

ALLIANCE HEALTHCARE SERVICES, INC.
COMPENSATION COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Alliance HealthCare Services, Inc. (the “Company”) is (1) to discharge the Board’s responsibilities relating to compensation of the Company’s executives, including by designing (in consultation with management or the Board), recommending to the Board for approval, and evaluating the compensation plans, policies and programs of the Company, (2) to produce an annual report on executive compensation for inclusion in the Company’s proxy materials in accordance with applicable rules and regulations, and (3) compliance with applicable compensation rules, regulations and guidelines promulgated by the NASDAQ Stock Market LLC (“NASDAQ”), the Securities and Exchange Commission (the “SEC”) and other laws, as amended from time to time.

In addition to the powers and responsibilities expressly delegated to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Company’s bylaws and applicable law. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

II. Membership

The Committee shall be composed of at least two directors as determined by the Board, none of whom shall be an employee of the Company and each of whom shall satisfy the independence requirements of the NASDAQ rules, as amended from time to time.

The members of the Committee, including the Chair of the Committee, shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee (unless the Nominating and Corporate Governance Committee is not in existence at the time of such appointment, in which case no such recommendation shall be required). Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or not the members of the

Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

The foregoing notwithstanding, if the Company is legally required by contract or otherwise to have its committees comprised of certain designees of a third party or a specified number of members, then the size and composition of the Committee shall be governed by such requirements.

III. Meetings and Procedures

The Chair (or in his or her absence, a member designated by the Chair) shall preside at each meeting of the Committee and set the agendas for Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet on a regularly scheduled basis at least once per year and more frequently as the Committee deems necessary or desirable.

All non-management directors who are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings members of the Company's management, representatives of the independent auditor, the internal auditor, any other financial personnel employed or retained by the Company or any other persons whose presence the Committee believes to be necessary or appropriate. Notwithstanding the foregoing, (i) the Company's chief executive officer and other executive officers may not be present during voting or deliberations by the Committee with respect to his or her compensation, and (ii) the Committee may also exclude from its meetings any persons it deems appropriate, including but not limited to, any non-management director who is not a member of the Committee.

The Committee may, in its sole discretion, retain or obtain the advice of any legal counsel, compensation or benefits consultant or other outside expert or advisor as the Committee believes to be necessary or appropriate. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any legal counsel, compensation or benefits consultant or other outside expert or advisor retained by the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any legal counsel, compensation or benefits consultant or other outside expert or advisor retained by the Committee. The Committee may select, or receive advice from, a legal counsel, compensation or benefits consultant or other outside expert or advisor to the Committee, other than in-house legal counsel, only after taking into consideration

the factors required by any applicable requirements of the Exchange Act and any applicable NASDAQ rules.

The Chair shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board.

IV. Duties and Responsibilities

1. The Committee shall, at least annually, review the compensation philosophy of the Company.

2. The Committee shall, at least annually, review and approve corporate goals and objectives relating to the compensation of the chief executive officer, evaluate the performance of the chief executive officer in light of those goals and objectives and determine and approve the compensation of the chief executive officer based on such evaluation. In determining the long-term incentive component of the chief executive officer's compensation, the Committee shall consider the Company's performance and relative stockholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the Company's chief executive officer in past years. The Committee shall have sole authority to determine the chief executive officer's compensation.

3. The Committee shall, at least annually, review and make recommendations to the Board with respect to:

(i) all compensation for all other officers (as such term is defined in Rule 16a-1 promulgated under the 1934 Act, and hereinafter referred to as "executive officers");

(ii) all employment agreements and severance arrangements with respect to executive officers; and

(iii) all incentive-compensation and equity-based plans that are subject to Board approval.

4. Subject to the receipt of stockholder approval as required by NASDAQ rules or as otherwise required by the 1934 Act, the Code or other applicable law, the Committee shall have the power to establish, amend, manage, periodically review and, where appropriate, terminate all annual bonus, long-term incentive compensation, stock option, employee pension and welfare benefits plans (including 401(k) plans, employee stock purchase plans, long-term incentive plans, management incentive plans and others), and with respect to each plan shall have responsibility for:

(i) general administration;

(ii) setting performance targets under all annual bonus and long-term incentive compensation plans as appropriate and committing to writing any and all performance targets for all executive officers who may be “covered employees” under Section 162(m) of the Code within the first 90 days of the performance period to which such target relates or, if shorter, within the period provided by Section 162(m) of the Code in order for such target to be “preestablished” within the meaning of Section 162(m);

(iii) certifying that any and all performance targets used for any performance-based equity compensation plans have been met before payment of any executive bonus or compensation or exercise of any executive award granted under any such plan(s);

(iv) approving all amendments to, and terminations of, all compensation plans and any awards under such plans;

(v) granting and/or recommending any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to executive officers, including stock options and other equity rights (*e.g.*, restricted stock, stock purchase rights);

(vi) reviewing the status of the Company’s non-management Director compensation in relation to other U.S. companies of comparable size and the Company’s competitors, and recommending any changes in such compensation to the Chairman of the Board;

(vii) repurchasing securities from terminated employees; and

(viii) providing compensation risk assessments.

5. The Committee shall establish and periodically review policies concerning perquisite benefits.

6. The Committee shall periodically review the need for a Company policy regarding compensation paid to the Company’s executive officers in excess of limits deductible under Section 162(m) of the Code.

7. The Committee shall determine the Company’s policy with respect to change of control or “parachute” payments.

8. The Committee shall manage and review executive officer and director indemnification and insurance matters.

9. The Committee shall prepare and approve the Compensation Committee report to be included as part of the Company’s annual proxy statement (the “Proxy Statement Report”),

and, in connection therewith, the Committee shall (i) review and discuss the Compensation Discussion and Analysis to be included as part of the Company's annual proxy statement with management and (ii) based on such review and discussion, recommend to the Board whether the Compensation Discussion and Analysis be included in the annual proxy statement.

10. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

11. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

V. Delegation of Duties

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, except that it shall not delegate its responsibilities set forth in paragraphs 2 and 3 of Section IV above or for any matters that involve executive compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code by virtue of being approved by a committee of "outside directors" or is intended to be exempt from Section 16(b) under the 1934 Act pursuant to Rule 16b-3 by virtue of being approved by a committee of "non-employee directors."