

SALEM COMMUNICATIONS CORP /DE/  
Form 8-K  
September 12, 2006

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 6, 2006

**SALEM COMMUNICATIONS CORPORATION**  
(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other  
Jurisdiction of  
Incorporation)

**000-26497**  
(Commission File Number)

**77-0121400**  
(IRS Employer Identification  
No.)

**4880 Santa Rosa Road, Camarillo, California**

**93012**

(Address of Principal Executive Offices)

(Zip Code)

**Registrant's telephone number, including area code: (805) 987-0400**

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT**

**SIGNATURE**

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## ITEM 1.01 ENTRY INTO MATERIAL DEFINITIVE AGREEMENT

Director Compensation

On September 6, 2006, the Board of Directors (the Board) of Salem Communications Corporation (the Company) authorized an annual retainer and fees payable to the following designated members of the Board: David Davenport, Eric H. Halvorson, Roland S. Hinz, Paul Pressler, Richard A. Riddle and Dennis M. Weinberg ( Designated Directors ). The Compensation Committee of the Board recommended this compensation to the Board after a review of director compensation at comparable corporations made by the Company's management.

The cash compensation payable to the Designated Directors shall be effective as of the quarter beginning on October 1, 2006 as follows:

COMPENSATION	AMOUNT	PAYABLE TO	PAYABLE
Annual Retainer	\$25,000	Designated Directors	Quarterly
Attendance Fee	\$2,500	Designated Directors	Per Regularly Scheduled
(Full Company Board)			Company Board Meeting
Attendance Fee	\$1,000	Designated Director	Per Regularly Scheduled
(Board Committee)		Committee Members	Committee Meeting
Chairperson Fee (Audit and Compensation Committees)	\$1,500	Chairperson of Audit and Compensation Committees	Per Regularly Scheduled
			Committee Meeting
Chairperson Fee (Nominating and Corporate Governance Committee)	\$1,000	Chairperson of Nominating and Corporate Governance Committee	Per Regularly Scheduled
			Committee Meeting

Designated Directors who are also chairmen of the Company's Board committees shall receive the applicable chairperson fee in addition to a committee attendance fee for each regularly scheduled Board committee meeting.

Designated Directors shall also receive reimbursement for all reasonable out-of-pocket expenses in connection with travel to and attendance at regularly scheduled Board and Board committee meetings.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SALEM COMMUNICATIONS CORPORATION

Date: September 12, 2006

By: /s/ EVAN D. MASYR  
Evan D. Masyr  
Vice President - Accounting and Finance