Secretary, at Rockwell Medical, Inc., 30142 Wixom Road, Wixom, Michigan 48393, as provided in our bylaws. The requirements for proposing director candidates, set forth in Section 2.5 of our bylaws, are described below.

Shareholders proposing director nominees for election at the 2017 annual meeting of shareholders must provide written notice of such intention, along with the other information required by Section 2.5 of our bylaws, to our Secretary at our principal executive offices no earlier than the close of business on February 2, 2017 and no later than the close of business on March 4, 2017. If the 2017 annual meeting date is significantly advanced or delayed from the first anniversary of the date of the 2016 annual meeting, then the notice and information must be given not later than the 90th day before the meeting or, if later, the 10th day after the first public disclosure of the date of the annual meeting. With respect to an election to be held at a special meeting of shareholders, such notice must be given in accordance with the procedures set forth in our bylaws no earlier than the close of business on the 120th day before and not later than the close of business on the 90th day before the date of such special meeting or, if later, the 10th day after the first public disclosure of the date of such special meeting. Notwithstanding the foregoing, if the number of directors to be elected is increased and there is no public disclosure regarding such increase or naming all of the nominees for director at least 100 days prior to the first anniversary of the prior year's annual meeting, then shareholder notice with regard to nomination of directors shall be considered timely if received by our Corporate Secretary no later than the tenth day following public disclosure of the increase in the number of directors to be elected. A proponent must also update the information provided in or with the notice at the times specified by our bylaws. Nominees for director pursuant to a notice which is not timely given or does not contain the information required by our bylaws or which is not delivered in compliance with the procedure set forth in our bylaws will not be considered at the shareholders meeting.

Only persons who are shareholders both as of the giving of notice and the date of the shareholders meeting and who are eligible to vote at the shareholders meeting are eligible to nominate directors. The nominating shareholder (or his qualified representative) must attend the shareholders meeting in person and present the proposed nominee in order for the proposed nominee to be considered.

The Board of Directors has not established specific, minimum qualifications for recommended nominees or specific qualities or skills for one or more of our directors to possess. The Board of Directors uses a subjective process for identifying and evaluating candidates for nomination as a director, based on the information available to, and the subjective judgments of, the members of the Board of Directors and our then current needs. The Board does not believe there would be any difference in the manner in which it evaluates candidates based on whether the candidate is recommended by a shareholder. Historically, nominees have been existing directors or business associates of our directors or officers. While the Board has no written policy with respect to the selection criteria for directors, the Board considers the diversity of background and complementary skills of the Board as a whole and the breadth and depth of experience of each candidate in relation to the firm's current and prospective business in determining nominees for the Board.

Board Leadership Structure and Risk Oversight

The Board believes that Mr. Chiolini, the Company's President and Chief Executive Officer, is best situated to serve as Chairman of the Board because he is ultimately responsible for overseeing the business operation of the Company, identifying Company priorities and opportunities, and executing the Company's strategic plan. The Board also believes having Mr. Chiolini as Chairman better promotes the flow of information between management and the Board than would a chairman who was an outside director. The small size of the Board promotes a close and less formal working relationship among all of the directors and requires all of the independent directors to be closely involved in oversight in much the same manner as a lead director, and therefore the Board has no lead director designated as such. Although the Board further believes that independent oversight of management is an important component of an effective board of directors and is essential to effective governance, the Board believes that the current governance structure is the most effective corporate governance structure for the development of the Company's strategic opportunities given its target market, scale of

operation and available resources and the current size of the Board, and is currently the most effective structure to facilitate organizational matters and communication among the directors.

The Board has an active role, as a whole and also at the committee level, in overseeing management of the Company's risks. While the Board oversees the Company's risk management and establishes policies, Company management is responsible for day-to-day risk management processes. The Board and its committees administer their risk oversight function through regular, periodic reporting from and discussions with management appropriate to the nature and magnitude of the particular risk. The Audit Committee oversees management of financial risks and risks associated with conflicts of interest. The Compensation Committee oversees management of risks relating to executive compensation plans and arrangements. While each committee is responsible for evaluating certain risks and overseeing management of those risks, the entire Board is regularly informed about those risks. In addition, management's role is to evaluate and assess business risks and to inform the Board of its evaluation of such business risks periodically.

Code of Business Conduct and Ethics

Our Board of Directors has adopted a Code of Business Conduct and Ethics that applies to all of our employees, officers and directors, including our principal executive officer, principal financial officer and principal accounting officer or controller. Our Code of Business Conduct and Ethics contains written standards that we believe are reasonably designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships,
- Full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the SEC and in other public communications we make,
- Compliance with applicable governmental laws, rules and regulations,
- The prompt internal reporting of violations of the Code of Business Conduct and Ethics to the appropriate person or persons, and
- Accountability for adherence to the Code of Business Conduct and Ethics.

Our Code of Business Conduct and Ethics is posted on our website at www.rockwellmed.com and is an exhibit to our Annual Report on Form 10-K. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding any amendments to, or a waiver from, a provision of the Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions and that relates to any element of the code of ethics definition enumerated in the applicable SEC rule by posting such information on our website at www.rockwellmed.com within four business days following the date of the amendment or waiver.

Shareholder Communications with the Board

The Board of Directors has a process for shareholders to send communications to our Board of Directors or Audit Committee, including complaints regarding accounting, internal accounting controls or auditing matters. Communications may be sent to our Board of Directors, our Audit Committee or specific directors by regular mail to the attention of our Board of Directors, our Audit Committee or specific directors, at our principal executive offices at 30142 Wixom Road, Wixom, Michigan 48393. All of these communications will be initially reviewed by our Secretary (1) to filter out communications that the Secretary deems are not appropriate for the directors, such as communications offering to buy

or sell products or services, and (2) to sort and relay the remainder (unedited) to the appropriate directors.

Related Party Transactions

Pursuant to its charter, the Audit Committee is charged with monitoring and reviewing transactions and relationships involving independence and potential conflicts of interest with respect to our directors and executive officers. To the extent any such transactions are proposed, they would be subject to approval by the Audit Committee in accordance with applicable law and the NASDAQ Stock Market rules, which require that any such transactions required to be disclosed in our proxy statement be approved by a committee of independent directors of our Board of Directors. In addition, our Code of Business Conduct and Ethics generally requires directors and employees to avoid conflicts of interest. There were no transactions since January 1, 2015, and there is no currently proposed transaction, in which the Company was or is to be a participant, the amount involved exceeded or will exceed \$120,000, and in which any director, executive officer, 5% shareholder of the Company or any immediate family member of any of such persons had or will have a direct or indirect material interest, except as described below.

Triferic License

We are party to a license agreement, dated January 7, 2002, with Charak LLC and its owner, Dr. Ajay Gupta, for our Triferic product that covers issued patents in the United States, the European Union and Japan, as well as patent and pending patent applications in other foreign jurisdictions. Dr. Gupta joined us as our Chief Scientific Officer in 2009. The license agreement, which was negotiated on an arm's length basis before Dr. Gupta had any employment relationship with us, continues for the duration of the underlying patents in each country. The license agreement required us to obtain and pay the cost of obtaining FDA approval of Triferic in order to realize any benefit from commercialization of the product. In addition to funding clinical development, regulatory approval and patent maintenance expenses, we are obligated under the license agreement to make certain milestone payments and to pay ongoing royalties upon successful introduction of the product. Estimated royalties accrued and payable pursuant to the license agreement for 2015 were approximately \$13,000. In addition to payments made prior to Dr. Gupta joining us as an executive officer, the milestone payments include a payment of \$100,000 made in 2015 following FDA approval of the product and a payment in 2016 of \$175,000 following issuance of a Medicare reimbursement code covering the product. There are no further milestone payments to be made under the license agreement.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

Executive Summary

During 2015, the Compensation Committee, which we also refer to in this section as the Committee, reviewed the executive compensation program and reaffirmed the compensation strategy and key elements in place which were approved by shareholders through the "say on pay" advisory vote at the 2014 annual meeting. The Committee believes that the elements of its compensation program align the Company's leadership with the Company's strategy and value creation for shareholders in light of the Company's unique opportunities and challenges, as well as the critical juncture in the Company's development and transformation into a specialty bio-pharmaceutical company. Recognizing the success of the Company's drug development program for Triferic, and in preparation for the next stage of commercial development and the high potential for shareholder value creation over the next several years, the Committee maintains a forward looking perspective in the execution of its charter.

