

# GOVERNANCE COMMITTEE CHARTER

## Community Shores Bank Corporation

This Charter sets forth the basic principles regarding the organization, purpose, authority and responsibilities of the Governance Committee (the "Committee") of the Board of Directors of Community Shores Bank Corporation (the "Company"). This Charter has been approved by the Company's Board of Directors.

### ORGANIZATION

The Committee shall consist of at least three directors appointed by the Board of Directors. One Committee Member shall be designated by the Board of Directors as Chairperson. All Committee members shall be independent of management and the Company under applicable laws, regulations and listing requirements. Any questions concerning a Director's independence or qualification to serve on the Committee will be determined by the Board of Directors in its business judgment and in accordance with applicable rules and regulations. A Committee member may be removed for any reason by the Board of Directors.

### STATEMENT OF PURPOSE

The Committee shall assist the Board of Directors in fulfilling its responsibilities on matters or issues related to the Company's corporate governance principles and procedures. The Committee shall identify and recommend qualified individuals to become Board members, make recommendations regarding the composition of the Board of Directors and its committees, monitor the process to assess Board effectiveness, and develop, recommend, implement and update the corporate governance guidelines.

### AUTHORITY, DUTIES AND RESPONSIBILITIES

The Committee shall have the following authority, duties and responsibilities:

- In conjunction with the Board of Directors, establish qualification standards for membership on the Board of Directors and any committee of the Board of Directors, consistent with the criteria set forth in applicable rules and regulations, the various committee charters and the corporate governance guidelines. The Committee shall seek to select individuals as director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment and who shall be most effective, in conjunction with the other nominees to and members of the Board, in collectively serving the long-term interests of the stockholders;
- Lead the search for individuals qualified to become members of the Board of Directors and select and recommend to the Board of Directors nominees for election by the stockholders at the annual meeting or to fill vacancies on the Board of Directors, including, where required, nominees who will qualify as "independent" pursuant to the rules and regulations issued by the Securities and Exchange Commission;

- Recommend for selection by the Board of Directors candidates for membership in the various committees of the Board of Directors and recommend, where required, only nominees who will qualify as “independent,” together with such other qualifications as may be required by the rules and regulations issued by the Securities and Exchange Commission and any listing agreement or requirements to which the Company is subject;
- Develop and recommend to the Board of Directors corporate governance guidelines that address Board independence, leadership, size, composition, meetings and committee structure. The Committee shall review the guidelines and the Company’s adherence to the guidelines on an annual basis, and recommend any changes in the corporate governance guidelines as deemed necessary or advisable;
- Establish guidelines and procedures to determine and monitor “independence” of Directors;
- Consider applicable rules, regulations and disclosure obligations regarding the presence of a financial expert on the Audit Committee and recommend to the Board of Directors actions to address such requirements;
- Recommend to the Board of Directors for its approval key executives to serve as corporate officers;
- Annually review the Company’s committee structure;
- Recommend to the Board of Directors for its approval the individual director to be designated as the Chairperson of each of the various Board of Directors’ committees;
- Develop and recommend to the Board of Directors for its approval an annual self-evaluation of the Board and its committees, and oversee the annual self-evaluation;
- Engage search firms, consultants and legal counsel at the expense of the Company to assist the Committee as it deems necessary, including the development of criteria and the search for and evaluation of qualified candidates for Director. The Committee shall have the sole authority to retain and terminate any search firm, consultant or legal counsel and to approve all fees and other retention terms;
- Conduct and present to the Board of Directors for approval an annual performance evaluation of the Committee, including the Committee’s adherence to this Charter;
- Provide the Board of Directors with regular reports regarding the Committee’s decisions, actions and recommendations; and
- Undertake such other responsibilities as required by applicable rules and regulations.

## AMENDMENT

The Committee shall review and assess this Charter from time to time, at least annually. Amendments to this Charter shall be approved by the Board of Directors.