

SPANISH BROADCASTING SYSTEM, INC.
COMPENSATION COMMITTEE CHARTER

I. PURPOSE

The Compensation Committee (the “Compensation Committee” or the “Committee”) of the Board of Directors (the “Board”) of Spanish Broadcasting System, Inc. (the “Company”) shall discharge the Board’s responsibilities relating to compensation of the Company’s directors, chief executive officer (the “Chief Executive Officer”) and other Officers as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and oversee and approve the implementation of the Company’s incentive compensation plans and equity-based plans. The Compensation Committee also shall be responsible for preparing reports and reviewing disclosure on executive compensation included in the Company’s annual meeting proxy statement and other regulatory filings in accordance with applicable rules and regulations. In addition, the Compensation Committee will review and monitor management’s succession plans.

II. MEMBERSHIP

The Compensation Committee shall consist of at least three members of the Board; *provided*, that if at any time there is a vacancy on the Compensation Committee and the remaining members meet all membership requirements, then the Compensation Committee may consist of two members until the earlier of the Company’s next annual Stockholders meeting or one year from the occurrence of the vacancy. All members of the Compensation Committee shall meet the independence requirements of the Nasdaq Stock Market, Inc. (or its successor) or such other market or exchange on which the Company’s securities are listed or quoted and any applicable legal requirements relevant to the proper administration of the Company’s compensation plans and programs, including the requirements that members qualify as “non-employee directors,” as defined in Rule 16b-3(b)(3)(i) under the Exchange Act and, that the members consist solely of “outside” directors, as defined in Treasury Regulation 1.162-27(e)(3) promulgated under the Internal Revenue Code of 1986, as amended (the “Code”).

The members of the Compensation Committee, including the Chair of the Compensation Committee, shall be appointed and replaced by the Board. The Compensation Committee members may be removed from the Compensation Committee, with or without cause, by the Board.

III. MEETINGS, PROCEDURES AND FUNDING

The Compensation Committee shall establish an agenda for the ensuing year and hold such regular meetings as may be necessary and such special meetings as may be called by the Chairman of the Compensation Committee or at the request of the Board to act upon any matters within its jurisdiction under this Charter and the Company's Bylaws. The Compensation Committee may take action by unanimous written consent at any time. The Compensation Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Compensation Committee will meet periodically in executive session without Company management present. The Compensation Committee may invite the Chief Executive Officer, President, Chairman of the Board, Secretary, Chief Financial Officer,

any other Officer, any director, any employee of the Company or other persons whose advice and counsel are sought by the Compensation Committee or its Chairman to attend any meeting or meetings of the Compensation Committee. No such person may be present during any discussions and deliberations of the Compensation Committee regarding the compensation of any such person. The Compensation Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Compensation Committee.

The Compensation Committee shall have access to internal advisors and all other resources within the Company to assist it in carrying out its duties and responsibilities. The Compensation Committee shall have sole authority, and necessary funding, to retain, set compensation and retention terms for, and terminate any compensation consultants and other consultants, legal counsel or other advisors that the Compensation Committee determines to employ to assist it in the performance of its duties.

IV. MINUTES

Minutes shall be kept of each meeting of the Compensation Committee and will be circulated in draft form to all Compensation Committee members to ensure an accurate final record and to be approved by the Compensation Committee. Any action of the Compensation Committee shall be subject to revision, modification, or rescission by the Board except where prohibited by law, regulation or listing standards.

V. RESPONSIBILITIES

The Compensation Committee's responsibilities shall be to:

1. In consultation with senior management, the Compensation Committee shall establish the Company's general compensation philosophy, and oversee the development and implementation of executive compensation programs and related policies. In undertaking these responsibilities, the Compensation Committee shall take into account factors it deems appropriate from time to time, including the Company's business strategy and risks to the Company and its business implied by such programs as well as the results of any stockholder advisory vote with respect to the Company's executive compensation programs, select an appropriate peer group for purposes of such periodic review, and make any modifications that the Compensation Committee may deem necessary or advisable, in its sole discretion.