The Committee's evaluation of compensation is multi-dimensional as it considers the potential to create and build shareholder value. The Committee factors in a wide range of considerations including the balance of short and long term compensation, the opportunities and progress toward building long term shareholder value, alignment of shareholder and management interests, competitive considerations, performance, retention and progress toward achieving development objectives.

The Committee set a compensation strategy of providing competitive short term cash compensation for retention purposes and significant equity-based compensation to drive long term growth during the drug development phase of the Company and has followed that strategy consistently. However, the Committee continually monitors and evaluates its compensation strategy. The Committee makes periodic adjustments for short term compensation for salary and bonus, and considers adjustments in overall compensation strategy based on the Company's stage of development, commercial development progress, its development potential, changes in compensation at peer companies, as well as other factors it considers appropriate. The Committee may adjust its strategy in the future in light of these considerations.

The Committee increased executive salaries approximately 12.3% on average (ranging between 8% and 20%) for the executive team and retained bonus potential levels at 100% of base salary. Bonuses earned for 2015 were at 95% of base salary for Mr. Chioini and 30% - 40% of base salary for the other executive officers. The Committee's objective is to align management's efforts with creation of shareholder value and to reward management if their efforts are successful, as well as to recognize successful efforts to obtain FDA approval of Triferic, progress toward commercialization of new products, international business development efforts and progress toward development of other Triferic indications.

Longer term incentives awarded in 2015 through grants of stock options and restricted stock were awarded due to successful progress in key objectives that we believe will drive increased shareholder value and were based on our goal to align future development efforts with shareholder value creation. The Committee retained the three year incremental time vesting for stock option awards consistent with historical practice. New restricted stock grants were awarded to provide incentive to increase shareholder value through achievement of key business development goals and objectives that are expected to occur over the vesting period.

Our Compensation Objectives

Our Committee is responsible for establishing and administering the policies governing compensation for our executive officers. The key objectives established by our Committee for our compensation program are to:

- Attract and retain superior caliber key executive personnel;
- Motivate and reward executives who are critical to our success; and
- Provide a competitive compensation package that aligns the interests of our management with the interests of our shareholders and encourages the creation of shareholder value.

In order to position the Company for its development as a specialty bio-pharmaceutical company and to meet the foregoing objectives, the Committee provides the executive officers with competitive short term cash compensation in the form of salary and bonus to attract and retain key personnel and provides appropriate long term compensation through equity-based compensation awards that align shareholder and management interests to motivate management to optimize shareholder value. References in this discussion to the named executive officers, or NEOs, are to the four individuals listed in the Summary Compensation Table, who are our only executive officers.

Basis for Our Compensation Structure

Our Board of Directors believes that the Company has a unique opportunity to create substantial shareholder value as a specialty bio-pharmaceutical company. The Company's strategy to position itself as a specialty bio-pharmaceutical company developing high potential pharmaceuticals is a longer term, multi-year strategy. In order to execute on this strategy, we recognized the need to build our organizational structure and particularly the need for a broader management team with more diverse skills who could lead and direct our development efforts. An important element of this strategy was to develop a comprehensive and longer term compensation strategy for the executive team that would help us attract and retain quality leaders.

Although the Committee does not set compensation for individual executives based on a "benchmarking" analysis against its peers, the Committee does evaluate peer compensation in its overall review as an additional point of reference in setting strategy and in achieving competitive compensation practices. For 2015, the Compensation Committee updated its peer group study that compares executive officer compensation with selected peer companies. In establishing a peer group for compensation comparisons the Committee determined that the most appropriate peer group is life science companies. The Committee determined that market capitalization is the primary measure and targeted market capitalization of between \$500,000,000 and \$1,500,000,000 as the appropriate target range for the peer comparisons, consistent with the Company's then current market cap and anticipated future growth. The Committee uses a peer group of forty life science companies with an average market capitalization of approximately \$900,000,000.

In analyzing compensation for each executive, the Committee assesses various factors, including the executive's role or roles with the Company, the breadth of knowledge and skill the executive possesses, the executive's ability to influence the development of the business, demonstrated leadership in the executive's area of expertise, leadership continuity and executive retention and motivation as well as other factors that the Committee deems relevant.

We have in place the Amended and Restated 2007 Long Term Incentive Plan, or 2007 LTIP, which permits the Committee to award a wide variety of incentive awards, including equity-based awards in various forms such as stock options and restricted stock. The Committee uses equity-based awards under this plan to provide the NEOs with long term incentives intended to align their interests with shareholder value creation. The long term incentive compensation strategy has been to issue equity-related compensation primarily in the form of a combination of restricted stock grants and nonqualified stock options. The 2007 LTIP expires in 2017 and we are proposing to replace it with a new plan described under "Proposal To Approve 2016 Long Term Incentive Plan."

We have tended to grant proportionately more equity-based compensation than cash compensation in part because of the long term motivational aspects of equity-based compensation and as a means of conserving our cash resources. The Committee makes situational assessments of the timing, frequency and amounts of equity compensation awards based upon the developmental status and progress of the Company in achieving its objectives and with input and recommendations from management. As the Company's operations evolve, the Committee may adjust the mix of equity compensation elements if it determines a change would better achieve its objectives.

Non-qualified stock options have a ten year life with vesting in installments over a three year period and an exercise price equal to the fair market value of our common shares on the grant date. Structured in this way, the options have value only to the extent our stock price increases during the ten year term of the options. The structure also encourages retention, as unvested portions of the options are forfeited upon termination of employment other than in connection with death, disability or change in control, and vested portions must be exercised within an abbreviated time frame following termination. The phased three year vesting period retains the long term element of equity-based incentives while enabling earlier rewards if achievements result in a higher stock value. Option grants

are typically made on an annual basis, but occasionally are made more frequently based on specific development milestones and events.

Restricted stock grants have been granted by the Committee as an incentive for the achievement of long term goals and objectives over extended periods of time. The Committee has awarded restricted stock to each of the NEOs to provide both a financial incentive and reward for achievement of key business development objectives and the development of shareholder value. The Committee has varied the vesting period of restricted stock awards based on its objective of providing incentives to motivate and reward achievement of key goals and objectives that it believes will increase shareholder value, including key drug and business development milestones. These vesting periods have ranged from seven months to three years, with a vesting period for the 2015 grants of approximately 20 months.

The other aspects of our compensation program reflect our preference to keep operating expenses to a minimum to conserve cash resources. The Company offers a 401(k) plan for individual retirement savings opportunities for executives, but the plan is non-contributory by the Company and we have no other pension or retirement plan or deferred compensation arrangement for our named executive officers. Personal savings and assets realized from long term equity incentives are expected to be the primary sources of assets to fund post retirement income for the management team.

The perquisites we offer our named executive officers are modest, as we believe our NEOs are fairly compensated through the other parts of the compensation package. The Company provides long term disability insurance for the NEOs at a nominal cost. In addition, Mr. Chioini receives a vehicle allowance consistent with our historical practice since the Company's inception. The Committee believes this element helps to make his compensation package overall more competitive.

We have no employment, termination, severance or change in control agreements or arrangements with our NEOs at this time. We believe the equity-based awards held by the NEOs, which will vest upon a change in control, provide sufficient incentive for them to remain engaged should the Company be sold. The Committee may determine in the future that it is appropriate to enter into such agreements with the NEOs to accomplish the objectives set forth above.

In view of the substantial beneficial ownership of our common shares by our NEOs, we currently do not have any established stock ownership guidelines.

