

**COMMUNITY FINANCIAL SHARES, INC.
AND
COMMUNITY BANK/WHEATON-GLEN ELLYN
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

I. Purpose

The primary objectives of the Nominating and Corporate Governance Committee (the “Committee”) are to assist the Board of Directors (the “Board”) of Community Financial Shares, Inc. (“CFSI”) and the Board of Directors of Community Bank/Wheaton-Glen Ellyn (the “Bank”) by: (i) identifying individuals qualified to become Board members and recommending that the Board select a group of director nominees for each annual meeting of the CFSI stockholders; (ii) ensuring that the Audit and Nominating and Corporate Governance Committees of the Board of the Bank shall have the benefit of qualified and experienced “independent” directors, and (iii) developing and recommending to the Board a set of effective corporate governance policies and procedures applicable to CFSI and the Bank. .

II. Organization

The Committee shall consist of three or more directors, two of whom shall satisfy the definition of an independent director as defined in any qualitative listing requirements for a NASDAQ Stock Market, Inc. issuer and any applicable Securities and Exchange Commission rules and regulations.

Committee members shall be elected by the Board at the annual organizational meeting of the Board of Directors of each entity. Members shall serve until their successors are appointed. The Committee’s chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect a Chairman by vote of a majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Structure and Meetings

The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting, and shall keep the minutes of the meeting. A majority of the members of the Committee shall constitute a quorum.

IV. Goals and Responsibilities

The Committee shall: (i) develop and recommend to the Board a Corporate Governance Policy (the “Policy”) applicable to each entity and review and reassess the adequacy of such Policy annually and recommend to the Board any changes deemed appropriate; (ii) develop policies of the size and composition of the Board; (iii) review possible candidates for Board membership consistent with the Board’s criteria for selecting new directors; (iv) perform Board performance evaluations; (v) annually recommend a slate of nominees to the Board with respect to nominations for the Board at the annual meeting of the Company’s stockholders; and (vi) generally advise the Board (as a whole) on corporate governance matters.

The Committee shall consider candidates suggested by management or other members of the Board or recommended by stockholders of the CFSI.

The Committee shall also advise the Board on (i) committee member qualifications; (ii) committee member appointments and removals; (iii) committee structure and operations (including authority to delegate to sub-committees); and (iv) committee reporting to the Board. The Committee shall maintain an orientation program for new directors and a continuing education program for all directors.

The Committee will annually review and reassess the adequacy of this charter and recommend any proposed changes to the Board for approval.

The Committee shall perform any other activities consistent with this charter, the bylaws of each entity and governing law and regulations as the Committee or the Board deems appropriate.

V. Performance Evaluation

The Committee shall conduct an annual performance evaluation of the Board. The evaluation shall be of the Board's contribution as a whole and specifically review areas in which the Board and/or management believes a better contribution could be made. The Committee shall also perform special performance evaluation for those directors exceeding the suggested retirement age as outlined in the Director's Retirement Policy.

VI. Committee Resources

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. The Committee shall have the authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve such search firm's fees and other retention terms.