2. Review and approve annually corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and set Chief Executive Officer compensation levels based on this evaluation. In determining the Chief Executive Officer's compensation, the Compensation Committee shall consider factors it deems appropriate from time to time, including the terms of the Employment Agreement with the Chief Executive Officer (the "CEO Agreement"), the CEO's performance, the Company's performance and relative stockholder return, the nature, extent and acceptability of risks that the CEO may be encouraged to take by such compensation, the value of similar compensation packages for chief executive officers at comparable companies, and the compensation awarded to the CEO in prior years. The Compensation Committee is responsible for approving any peer groups used by the Compensation Committee in determining CEO compensation. In addition, the Compensation Committee may consider, as appropriate, views expressed by stockholders on executive compensation matters, including the

results of stockholder advisory votes on executive compensation. The Chief Executive Officer shall not be present during Compensation Committee voting or deliberations regarding his or her own compensation.

3. Review and approve the CEO Agreement, any amendments to the CEO Agreement, other compensatory contracts or arrangements or offers of employment that are to be in effect with the Chief Executive Officer. Approve all perquisites, special cash payments and other special compensation and benefit arrangements for the Chief Executive Officer other than those that are specifically provided under the terms of the CEO Agreement.

4. Review and approve any employment agreements, any amendments to such employment agreements, other compensatory contracts or arrangements or offers of employment which are to be in effect with the Company's other Officers or as requested by the Chief Executive Officer. Approve all perquisites, special cash payments and other special compensation and benefit arrangements for these Officers other than those that are specifically provided under the terms of employment agreements with such Officers.

5. Review with the Chief Executive Officer the corporate goals and objectives relevant to the Company's other Officers and the Chief Executive Officer's evaluation of the performance of the Company's other Officers and review and determine the Officers' compensation levels based on this evaluation. In determining the Officers' compensation, the Compensation Committee shall consider factors it deems appropriate from time to time, including the terms of any employment agreements, the Officers' performance, the Company's performance and relative stockholder return, the nature, extent and acceptability of risks that the Officers may be encouraged to take by such compensation, the value of similar compensation packages for Officers at comparable companies, and the compensation awarded to the Officers in prior years. The Compensation Committee may also review the structure and competitiveness of the Officers' compensation programs considering factors it deems appropriate from time to time, including: (i) the attraction and retention of the Officers; (ii) the motivation of the Officers to achieve the Company's business objectives; and (iii) the alignment of the interests of the Officers with the long-term interests of the Company's stockholders. The Compensation Committee is responsible for approving any peer groups used by the Compensation Committee in determining Officer compensation. In addition, the Compensation Committee may consider, as appropriate, views expressed by stockholders on executive compensation matters, including the results of stockholder advisory votes on executive compensation. The Officers shall not be present during Compensation Committee voting or deliberations regarding each Officer's own compensation.

6. Review and approve the Company's long-term incentive plans (the "LTI Plans"), as well as grant any awards permitted under any future active equity plans of the Company ("Future Plans"). The Compensation Committee shall have authority to grant awards permitted under the LTI Plans or any Future Plans, notwithstanding that the Board has delegated authority to a separate committee or the Board has retained for itself authority to grant options, unless the Board action creating such committee or retaining such authority shall state that the Compensation Committee shall not have that authority.

7. Periodically review and approve compensation arrangements (including directors' fees and entitlement to benefits under LTI Plans) for the Company's non-employee directors, including members of the Committee, subject to approval by the Board. In

addition, make any administrative determinations under any LTI Plan or other equity plan adopted by the Company to provide awards to Board members (a “Director Plan”).

8. Approve amendments to the LTI Plans and any Future Plans for which stockholder approval is not required by law, regulation or listing standards, except that it shall not have the authority to increase the number of shares issuable under any such plans, without stockholder approval. Regular administration of the LTI Plans and Future Plans shall be performed by Company management.

9. Review and provide recommendations to Company management regarding such of the Company’s other employee benefit plans, profit-sharing program (whether payable on a current or deferred basis), and pension and other deferred compensation plans as shall be presented by Company management to the Committee for review or the Committee shall in its discretion ask to review; provided that neither the Committee nor any of its members shall be considered to be acting as a fiduciary (as that term is defined in the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the regulations promulgated and rulings issued thereunder) for any such plan as a result of such review and recommendations. Administration and fiduciary services for these employee benefit plans shall be provided by Company management.