Key Elements of Compensation for 2015

In establishing cash and equity-based compensation for 2015, the Committee took into account a number of factors, including current market compensation data as well as earlier data, the Company's business results and accomplishments, the unique skills and attributes of the executive in his leadership role, the respective importance of the executive's position, progress toward achieving clinical development goals and objectives and the executive's performance, contributions and leadership demonstrated. In this regard, the Committee relies on input from the chief executive officer regarding the performance of the other NEOs and its own assessment of the chief executive officer's performance. In light of the overwhelming shareholder support for our executive compensation practices previously expressed by shareholders in their most recent advisory vote on compensation, the Committee maintained our existing compensation program and philosophy in 2015 but continues to review and evaluate executive compensation trends and practices and may modify the program or philosophy from time to time as it deems necessary or appropriate.

Salaries. Salaries increased in 2015 by approximately 12% for the NEOs in the aggregate. Mr. Chioini's salary increased 20% and the other NEO salaries increased 8%. In comparison with the peer group, Mr. Chioini's and Dr. Gupta's salaries place them in the top quartile under the study. Dr. Pratt's salary was close to the mean and Mr. Klema's salary was slightly above the mean. The Committee took into consideration the unique background and skill sets of the executive team in

making its determination on salary increases for 2015 along with their contributions to achieving FDA approval of Triferic and their potential contribution to the Company's future development.

The Committee has not targeted a specific level for compensation in comparison to this study, it believes current compensation levels are appropriate and necessary in order to meet the key objectives of our compensation program. The Committee considered factors including experience, skills, knowledge, breadth of responsibility and effectiveness in executing the executive's functional role in determining salary levels. As the Company evolves and develops, the Committee intends to ensure that the compensation strategy remains competitive. The chief executive officer was not present for the deliberations or voting by the Committee on the determination of the chief executive officer's compensation but did provide recommendations to the Committee with respect to compensation matters for the other executive officers.

Bonuses. The Committee believes it is important to encourage the executive team to create value for the shareholders and for the Committee to have the latitude to recognize achievement of business development goals and objectives. The Committee believes that bonuses are an important tool for achieving this end. The Committee has maintained targeted bonus payment levels at 100% of base salaries. However, the Committee provides itself with the latitude to recognize exceptional performance and value creation at its discretion.

The Committee awarded discretionary bonuses for 2015 to the executive officers in view of the successful approval of Triferic by the FDA, the progress made on commercial operations, business development progress and achievement of business objectives. Mr. Chioini's bonus for 2015 was awarded at 95% of base pay in 2015. Mr. Chioini's 2015 payout of 95% was at the mean for the 2015 peer group based on payouts for 2014.

Based on input from the chief executive officer, the Committee awarded bonus payouts for the other NEOs of 30% to Dr. Gupta, 35% to Dr. Pratt and 40% to Mr. Klema which placed them at or slightly above the lowest quartile for their position in the 2015 peer group study based on payouts for 2014.

The bonus amounts reflect the Committee's continued focus on longer term value creation over short term incentive compensation. As the Company's transformation continues, the Committee may utilize bonuses as a more significant element of compensation.

Equity Compensation. The Committee granted options and restricted stock to our NEOs in October 2015. Option grants were made on the terms consistent with our historical practice. All option awards have an exercise price equal to fair market value on the date of the award. The options become exercisable in equal installments over three years beginning on the first anniversary of the grant date and have a term of ten years. The restricted stock grants made to NEOs in October 2015 vest in one installment approximately twenty months after grant. The Committee believes that there is high potential to develop and increase shareholder value over the periods of these equity awards. The Committee intends to provide incentive to motivate and reward senior management to increase shareholder value during this critical development period and believes these incentives will provide alignment between shareholder and management objectives. The vesting period for the restricted stock grant reflects the Committee's desire to provide incentive to achieve key business development goals and objectives that are expected to be realized during the vesting period.

The grant amounts were recommended by the chief executive officer based on each NEO's level of responsibility, success at achieving strategic and business objectives and influence the NEO has had and is expected to have on creating or increasing the value of our business. In determining whether to make such grants and the size of the equity awards to NEOs, the Committee also considered factors such as overall performance of the Company and the executive, progress toward stated objectives, contributions to overall corporate development as well as anticipated future contributions to corporate

development, non-cash financial expense, tax implications of the equity awards and their potential to increase shareholder value. As discussed in this proxy statement under “Proposal to Approve 2016 Long Term Incentive Plan,” the Board of Directors has approved, and recommended that shareholders approve, a replacement plan in order to continue providing equity compensation to current and newly hired executives.

Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code of 1986, as amended, restricts the deductibility of executive compensation paid to our chief executive officer and certain other executive officers at the end of any fiscal year to not more than \$1 million in annual compensation (including gains from the exercise of certain stock option grants). Qualifying performance-based compensation, including gains from certain option exercises, is exempt from this limitation if it complies with the various conditions described in Section 162(m) and the accompanying regulations. The 2007 LTIP contains provisions intended to allow certain compensation to be exempt from the Section 162(m) limitation, including annual grant limits for performance based grants intended to comply with the exemption. Other than option grants, which need not include performance goals to satisfy the exemption from the Section 162(m) limitation, the Committee has not utilized these types of awards in the compensation program.

Our compensation program has resulted in the past, and may result in the future, in payments and awards that are subject to these restrictions on deductibility, but we do not believe the effect of these restrictions on us is material in view of our substantial net operating loss carryforwards. The Committee may continue to deem it appropriate to exceed the individual limitation on deductibility or to make equity-based awards that will not otherwise be exempt from the limitation on deductibility to ensure that executive officers are compensated in a manner that is consistent with our best interests, the best interests of our shareholders and our executive compensation philosophy and objectives, and reserves the authority to approve non-deductible compensation in appropriate circumstances.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this proxy statement with management. Based on the Committee’s review of, and the discussions with management with respect to, the Compensation Discussion and Analysis, the Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement, and in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

By the Compensation Committee:

Ronald D. Boyd
Patrick J. Bagley
Kenneth L. Holt

Summary Compensation Table

The following table summarizes compensation paid to or earned by the Company’s executive officers who were serving as such at December 31, 2015, whom we refer to collectively as our NEOs, during the last three years.

Summary Compensation Table

Name and Principal Position	Year	Salary(\$)	Bonus\$(a)	Stock Awards\$(b)	Option Awards\$(c)	All Other Compensation\$(d)	Total(\$)
Robert L. Chioini Chairman, President and Chief Executive Officer	2015	847,584	805,205	2,674,750	3,504,628	22,566	7,854,733
	2014	706,320	635,688	2,786,000	4,363,500	20,131	8,511,639
	2013	588,600	353,160	394,000	898,800	21,000	2,255,560
Thomas E. Klema Secretary, Treasurer and Chief Financial Officer	2015	416,988	166,795	1,234,500	972,252	—	2,790,535
	2014	386,100	115,830	1,328,600	1,427,676	—	3,258,206
	2013	351,000	105,300	236,400	359,520	—	1,052,220
Dr. Ajay Gupta Chief Scientific Officer	2015	486,938	146,081	1,357,950	972,252	—	2,963,220
	2014	450,868	135,260	1,423,500	1,228,925	—	3,238,553
	2013	413,640	115,819	295,500	539,280	—	1,364,239
Dr. Raymond D. Pratt Chief Medical Officer	2015	442,648	154,927	1,357,950	972,252	—	2,927,778
	2014	409,860	131,155	1,423,500	1,228,925	—	3,193,440
	2013	391,795	108,054	295,500	539,280	—	1,334,629

- (a) These bonus amounts were approved by the Compensation Committee following the year end, but constitute compensation earned for services rendered in the year shown.
- (b) The amounts reported in this column represent grant date fair values of restricted stock awards computed in accordance with FASB ASC Topic 718. These restricted stock awards were valued at the closing market price on the date of grant, or \$8.23 per share for the October 2015 grant, \$8.88 per share for the October 2014 grant, \$10.10 per share for the January 2014 grant and \$3.94 per share for the 2013 grant.
- (c) The amounts reported in this column represent grant date fair values of stock option grants made during such year determined using the Black Scholes option pricing model, excluding any forfeiture reserves, in accordance with FASB ASC Topic 718. The assumptions used to determine fair value are set forth in the table below:

Year	Dividend Yield	Risk Free Rate	Volatility	Expected Life
2015	0.0%	1.5%	59%	6 years
2014	0.0%	1.9%	69%	6 years
2013	0.0%	1.1%	65%	6 years

- (d) For Mr. Chioini, the amounts reported reflect payments made by the Company under its lease car program of \$18,439, \$16,004 and \$17,092, and premiums for long-term disability insurance of \$4,127, \$4,127 and \$3,908 in 2015, 2014 and 2013, respectively. The incremental cost to the Company of perquisites provided to the other NEOs did not exceed \$10,000 and, therefore, has been excluded pursuant to applicable SEC rules.

