

April 22, 2004

**CHARTER OF THE COMPENSATION COMMITTEE
OF
EMMIS COMMUNICATIONS CORPORATION**

I. Purpose

The primary objective of the Compensation Committee is to discharge the Board's responsibilities relating to compensation of the Company's executive officers. For this purpose, compensation shall include:

- annual base salary;
- annual incentive opportunity;
- stock option or other equity participation plans;
- long-term incentive opportunity;
- the terms of employment agreements, severance arrangements, and change in control agreements, in each case as, when and if appropriate;
- any special or supplemental benefits; and
- any other payments that are deemed compensation under applicable SEC rules.

II. Organization

The Compensation Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence requirements of Nasdaq and any other applicable regulatory requirements.

The members of the Compensation Committee shall be appointed by the Board upon the recommendation of the Corporate Governance & Nominating Committee.

The Compensation Committee may form and delegate authority to subcommittees or committees of the Board when it deems such delegation appropriate.

III. Meetings

The Compensation Committee shall meet at least four times per year or more frequently as circumstances require.

The members of the Compensation Committee shall select a chair who will preside at each meeting of the Compensation Committee, and in consultation with the other members of the Compensation Committee, shall set the frequency and length of each

meeting and the agenda of items to be addressed at each upcoming meeting. In addition, the chair, in consultation with the other members of the Compensation Committee, shall determine the list of items to be addressed by the Compensation Committee during the coming year (the "Annual Agenda").

The chair shall ensure that the agenda for each upcoming meeting of the Compensation Committee is circulated to each member of the Compensation Committee in advance of the meeting, and that the Annual Agenda is circulated to each member of the Compensation Committee as well as each other director promptly after it is finalized.

IV. Authority and Responsibilities

To fulfill its responsibilities, the Compensation Committee shall:

1. Review and approve on an annual basis corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives and set the CEO's compensation level. In determining the long-term incentive component of CEO compensation, the Compensation Committee will also consider, among such other factors as it may deem relevant, the Company's performance, shareholder returns, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the CEO in past years.
2. Review and approve the compensation of all executive officers and directors.
3. Review, approve and make recommendations to the Board with respect to the Company's incentive compensation plans and equity-based plans.
4. Prepare the report required by the Securities and Exchange Commission to be included in the Company's annual proxy statement.
5. Review and reassess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Compensation Committee.
6. Make recommendations to the Board, as necessary or appropriate, with respect to potential successors to the Chief Executive Officer, Chief Financial Officer and other key executive officers of the Company.
7. Review its own performance annually.
8. Report regularly to the Board.
9. Perform any other activities consistent with this Charter, the Company's by-laws and governing law, as the Audit Committee or the Board deems necessary or appropriate.

V. Resources

The Compensation Committee shall have the sole authority to retain or terminate consultants to assist the Compensation Committee in the evaluation of director, CEO or senior executive compensation.

The Compensation Committee shall have the sole authority to determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the Compensation Committee.