

COINMACH SERVICE CORP.

COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation Committee of the Board of Directors (the “Board”) of Coinmach Service Corp., a Delaware corporation (the “Company”) is to discharge the Board’s responsibilities relating to compensation of the Company’s executive officers.

The Compensation Committee may also handle any other matter the Board deems appropriate.

To the extent it deems appropriate, the Compensation Committee will have the authority to retain or terminate professionals (such as attorneys and compensation professionals) to assist in the evaluation of director and or Chief Executive Officer (“CEO”) and other executive compensation, and to approve the professional’s fees and other retention terms. The Compensation Committee also has the authority, as necessary and appropriate, to consult, retain and compensate other outside advisors to assist in its duties to the Company.

II. Composition

The Compensation Committee shall be appointed by the Board. The Compensation Committee shall be comprised of at least three directors, and may be comprised of more than three directors if so determined by the Board. Each member of the Compensation Committee shall be a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

For so long as the Company qualifies as a “controlled company” as defined in the American Stock Exchange (“AMEX”) rules and regulations (the “AMEX Rules”), the members of the Compensation Committee may, but need not, be independent. In the event the Company no longer qualifies as a “controlled company,” the Compensation Committee shall be comprised of independent directors in accordance with the AMEX Rules.

Unless a Chairman is elected by the Board, the members of the Compensation Committee shall designate a Chairman by majority vote of the full Compensation Committee membership.

III. Meetings

The Compensation Committee will meet at least twice a year and more frequently if requested by the Board or if deemed necessary by the members of the Compensation Committee to fulfill their responsibilities. Meetings of the Compensation Committee may

be held telephonically. A majority of the members of the entire Compensation Committee shall constitute a quorum. The Compensation Committee shall act on the affirmative vote of a majority of the members of the entire Compensation Committee. Without a meeting, the Compensation Committee may act by unanimous written consent of all members.

The Compensation Committee may invite to its meetings any director, member of management or such other person as it deems appropriate in order to carry out its responsibilities, provided that an executive officer may not be present during deliberations or voting concerning his or her compensation.

IV. Responsibilities and Duties

1. Develop guidelines for the compensation of the CEO and the other executive officers in light of the corporate goals and objectives of the Company relevant to executive compensation, evaluate the performance of each of the CEO and the other executive officers, and determine and approve the compensation level of each of the CEO and the other executive officers based on this evaluation, including salary, bonus, incentive and equity compensation.
2. In determining the long-term incentive component of the CEO and other executive officer compensation, the Compensation Committee may consider (i) the Company's performance and relative shareholder return, (ii) the value of similar incentive awards to CEO's and executive officers in comparable positions at comparable companies and (iii) awards given to the CEO and other executive officers in past years.
3. Review and approve compensation packages for new executive officers and severance or other termination packages for existing executive officers.
4. Recommend to the Board the compensation for Board members, such as retainer, committee chairman fees, stock options and other similar items as appropriate, pursuant to any corporate governance guidelines or policies of the Company.
5. Review and make recommendations from time to time on the adequacy and effectiveness of executive and director compensation in relation to other companies and with regard to trends and developments in such compensation. Recommend changes in such compensation levels and practices to the Board, if necessary or appropriate.
6. Administer incentive-compensation plans and equity-based plans established or maintained by the Company from time to time (each, a "Plan"). Such administration will include: (i) interpreting the provisions of the Plans, (ii) establishing rules for implementing or conducting the Plans, (iii) approving or prohibiting participation of individual employees in the Plans, (iv) granting benefits to employees under the Plans and (v) making all other decisions and determinations required of the Compensation Committee by the Board, the

terms of the Plans or as the Compensation Committee considers appropriate for the operation of the Plans and the distribution of benefits thereunder.

7. Make recommendations to the Board with respect to the adoption, amendment, termination or replacement of the Plans.
8. Prepare and provide the report on executive compensation required to be included in the Company's annual proxy statement or annual report on Form 10-K pursuant to the rules and regulations of the Securities and Exchange Commission (the "Commission"), as well as any other reports required to be provided by the Compensation Committee by AMEX or the rules and regulations of the Commission.
9. Review and assess annually, the adequacy of this Charter and make recommendations to the Board, as conditions dictate, to amend this Charter.
10. Review annually and self-evaluate the performance of the Compensation Committee, including a review of the Compensation Committee's compliance with this Charter. The Compensation Committee shall conduct such evaluation and review in such manner as it deems appropriate and report the results of the evaluation to the Board.
11. Perform any other activities consistent with this Charter, the Company's By-Laws and applicable law, as the Compensation Committee or the Board deems appropriate.