Grants of Plan-Based Awards

The NEOs received the equity-based awards set forth in the table below under the 2007 LTIP during 2015.

Grants of Plan-Based Awards

<u>Name</u>	<u>Grant Date</u>	<u>All Other Stock Awards: Number of Shares of Stock or Units</u>	<u>All Other Option Awards: Number of Securities Underlying Options (#)</u>	<u>Exercise Price of Option Awards (\$/sh)</u>	<u>Grant Date Fair Value of Stock and Option Awards \$(a)</u>
Robert Chioini	10/2/2015	325,000	775,000	8.23	6,179,378
Thomas Klema	10/2/2015	150,000	215,000	8.23	2,206,752
Ajay Gupta	10/2/2015	165,000	215,000	8.23	2,330,202
Raymond Pratt	10/2/2015	165,000	215,000	8.23	2,330,202

(a) See footnotes (b) and (c) to the Summary Compensation Table for an explanation of the determination of Grant Date Fair Value.

The option grants reflected in the table were made pursuant to terms stated in a form of option agreement adopted under the 2007 LTIP by the Compensation Committee. The option agreements provide that the options become exercisable in three equal annual installments beginning on the one year anniversary of the grant date as long as the grantee remains employed by us. The options become fully exercisable immediately upon (i) the grantee’s death or permanent disability or (ii) upon a “change in control” (as defined in the 2007 LTIP). The Compensation Committee has the right to accelerate vesting or extend the time for exercise until not later than the end of the 10 year term. The exercise price of the options is the fair market value per share of our common shares on the grant date as determined under the 2007 LTIP. The grantee may pay the exercise price in cash or using a variety of cashless methods. The stock options will expire 10 years after the grant date and will immediately terminate to the extent not yet exercisable if the grantee’s employment with us is terminated for any reason other than death or disability. If the grantee’s employment is terminated other than due to death or disability on or after the date the options first become exercisable, then the grantee has the right to exercise the option for three months after termination of employment to the extent exercisable on the date of termination. If the grantee’s employment terminates due to death or disability, the grantee or the grantee’s estate has the right to exercise the option at any time during the remaining term to the extent it was not previously exercised. The option agreement also provides that options issued to the grantee may not be transferred by the grantee except pursuant to a will or the applicable laws of descent and distribution or transfers to which the Compensation Committee has given prior written consent. Until the issuance of common shares pursuant to the exercise of stock options, holders of stock options granted under the option agreement have no rights of holders of our common shares.

The restricted stock grants reflected in the table were made under the 2007 LTIP pursuant to terms stated in a restricted stock award agreement adopted under the 2007 LTIP by the Compensation Committee. These restricted stock award agreements provide that, so long as the grantee remains employed by us, the restricted stock fully vests upon the earlier of (i) on May 10, 2017 and (ii) subject to the right of the Compensation Committee to declare otherwise, a “change in control” (as defined in the 2007 LTIP). If the grantee’s employment is terminated for any reason prior to the restricted stock becoming fully vested, the grantee forfeits the restricted stock, unless otherwise determined by the Compensation Committee. The restricted stock agreement also provides that restricted stock issued to the grantee may not be transferred by the grantee in any manner prior to vesting. Grantees otherwise have all rights of holders of our common shares, including voting rights and the right to receive dividends. Restricted stock grants made in 2013 and 2014 had different vesting dates, but otherwise had the same terms as the 2015 grants.

A “change in control” is generally defined in the 2007 LTIP as any of the following events:

(i) If the Company consolidates with or merges into any other corporation or other entity and is not the continuing or surviving entity of such consolidation or merger;

(ii) If the Company permits any other corporation or other entity to consolidate with or merge into the Company and the Company is the continuing or surviving entity but, in connection with such consolidation or merger, the common shares are changed into or exchanged for stock or other securities of any other corporation or other entity or cash or any other assets;

(iii) If the Company dissolves or liquidates;

(iv) If the Company effects a share exchange, capital reorganization or reclassification in such a way that holders of common shares shall be entitled to receive stock, securities, cash or other assets with respect to or in exchange for the common shares;

(v) If any one person, or more than one person acting as a group, acquires ownership of common shares possessing 35% or more of the total voting power of the common shares;

(vi) If a majority of members on the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(vii) If there is a change in the ownership of a substantial portion of the Company’s assets, which shall occur on the date that any one person, or more than one person acting as a group acquires assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions.

The table below shows the value of the unvested options and restricted stock that would have become vested at December 31, 2015 if a change in control had occurred on such date or, in the case of options, if the NEOs’ employment had terminated on such date due to death or disability. The value is based upon the closing price on December 31, 2015 and, in the case of options, the spread between such price and the exercise price of the options that would have become exercisable.

<u>Name</u>	<u>Change in Control (\$)</u>	<u>Death or Disability (\$)</u>
Robert Chioini	5,705,748	2,377,746
Thomas Klema	2,225,482	689,482
Ajay Gupta	2,387,083	697,483
Raymond Pratt	2,387,083	697,483

No Employment Agreements

Each of our executive officers is employed at will, and we have no employment, termination or change in control agreements with our executive officers. We do not pay any benefits to our executive officers under any plan that provides for retirement benefits or payments in connection with resignation, retirement or other termination, except as described above with respect to restricted shares and stock options or as the Board or the Compensation Committee may determine at the time of any such termination.

Outstanding Equity Awards At Fiscal Year-End

The following table shows certain information regarding outstanding equity awards at December 31, 2015 for the NEOs.

Outstanding Equity Awards at Fiscal Year-End

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable(a)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares That Have Not Vested (#)(c)	Market Value of Shares That Have Not Vested (\$)(b)
Robert Chioini . . .	250,000		6.50	12/17/2017		
	75,000		6.50	4/3/2018		
	175,000		3.09	11/19/2018		
	225,000		6.74	6/18/2019		
	150,000		7.13	1/15/2020		
	100,000		5.8618	8/13/2020		
	250,000		8.47	1/11/2021		
	225,000		10.04	1/5/2022		
	25,000		8.73	6/4/2022		
	166,667	83,333	6.12	1/31/2023		
	83,333	166,667	10.10	1/13/2024		
166,667	333,333	8.88	10/1/2024			
	775,000	8.23	10/2/2025			
				325,000	3,328,000	
Thomas Klema . . .	87,500		6.50	12/17/2017		
	40,000		3.09	11/19/2018		
	62,500		6.74	6/18/2019		
	30,000		7.13	1/15/2020		
	30,000		5.8618	8/13/2020		
	66,667		8.47	1/11/2021		
	62,500		10.04	1/5/2022		
	20,834		8.73	6/4/2022		
	66,667	33,333	6.12	1/31/2023		
	40,000	80,000	10.10	1/13/2024		
	40,000	80,000	8.88	10/1/2024		
	215,000	8.23	10/2/2025			
				150,000	1,536,000	
Ajay Gupta	200,000		6.74	6/18/2019		
	60,000		7.13	1/15/2020		
	75,000		5.8618	8/13/2020		
	150,000		8.47	1/11/2021		
	125,000		10.04	1/5/2022		
	25,000		8.73	6/4/2022		
	100,000	50,000	6.12	1/31/2023		
	50,000	100,000	10.10	1/13/2024		
	16,667	33,333	8.88	10/1/2024		
	215,000	8.23	10/2/2025			
				165,000	1,689,600	
Raymond Pratt . . .	150,000		8.93	5/1/2022		
	100,000	50,000	6.12	1/31/2023		
	50,000	100,000	10.10	1/13/2024		
	16,667	33,333	8.88	10/1/2024		
		215,000	8.23	10/2/2025		
				165,000	1,689,600	

(a) Unvested options vest in three equal annual installments beginning one year after the grant date or immediately upon death, disability or a change in control.

