

LONE STAR STEAKHOUSE & SALOON, INC.

CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE

A. Purpose

The primary objective of the Corporate Governance Committee (the "Committee") is to assist the Board of Directors (the "Board") in developing and recommending to the Board a set of effective corporate governance policies and procedures applicable to the Company.

B. Organization

The Committee shall consist of three or more directors, each of whom shall satisfy the applicable independence requirements of NASDAQ and any other regulatory requirements.

The Committee members shall be elected by the Board at a meeting of the Board; members shall serve until their successors shall be duly elected and qualified. 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.

C. Meetings

The Committee will meet no less than four times a year. Special meetings may be convened as required. 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.

D. Duties and Responsibilities

The Committee has the following duties:

1. Develop principles of corporate governance and recommend them to the Board for its approval;

2. Review periodically the principles of corporate governance approved by the Board to insure that they remain relevant and there is compliance with them;

3. Review periodically the Certificate of Incorporation and By-Laws of the Company and recommend to the Board changes thereto in respect of good corporate governance;

4. Review the procedures and communication plans for stockholder meetings to ensure that the rights of stockholders are fully protected, that required information concerning the Company is adequately presented and that the meeting promotes effective communication between the Company and its stockholders on matters of importance;

5. Recommend to the Board ways and means for the Board and management of the Company to communicate with stockholders between annual meetings of the stockholders;

6. Review directorships and consulting agreements of Board members for conflicts of interest;

7. Clear actual and potential conflicts of interest a Board member may have and issue to a Board member having an actual or potential conflict of interest instructions on how to conduct him/herself in matters before the Board that may pertain to such a conflict;

8. Have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors in connection with the performance of its duties and responsibilities; and

9. Take such other actions regarding the manner of governance of the Company, including the adoption of principles of corporate governance, from time to time that are in the best interests of the Company and its stockholders, as the Committee shall deem appropriate.

E. Performance Evaluation

The Committee shall conduct an annual performance evaluation of the Committee itself.