10. Review management’ risk assessment of compensation policies and practices, if applicable, under the rules of the Securities and Exchange Commission (the “SEC”).

11. Approve separation packages and severance benefits for the Officers, including the Chief Executive Officer, including salary and bonus continuation payments, vesting acceleration and extended post-employment exercise periods for outstanding options, COBRA coverage at the Company’s expense and outplacement services.

12. In reviewing and approving compensation payable to the Company’s principal executive officer (as that term is defined under item 402 of Regulation S-K under the Exchange Act) and/or the other four highest compensated Officers (as interpreted in IRS Notice 2007-49), the Committee shall consider whether such compensation is a deductible expense for the Company pursuant to Section 162(m) of the Code. If it is determined that all or a portion of such compensation is not deductible, the Committee will consider whether it is in the best interest of the Company to limit such compensation to amounts that are deductible to the Company or to pay the compensation even though the Company receives no offsetting income tax deduction. If the Committee decides that it is in the best interest of the Company *not* to restrict compensation payable to such Officer or Officers to amounts that are deductible pursuant to Section 162(m) of the Code, the Committee will review disclosure of the nondeductible amounts in the Company’s annual meeting proxy as required under rules issued by the SEC.

13. The Committee shall review and approve disclosure regarding compensation and benefit matters included in the periodic filings required by the governing rules and regulations of the SEC and NASDAQ or such other market or exchange on which the Company’s securities are listed or quoted. In addition, the Committee shall review and discuss with management the Company’s Compensation Discussion and Analysis (“CDA”) and recommend to the Board whether such CDA should be disclosed in the filings if the CDA is required to be included in the Company’s filings under the SEC’s rules as applicable from time to time. Further, the Committee shall prepare any report required to be included in the Company’s filings, including

the annual proxy statement or Form 10-K, by applicable rules and regulations of the SEC or listing standards of NASDAQ or such other market or exchange on which the Company's securities are listed or quoted.

14. The Compensation Committee shall oversee the Company's submissions to stockholders on executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, incentive and other executive compensation plans, and amendments to such plans (to the extent required under the listing standards of NASDAQ or such other market or exchange on which the Company's securities are listed or quoted) and assist the Board in reviewing the results of stockholder votes, including advisory votes on executive compensation, or responding to stockholder communications that relate to executive compensation matters or the engagement of proxy advisory firms relating to executive compensation matters.

15. Obtain such data or other resources as it deems necessary to perform its duties, including (without limitation) obtaining external consultant reports or published salary surveys, engaging independent compensation consultants and other professionals to assist in the design, formulation, analysis and implementation of compensation programs for the Chief Executive Officer, the Company's other executive Officers and the Company's non-employee directors and establishing a working budget with the Company for funding the related expenses. The Compensation Committee shall have the sole authority to retain and terminate independent compensation consultants and other professionals as it determines appropriate to assist it in the full performance of its functions, and approve any such consultants' or professionals' fees and other retention terms. The Compensation Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K. Any compensation consultant retained by the Committee to assist with its responsibilities relating to executive compensation shall not be retained by the Company for any compensation or other human resources matters. The Compensation Committee shall have the responsibility to comply with applicable requirements as established by the SEC, NASDAQ, such other market or exchange on which the Company's securities are listed or quoted or other governing regulatory authority regarding compensation consultants used to assist it in the evaluation of compensation to the CEO, other Officers and/or non-employee members of the Board.

16. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

17. Annually review and assess the performance of the Compensation Committee and make applicable recommendations. In conducting the evaluation, the Compensation Committee shall address matters that it considers relevant to its performance, including at a minimum, the adequacy, appropriateness, and quality of the information and recommendations presented to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Compensation Committee were adequate for the Compensation Committee to complete its work in a thorough and thoughtful manner.

18. Report periodically to the Board on its meetings and other activities and review with the Board significant issues and concerns that arise at Compensation Committee meetings.

VI. MANAGEMENT SUCCESSION

In addition, the Compensation Committee shall periodically review the Company's succession plan and development strategies for the Chief Executive Officer and other senior level executives in preparation for discussion by the entire Board of Directors.

VII. OTHER MATTERS

The Compensation Committee shall undertake any other responsibilities expressly delegated to the Compensation Committee by the Board from time to time relating to compensation matters.