- (b) Value was determined by multiplying the number of shares that have not vested by the closing price of our common shares as of December 31, 2015 (\$10.24).
- (c) Restricted shares vest on May 10, 2017 and all shares vest immediately upon a change in control.

Option Exercises and Stock Vested

The following table provides information with respect to options exercised by the NEOs and restricted stock held by NEOs that vested during 2015.

Option Exercises and Stock Vested for 2015

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise \$(a)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting \$(b)
Robert Chioini	375,000	1,792,500	300,000	2,975,000
Thomas Klema	93,750	571,875	140,000	1,407,700
Ajay Gupta	—	—	150,000	1,508,250
Raymond Pratt	—	—	150,000	1,508,250

- (a) Equals the stock price on the NASDAQ Stock Market on the exercise or transfer date minus the option exercise price multiplied by the number of shares acquired on exercise or, in the case of a transfer, that could be acquired on exercise.
- (b) Equals the stock price on the NASDAQ Stock Market on the vesting date multiplied by the number of shares acquired on vesting.

Director Compensation

In 2015, in accordance with the Company's standard compensation program for non-employee directors, non-employee directors of the Company did not receive any cash compensation but received grants under the 2007 LTIP. No fees were paid for attendance at any Board or committee meetings, but the non-employee directors were reimbursed for their expenses incurred in attending Board and committee meetings in accordance with Company policy. Directors who are employed by the Company do not receive separate compensation for their service as a director.

The making of grants under the 2007 LTIP and the terms of such grants are determined from time to time by the Compensation Committee. On October 2, 2015, each non-employee director received options to purchase 35,000 common shares at an exercise price equal to the closing market price on the grant date (\$8.23) The options vest in three equal annual installments beginning one year after the date of grant and expire ten years after the date of grant. Also, for the first time, each non-employee director received an award of 15,000 shares of restricted stock that vests on May 10, 2017. The standard director compensation arrangement is under review by the Compensation Committee.

2015 Director Compensation

Name	Stock Awards \$(a)	Option Awards \$(b)	Total
Patrick J. Bagley	123,450	158,274	281,724
Ronald D. Boyd	123,450	158,274	281,724
Kenneth L. Holt	123,450	158,274	281,724

- (a) Aggregate grant date fair value is shown in the table and is computed in accordance with FASB ASC Topic 718. For these restricted stock awards, the fair value is equal to the underlying value of

the stock and is calculated using the closing price of our common stock on the award date (\$8.23). The actual value realized by a non-employee director related to restricted stock awards will depend on the market value of our common stock on the date the underlying stock is sold following vesting of the awards.

- (b) The amount in the table below represents the grant date fair value of such grants determined in accordance with FASB ASC Topic 718 using the Black Scholes option pricing model, excluding any forfeiture reserves. We assumed a dividend yield of 0.0%, risk free interest rate of 1.5%, volatility of 59% and expected lives of 10 years. The following table shows the number of unexercised options and the number of shares of unvested restricted stock held by each of the non-employee directors at December 31, 2015.

<u>Name</u>	<u>Options Held</u>	<u>Restricted Stock Held</u>
Patrick Bagley	355,000	15,000
Ronald Boyd	280,000	15,000
Kenneth Holt	355,000	15,000

PROPOSAL TO APPROVE 2016 LONG TERM INCENTIVE PLAN

On April 5, 2016, our Board of Directors adopted the Rockwell Medical, Inc. 2016 Long Term Incentive Plan (the “2016 LTIP”), subject to shareholder approval at the Annual Meeting.

The purpose of the 2016 LTIP is to promote the best interests of the Company and its shareholders by encouraging employees, non-employee directors and consultants of the Company and its subsidiaries to own stock and to align their interests with the interests of shareholders. We believe that the 2016 LTIP will enhance our ability to attract, motivate and retain qualified employees, directors and consultants, and will encourage strong performance through the grant of performance based awards. A copy of the 2016 LTIP was filed electronically with the SEC with this proxy statement. We suggest that you read the 2016 LTIP in its entirety for a more complete understanding of its terms.

Key Features of the 2016 LTIP

- The Compensation Committee of the Board of Directors will administer the 2016 LTIP, determine who will receive awards and determine the terms of awards subject to the restrictions in the 2016 LTIP.
- A total of 7,500,000 shares will be reserved for issuance under the 2016 LTIP. The 2007 LTIP will be terminated as to future grants if the 2016 LTIP is approved by shareholders.
- All directors and employees, as well as certain consultants, are eligible to receive awards.
- Awards may be in the form of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and incentive awards, and may be paid in cash, stock or, in some cases, other property.
- Stock options and stock appreciation rights that are “underwater” may not be repriced without shareholder approval.
- Stock options and stock appreciation rights may not be granted with an exercise price below fair market value at the date of grant and may not be exercised more than 10 years after the grant date.
- Awards generally have a minimum one year vesting requirement, subject to certain events that trigger an earlier vesting.
- Unless otherwise provided in the grant agreement, accelerated vesting will occur upon a change in control of the Company.

Background for the Current Request

Our 2007 LTIP has only a limited number of shares available for future grants and, in any event, will not be available for use after April 11, 2017. If the 2016 LTIP is not approved by shareholders, our ability to attract, motivate and retain highly qualified talent would be materially curtailed and we would be forced to use more of our cash resources for compensation purposes. If our shareholders approve the 2016 LTIP, we will be able to grant awards from the 2016 LTIP through April 4, 2026, subject to availability of shares. We would also be able to continue making awards that are exempt from the million dollar cap on compensation deductions imposed by Code Section 162(m) on compensation paid to our most highly paid executive officers for five years without further shareholder approval.

Vote Required

We are seeking shareholder approval of this proposal to comply with applicable rules of the NASDAQ Stock Market, to satisfy the requirements for deductibility of certain executive compensation paid pursuant to the 2016 LTIP under Section 162(m) of the Code and to qualify certain potential awards as incentive stock options under Code Section 422.

Approval of the proposal to approve the 2016 LTIP requires the affirmative vote of a majority of the votes cast by the holders of common shares entitled to vote on the proposal. Abstentions and broker non-votes will not be deemed votes cast in determining approval of this proposal and will not have the effect of a vote for or against the proposal.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THE PROPOSAL TO APPROVE THE 2016 LONG TERM INCENTIVE PLAN.

Description of the LTIP

Shares Subject to the 2016 LTIP

We have reserved an aggregate of 7,500,000 shares of our common stock to be awarded under the 2016 LTIP. Up to 1,000,000 of these shares may be granted as incentive stock options. Each share granted counts as one share against the shares available under the 2016 LTIP. The 2016 LTIP includes a provision that none of the following may be added back to the plan limit for future awards: (i) the full number of shares not issued or delivered as a result of the net settlement of an outstanding option, stock appreciation right or restricted stock unit, regardless of the number of shares actually used to make such settlement; (ii) shares used to pay the exercise price or for settlement of any award; (iii) shares used to satisfy withholding taxes related to the vesting, exercise or settlement of any award; (iv) shares repurchased on the open market by the Company with the proceeds of the option exercise price; and (v) outstanding shares subject to a restricted stock award or performance share awards that have been forfeited. If any shares awarded under the 2016 LTIP are forfeited, cancelled, expire or otherwise terminate without issuance of such shares, the underlying common shares become available again under the 2016 LTIP and are not counted against the other grant limitations described above. To prevent dilution or enlargement of the rights of participants under the 2016 LTIP, appropriate adjustments will be made by the Committee (as defined under “Administration”) if any change is made to our outstanding common shares by reason of any merger, statutory share exchange, reorganization, consolidation, recapitalization, dividend or distribution, stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting our common stock or its value.

