

ACME COMMUNICATIONS, Inc.

Compensation Committee Charter

OBJECTIVES The purpose of the Committee is to consider matters relating to compensation and perquisites of the salaried employees and directors of this corporation, and to make recommendations to this corporation's Board under the corporation's stock option plan.

SCOPE OF ACTIVITIES To the full extent permitted by applicable law, the Committee shall:

- (a) make recommendations to the Board concerning the remuneration arrangements for members of senior management;
- (b) approve compensation plans in which any member of senior management is eligible to participate;
- (c) approve the grant of options or other benefits to members of senior management under any such plan;
- (d) make recommendations with respect to options (including price, terms and amounts) to be granted by the Board under this corporation's stock option plan(s); and
- (e) act as the Committee under this corporation's stock option plan(s).

COMPOSITION The Committee shall be composed of such number of corporation directors as may be appointed by the Board. No Committee member shall be a full-time employee or consultant of this corporation and at least a majority of the Committee members shall be outside directors. One of the members so appointed may be designated by the Board as the Chairperson of the Committee. Members of the Committee may be removed by the Board for any reason and at any time.

MEETINGS The Committee may hold regular meetings on such days as it shall determine. Other meetings of the Committee shall be held at the request of the Chairperson of the Committee or any two other Committee members. Minutes shall be regularly kept of Committee proceedings, by a person appointed by the Committee to do so.

ATTENDANCE Such corporate officers, other employees or stockholders of this corporation, as the Committee may regularly or from time to time designate, shall attend the meetings.

OUTSIDE ASSISTANCE The Committee is authorized to engage or employ such outside professional or other services as in its discretion may be required to fulfill its responsibilities.

PROCEDURES The Committee may adopt rules for its meetings and activities. In the absence of any such rules, Committee actions shall be governed by this corporation's Bylaws and applicable law. A quorum of the Committee shall be a majority of the persons then serving as members of the Committee, unless the Committee is comprised of two (2) members, in which case two (2) members of the Committee shall constitute a quorum.