Participants

All employees, directors and certain consultants who are selected by the Compensation Committee in its sole discretion from time to time are eligible to participate in the 2016 LTIP. Approximately 30 employees, 3 non-employee directors and 3 consultants would be eligible to participate in the 2016

LTIP if it were currently in place. The Compensation Committee may condition the grant of an award to an individual under the 2016 LTIP by requiring that the individual become an employee, director or consultant; provided, however, that the award is deemed granted as of the date that the individual becomes an employee, director or consultant. Because all awards under the 2016 LTIP will be determined by the Committee, in its sole discretion, it is not possible at this time to determine the awards that will be made to any particular employee, director or consultant under the 2016 LTIP in the future. No awards have been made under the 2016 LTIP to date.

Administration

The 2016 LTIP is administered by the Compensation Committee, or any other committee or sub-committee of the Board designated by the Board from time to time. We sometimes refer to the committee administering the 2016 LTIP as the Committee in this section of the proxy statement. The Committee has the power to select participants who will receive awards, to make awards under the 2016 LTIP, to determine the terms and conditions of awards (subject to the terms and conditions of the 2016 LTIP) and to determine whether such terms and conditions have been satisfied. The Compensation Committee also has broad power to, among other things, interpret the terms of the 2016 LTIP and establish rules and regulations for the administration of the 2016 LTIP. In the case of awards designated as awards under Section 162(m) of the Code, the Committee's power to take certain actions will be limited by Section 162(m).

Except in connection with certain corporation transactions involving a change in control, the Committee and the Board are not permitted to cancel outstanding options or stock appreciation rights and grant new awards as substitutes under the 2016 LTIP, amend outstanding options or stock appreciation rights to reduce the exercise price below the fair market value of the common shares on the original grant date or exchange outstanding options or stock appreciation rights for cash if the exercise price per share of such options or stock appreciation rights is greater than the fair market value per share as of the date of exchange, in each case without shareholder approval.

Types of Plan Awards and Limits

The Committee may grant stock options, stock appreciation rights, restricted stock, restricted stock units and performance-based cash or stock awards under the 2016 LTIP. The terms of each award will be set forth in a written agreement with the recipient.

Stock Options. The Committee may grant incentive stock options and nonqualified stock options. No option may be exercised after the tenth anniversary of the date the option was granted. The exercise price of any option granted under the 2016 LTIP may not be less than the fair market value of our common shares on the grant date. As of the record date, the closing sale price per share of our common shares was \$7.02. Payment upon exercise may be made (1) by cash or check, (2) by tendering shares of common stock to the Company, which are withheld from the option being exercised or are freely owned and held by the participant, (3) pursuant to a broker assisted cashless exercise, (4) by delivery of other consideration approved by the Committee with a fair market value equal to the exercise price or (5) by other means determined by the Committee. A payment method involving delivery or withholding of common shares may not be used if it would violate applicable law or would result in adverse accounting consequences for the Company. Options constituting incentive stock options may be granted only to employees of the Company and are subject to additional limitations imposed by the Code.

Stock Appreciation Rights. The Committee may grant stock appreciation rights pursuant to such terms and conditions as the Committee determines. No stock appreciation right may be granted with a term of more than ten years from the grant date. The exercise price may not be less than the fair market value of the common shares on the grant date. Upon exercise of a stock appreciation right, the

participant will have the right to receive the excess of the aggregate fair market value of the underlying shares on the exercise date over the aggregate exercise price for the portion of the right being exercised, payable by the Company in cash or common shares. Any payment to be received from the participant may be made by the same methods permitted for stock option payments discussed above as specified in the grant agreement.

Restricted Stock and Restricted Stock Units. The Committee may grant shares of restricted stock and restricted stock units pursuant to such terms and conditions as the Committee determines. The restricted stock and restricted stock units will be subject to restrictions on transferability and alienation and other restrictions as the Committee may impose. The Committee may require payment of consideration for restricted stock granted under the 2016 LTIP, which may be payable in cash, stock or other property. Recipients of issued and outstanding restricted stock otherwise have the same rights as other shareholders, including all voting and dividend rights. Recipients of restricted stock units may receive dividend equivalent rights at the Committee's discretion. Restricted stock units are payable in common stock or cash as of the vesting date and must be paid no later than two and a half months after the end of the year in which the vesting date occurs in accordance with applicable tax rules.

Performance Awards. The Committee may grant performance awards on terms and conditions that the Committee determines. Performance awards consist of the right to receive cash, common shares or other property. The written agreement for each grant will specify the performance goals, the period over which the goals are to be attained, the payment schedule if the goals are attained and other terms as the Committee determines. In the case of performance shares, the participant will have the right to receive legended stock certificates subject to restrictions on transferability (or the shares may be issued in equivalent book value form). To the extent these shares are issued and outstanding, a participant will be entitled to vote those shares prior to satisfaction of the performance goals, and any dividends received may be (1) reinvested in additional performance shares, subject to the same goals and restrictions as the underlying award, (2) payable in cash upon satisfaction of the performance goals, subject to the same goals and restrictions as the underlying award, or (3) a combination thereof. In the case of performance units, the participant will receive an agreement that specifies the performance goals that must be satisfied prior to the Company issuing payment, which may be cash, common shares or other property. Performance awards must be paid no later than two and a half months after the end of the year in which vesting occurs in accordance with applicable tax rules.

Incentive Awards. The Committee may grant incentive awards on terms and conditions that the Committee determines. The determination for granting incentive awards may be based on the attainment of performance levels of the Company as established by the Committee. Incentive awards will be paid in cash, common shares or other property and will equal a percentage of the participant's base salary for the fiscal year, a fixed dollar amount or some other formula determined by the Committee. Payments will be made within two and a half months after the end of the fiscal year in which the award is no longer subject to a substantial risk of forfeiture, but only after the Committee determines that the performance goals were attained.

Code Section 162(m) Performance Measure Awards. Options and stock appreciation rights granted to employees under the 2016 LTIP are intended to satisfy the requirements of Code Section 162(m) and are deemed to have been designated by the Committee as Code Section 162(m) awards unless the award agreement specifies otherwise. Any other award granted to an employee participating in the 2016 LTIP that complies with certain additional requirements intended to satisfy the exemption for performance-based compensation under Section 162(m) shall be deemed to have been designated by the Committee as a Code Section 162(m) award unless the grant agreement specifies otherwise. The performance criteria will be one or more of the following objective performance goals, either individually, alternatively or in any combination, applied to either the Company as a whole or to a subsidiary, either individually, alternatively, or in any combination, and measured over a designated

performance period, in each case as specified by the Committee in the grant agreement: earnings (as measured by net income, gross profit, operating income, operating income before interest, EBIT, EBITA, EBITDA, pretax income, or cash earnings, or earnings as adjusted by excluding one or more components of earnings, including each of the above on a per share and/or segment basis); sales/net sales; return on net sales (as measured by net income, gross profit, operating income, operating income before interest, EBIT, EBITA, EBITDA, pre-tax income, operating cash flow or cash earnings as a percentage of net sales); sales growth; gross profit margins; cash flow; operating cash flow; free cash flow; discounted cash flow; working capital; market capitalization; cash return on investment; return on capital; return on cost of capital; shareholder value; return on equity; total shareholder return; return on investment; economic value added; return on assets/net assets; stock trading multiples (as measured against investment, net income, gross profit, operating income, operating income before interest, EBIT, EBITA, EBITDA, pre-tax income, cash earnings or operating cash flow); stock price; total stock market capitalization; attainment of strategic or operational initiatives; and achievement of operational goals, including but not limited to obtaining FDA approval to market new products, development of new markets or market segments, implementation of infrastructure improvements and increasing the Company's portfolio of intellectual property.

Subject to the adjustment provisions described above, with respect to awards designated or deemed designated as Code Section 162(m) awards, the 2016 LTIP limits grants to any one employee participant in any one fiscal year to 600,000 options, 600,000 stock appreciation rights, 400,000 restricted shares, 400,000 restricted stock units, 200,000 performance awards and 200,000 incentive awards. The 2016 LTIP further limits, with respect to awards designated or deemed designated as Code 162(m) awards, the dollar value payable to any one participant in any one fiscal year on restricted stock units, performance awards or incentive awards valued in property other than common shares to the lesser of \$2 million or four times the participant's base salary in the fiscal year. These limitations are included for the sole purpose of qualifying the compensation for the exemption from the \$1 million cap on deductibility under Section 162(m) of the Code and do not apply to the extent the Compensation Committee determines not to structure the grant to comply with the exemption.

Termination of Employment or Services

Options and Stock Appreciation Rights. Unless otherwise provided in the related grant agreement, if a participant's employment or services are terminated for any reason prior to the date that an option or stock appreciation right becomes vested, the right to exercise the option or stock appreciation right terminates and all rights cease unless otherwise provided in the grant agreement. If an option or stock appreciation right becomes vested prior to termination of employment or services for any reason other than the participant's death or disability, then the participant has the right to exercise the option or stock appreciation right to the extent it was exercisable upon termination before the earlier of three months after termination or the expiration of the option or stock appreciation right unless otherwise provided in the related grant agreement. If termination is due to the participant's death or disability, then the participant or his or her estate may exercise the option or stock appreciation right to the extent it was exercisable upon termination until its expiration date, subject to any limitations in the grant agreement. The Committee may, in its discretion, accelerate the participant's right to exercise an option or stock appreciation right, or extend the term of the option or stock appreciation right, subject to any other limitations.

Restricted Stock, Restricted Stock Units, Performance Awards and Incentive Awards. Unless otherwise provided in the related grant agreement, if a participant terminates employment or services for any reason, any portion of a restricted stock award, restricted stock unit award, performance award or incentive award that is not yet vested is generally forfeited to the Company (subject to a refund by the Company of any purchase price paid by the participant). Subject to Code Section 409A, the Committee may also waive or change the remaining conditions, goals or restrictions, or add additional

conditions, goals or restrictions, with respect to such award except for restrictions on a Code Section 162(m) award. However, the Committee may, for Code Section 162(m) awards, provide that upon the participant's termination of employment prior to vesting due to death, disability or a change in control termination, that the award shall be deemed to have been vested on the terms determined by the Committee.

Limitations on Transfer of Awards

In general, no award under the 2016 LTIP is transferable other than by will or the laws of descent and distribution. Stock options and stock appreciation rights may only be exercised by the participant during his or her lifetime. However, a participant may assign or transfer an award, other than an incentive stock option, with the consent of the Committee. All common shares subject to an award will contain a legend restricting the transferability of the shares pursuant to the terms of the 2016 LTIP, which can be removed when the restrictions have terminated, lapsed or been satisfied. If the shares are issued in book entry form, a notation to the same restrictive effect as the legend will be placed on the transfer agent's books.

Termination and Amendment

No new awards may be granted under the 2016 LTIP on or after April 4, 2026. The Board may terminate or amend the 2016 LTIP or the granting of any awards under the 2016 LTIP at any time and the Committee may amend the terms of outstanding awards, but shareholder approval will be required for any amendment that materially increases benefits under the 2016 LTIP, increases the common shares available under the 2016 LTIP (except pursuant to the adjustment provisions of the 2016 LTIP), changes the eligibility provisions or modifies the 2016 LTIP in a manner requiring shareholder approval under any applicable stock exchange rule. An amendment to the 2016 LTIP will not, without the consent of the participant, materially and adversely affect the participant's outstanding awards except to qualify the awards for exemption under Section 409A of the Code, bring the 2016 LTIP into compliance with Section 409A of the Code, or as provided in the grant agreement.

Change in Control of the Company

Awards under the 2016 LTIP are generally subject to special provisions upon the occurrence of a change in control transaction of the kind described in the 2016 LTIP. Under the 2016 LTIP, unless otherwise provided in the grant agreement, upon a change in control transaction (i) all outstanding options or stock appreciation rights immediately become fully vested and exercisable; (ii) any restriction period on any common shares immediately lapse and the shares become freely transferable; (iii) all performance goals are deemed to have been satisfied and any restrictions on any performance award immediately lapse and the awards become immediately payable; (iv) all performance measures are deemed to have been satisfied for any outstanding incentive award, which immediately become payable. The Committee may determine that upon a change in control, any outstanding option or stock appreciation right be cancelled in exchange for payment in cash, stock or other property for each vested share in an amount equal to the excess of the fair market value of the consideration to be paid in the change in control transaction over the exercise price. If we merge with another entity and the successor company assumes or substitutes for an award payable in common shares, the Committee may provide in the grant agreement or otherwise that such awards will not be accelerated as described above as long as the per share consideration is substantially equal to the per share consideration received by shareholders in the change in control transaction.

Change in Control is defined in the 2016 LTIP to mean any of the following events:

- A merger or consolidation with another entity that is not controlled by the Company and the Company is not the surviving corporation;

- A merger or consolidation with another entity that is not controlled by the Company and the Company is the surviving corporation but its common shares are exchanged for cash, assets or securities of another entity;
- A dissolution or liquidation of the Company;
- A share exchange, reorganization or reclassification involving the Company resulting in holders of its common shares being entitled to receive stock, securities, cash or other assets with respect to or in exchange for their common shares of the Company and either (a) a majority of the Company's board members are replaced following the transaction or (b) neither the Company's common shares or any securities received in the transaction are registered under Section 12 of the Securities Exchange Act of 1934;
- If any person, entity or group acquires (or has acquired during the 12 month period ending on the date of the most recent acquisition by such person, entity or group) ownership of the common shares possessing 35% or more of the total voting power;
- If a majority of the members of the Company's Board are replaced during any 12 month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; and
- Certain changes in ownership of a substantial portion of the Company's assets.

United States Federal Income Tax Consequences

The following discussion is a summary of the federal income tax consequences relating to the grant and exercise of awards under the 2016 LTIP and the subsequent sale of common shares that will be acquired under the 2016 LTIP. Federal income tax laws and regulations are technical in nature and their application may vary in individual circumstances.

Nonqualified Stock Options

There will be no federal income tax consequences to a participant or to the Company upon the grant of a nonqualified stock option. When the participant exercises a nonqualified option, he or she will recognize ordinary income in an amount equal to the excess of the fair market value of the option shares on the date of exercise over the exercise price, and we will be allowed a corresponding tax deduction subject to any applicable limitations under Section 162(m) of the Code. Any gain that a participant realizes when the participant later sells or disposes of the option shares will be short-term or long-term capital gain, depending on how long the participant held the shares.

Incentive Stock Options

There will be no federal income tax consequences to a participant or to the Company upon the grant of an incentive stock option. If the participant holds the option shares for the required holding period of at least two years after the date the option was granted and one year after exercise of the option, the difference between the exercise price and the amount realized upon sale or disposition of the option shares will be long-term capital gain or loss, and we will not be entitled to a federal income tax deduction. If the participant disposes of the option shares in a sale, exchange, or other disqualifying disposition before the required holding period ends, the participant will recognize taxable ordinary income in an amount equal to the difference between the exercise price and the lesser of the fair market value of the shares on the date of exercise or the disposition price, and we will be allowed a federal income tax deduction equal to such amount, subject to any applicable limitations under Section 162(m) of the Code. Any amount received by the participant in excess of the fair market value on the exercise date will be taxed to the participant as capital gain, and we will receive no corresponding deduction. While the exercise of an incentive stock option does not result in current

taxable income, the excess of the fair market value of the option shares at the time of exercise over the exercise price will be a tax preference item that could subject a participant to alternative minimum tax in the year of exercise.

Stock Appreciation Rights

The participant will not recognize income, and we will not be allowed a tax deduction, at the time a stock appreciation right is granted. When the participant exercises the stock appreciation right, the cash or fair market value of any common shares received will be taxable to the participant as ordinary income, and we will be allowed a federal income tax deduction equal to such amount, subject to any applicable limitations under Section 162(m) of the Code.

Restricted Stock Awards

Unless a participant makes an election to accelerate recognition of income to the grant date as described below, the participant will not recognize income, and we will not be allowed a tax deduction, at the time a restricted stock award is granted. When the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of the common shares as of that date, less any amount paid for the stock, and we will be allowed a corresponding tax deduction, subject to any applicable limitations under Section 162(m) of the Code. If the participant files an election under Section 83(b) of the Code within 30 days after the grant date, the participant will recognize ordinary income as of the grant date equal to the fair market value of the stock as of that date, less any amount paid for the stock, and we will be allowed a corresponding tax deduction at that time, subject to any applicable limitations under Section 162(m) of the Code. Any future appreciation in the stock will be taxable to the participant at capital gains rates. However, if the stock is later forfeited, such participant will not be able to recover the tax previously paid pursuant to the Section 83(b) election.

Restricted Stock Unit Awards, Performance Awards and Incentive Awards

A participant will not recognize income, and we will not be allowed a tax deduction, at the time a restricted stock unit award, performance award or incentive award is granted. When a participant receives payment under any such award, the amount of cash received and the fair market value of any shares of stock received will be ordinary income to the participant, and we will be allowed a corresponding tax deduction at that time, subject to any applicable limitations under Section 162(m) of the Code.

Code Section 409A

Section 409A of the Code has implications that affect traditional deferred compensation plans, as well as certain equity-based awards. Section 409A requires compliance with specific rules regarding the timing of exercise or settlement of equity-based awards. Individuals who hold awards are subject to the following penalties if the terms of such awards are not exempted from or do not comply with the requirements of Section 409A: (i) appreciation is includible in the participant's gross income for tax purposes once the awards are no longer subject to a "substantial risk of forfeiture" (e.g., upon vesting), (ii) the participant is required to pay interest at the IRS underpayment rate plus one percentage point commencing on the date an award subject to Section 409A is no longer subject to a substantial risk of forfeiture, and (iii) the participant incurs a 20% penalty tax on the amount required to be included in income. The 2016 LTIP and the awards granted thereunder are intended to be exempt from or conform to the requirements of Section 409A.

**PROPOSAL TO RATIFY SELECTION OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2016**

Proposal to Ratify Selection of Auditors for 2016

The Audit Committee of our Board of Directors has engaged Plante & Moran, PLLC as our independent registered public accounting firm for the fiscal year ending December 31, 2016, and is seeking ratification of such selection by our shareholders at the annual meeting. Plante & Moran, PLLC has audited our financial statements since 1998. Representatives of Plante & Moran, PLLC are expected to be present at the annual meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither our Bylaws nor other governing documents or law require ratification of the selection of our independent registered public accounting firm. However, the Audit Committee is submitting its selection of Plante & Moran, PLLC to our shareholders for ratification as a matter of good corporate practice and to help ensure that we will have the necessary quorum at our annual meeting. If our shareholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain Plante & Moran, PLLC. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if they determine that such a change would be in the best interests of the Company and our shareholders.

Independent Accountants

The following table presents aggregate fees billed for each of the years ended December 31, 2015 and 2014 for professional services rendered by Plante & Moran, PLLC in the following categories:

	2015	2014
Audit Fees(a)	\$214,724	\$205,417
Audit-Related Fees(b)	13,560	13,375
Tax Fees(c)	126,153	110,575
All Other Fees	—	—

- (a) Consists of fees for the audit of our annual financial statements, review of our Form 10-K, review of our quarterly financial statements included in our Forms 10-Q, services provided in connection with our proxy statement and services in connection with other regulatory filings, including our registration statements filed with the SEC under the Securities Act of 1933 and our recent equity financing. Fees also include work in connection with Plante & Moran, PLLC’s audit of our internal control over financial reporting.
- (b) Represents consultation on financial accounting and reporting matters.
- (c) Consists of tax return preparation and consulting fees.

The Audit Committee of the Board does not consider the provision of the services described above by Plante & Moran, PLLC to be incompatible with the maintenance of Plante & Moran, PLLC’s independence.

Before Plante & Moran, PLLC is engaged by us to render audit or non-audit services, the engagement is approved by our Audit Committee. All of the services performed by Plante & Moran, PLLC for the Company during 2015 were pre-approved by the Audit Committee.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (“Exchange Act”), requires our officers and directors, and persons who own more than ten percent of a registered class of our equity securities to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater than ten percent shareholders are required by regulation of the SEC to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of the copies of the Forms 3, 4 and 5 and any amendments thereto received by us, or written representations from certain reporting persons that no Forms 5 were required for those persons, we believe that, since January 1, 2015, our officers and directors and persons who own more than ten percent of a registered class of our equity securities have timely complied with all filing requirements under Section 16(a) of the Exchange Act except that Mr. Holt, a director, filed a late Form 4 disclosing a total of six transactions and Mr. Bagley, a director, filed a late Form 4 disclosing a total of two transactions.

OTHER MATTERS

Annual Report

A copy of the Annual Report to Shareholders for the year ended December 31, 2015, which includes our Annual Report Form 10-K, accompanies this proxy statement. We have filed an Annual Report on Form 10-K with the SEC. We will provide, without charge, to each person being solicited by this proxy statement, upon the written request of any such person, a copy of our Annual Report on Form 10-K for the year ended December 31, 2015. All such requests should be directed to Investor Relations, Rockwell Medical, Inc., 30142 Wixom Road, Wixom, Michigan 48393.

Shareholder Proposals

Any proposal by a shareholder of the Company to be considered for inclusion in the proxy statement for the 2017 annual meeting must be received by Thomas E. Klema, our Secretary, by the close of business on December 19, 2016. Such proposals should be addressed to him at our principal executive offices and should satisfy the informational requirements applicable to shareholder proposals contained in the relevant SEC rules. If the date for the 2017 annual meeting is significantly different than the first anniversary of the 2016 annual meeting, Rule 14a-8 of the SEC provides for an adjustment to the notice period described above.

For shareholder proposals not sought to be included in our proxy statement, Section 2.5 of our bylaws provides that, in order to be properly brought before the 2017 annual meeting, written notice of such proposal, along with the information required by Section 2.5, must be received by our Secretary at our principal executive offices no earlier than the close of business on February 2, 2017 and no later than March 4, 2017. If the 2017 annual meeting date has been significantly advanced or delayed from the first anniversary of the date of the 2016 annual meeting, then notice of such proposal must be given not later than the 90th day before the meeting or, if later, the 10th day after the first public disclosure of the date of the annual meeting. A proponent must also update the information provided in or with the notice at the times specified in our bylaws.

Only persons who are shareholders both as of the giving of notice and the date of the shareholders meeting and who are eligible to vote at the shareholders meeting are eligible to propose business to be brought before a shareholders meeting. The proposing shareholder (or the shareholder’s qualified representative) must attend the shareholders meeting in person and present the proposed business in order for the proposed business to be considered.

Householding

We have adopted a procedure approved by the SEC called “householding.” Under this procedure, certain shareholders of record who have the same address and last name will receive only one copy of our notice of annual meeting of shareholders, proxy statement, and accompanying documents, unless one or more of these shareholders notifies us that they wish to continue receiving individual copies. This procedure is intended to reduce our printing costs and postage fees.

Shareholders who participate in householding will continue to receive separate proxy cards. Also, householding will not in any way affect other mailings.

If you are eligible for householding, but you and other shareholders of record with whom you share an address currently receive multiple copies of the notice of annual meeting of shareholders, proxy statement and accompanying documents, or if you hold common shares in more than one account, and in either case you wish to receive only a single copy of each of these documents for your household, please contact the Company’s Secretary at 30142 Wixom Road, Wixom, Michigan 48393, or by telephone at (248) 960-9009.

If you participate in householding and wish to receive a separate copy of the notice of annual meeting of shareholders, proxy statement and the accompanying documents, or if you do not wish to participate in householding and prefer to receive separate copies of these documents in the future, please contact the Company’s Secretary as indicated above.

Beneficial owners can request information about householding from their banks, brokers or other holders of record.

Other Business

Neither we nor the members of our Board of Directors intend to bring before the annual meeting any matters other than those set forth in the notice of annual meeting of shareholders, and we and they have no present knowledge that any other matters will be presented for action at the meeting by others. If any other matters properly come before such meeting, however, it is the intention of the persons named in the enclosed form of proxy to vote in accordance with their best judgment.

By Order of the Board of Directors,

Thomas E. Klema
Secretary

Wixom, Michigan
April 18, 2016