



**CHARTER OF THE  
CORPORATE GOVERNANCE COMMITTEE  
OF THE BOARD OF TRUSTEES  
OF AMERICAN FINANCIAL REALTY TRUST**

**June 8, 2004**

**(Revised July 21, 2005)**

**I. Purpose**

The Corporate Governance Committee (the “Committee”) of the Board of Trustees (“Board”) of American Financial Realty Trust (the “Company”) is appointed by, and generally acts on behalf, of the Board. The Committee’s purposes shall be:

- A. To recommend to the Board the structure and operations of the Board, including recommendations regarding the following: the number of regularly scheduled meetings of the Board, the size and composition of the Board, the size and composition of each standing committee of the Board and the compensation of the members of the Board for service as a trustee or as a member of any committee of the Board;
- B. To identify individuals qualified to serve as members of the Board, to identify and recommend one member of the Board to serve as Chairperson of the Board and to identify and recommend that the Board select the trustee nominees for the next annual meeting of shareholders and to fill vacancies;
- C. To recommend to the Board the trustee nominees for appointment to each Board committee;
- D. To oversee the annual performance evaluation of each Board member and of management and of the performance of other Board committees;
- E. To develop and recommend to the Board for adoption a set of corporate governance guidelines applicable to the Company, to oversee the implementation of the Corporate Governance Guidelines and to review the such guidelines annually; and

- F. To prepare and submit reports to the Board (at least annually) regarding all actions taken by the Committee pursuant to this charter.

## **II. Membership**

- A. The Committee shall be composed of three or more independent trustees as designated by the full Board. All members of the Committee must meet the independence requirements of the New York Stock Exchange (NYSE) listing standards.
- B. The members of the Committee shall be appointed and replaced by the Board and shall serve for one-year terms. Unless a Chairman is elected by the full Board, the members of the Committee shall designate a Chairman by majority vote of the full Committee membership. The members of the Committee shall serve until their resignation, removal by the Board or until their successors shall be appointed.

## **III. Meetings and Procedures**

- A. The Committee shall meet as often as it may deem necessary and appropriate in its judgment. A majority of the members of the Committee shall constitute a quorum.
- B. The Chairperson of the Committee or a majority of the members of the Committee may call a special meeting of the Committee.
- C. The Committee may delegate authority to one or more subcommittees or members of the Committee when appropriate, but no such delegation shall be permitted if the authority is required by a law, regulation or NYSE listing standards to be exercised by the Committee as a whole.
- D. The Committee may request that any trustees, officers, or employees of the Company, or other persons whose attendance is desired by the Committee, attend any committee meeting to provide such information as the Committee requests, and shall have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
- E. The Committee may fix its own rules of procedure, which shall be consistent with the By-laws of the Company and this Charter.
- F. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.
- G. The Committee shall report to the Board on the matters discussed at each meeting of the Committee, including describing all actions taken by the Committee at the meeting.

#### **IV. Duties and Responsibilities**

The Committee shall have the following duties and responsibilities:

##### **A. Board Size and Composition**

1. Consider and make recommendations to the Board concerning the Board's appropriate size, functions, and needs of the Board, taking into account that the Board as a whole should collectively possess a broad range of skills, expertise, industry and other knowledge and other experience useful to the effective oversight of the Company's business. The Committee will review annually the appropriate skills and characteristics required of Board members in light of the then current composition of the Board. This assessment includes considerations of (i) industry knowledge; (ii) accounting and finance; (iii) business judgment; (iv) management; (v) leadership; (vi) public company experience; (vii) business strategy; (viii) understanding of real estate transactions; (ix) corporate governance; and (x) risk management. The Board also seeks members from diverse backgrounds so that the Board consists of members with a broad spectrum of experience and expertise and with a reputation for integrity.
2. Actively consider individuals qualified to become Board members and maintain an active file of suitable candidates for consideration as nominees to the Board.
3. Recommend to the Board one member of the Board to serve as Chairperson of the Board.
4. Have the sole authority, and necessary funding, to retain, set compensation and retention terms for, and terminate any search firm to be used to identify trustee candidates.
5. Evaluate and recommend to the Board the slate of nominees for trustees to be elected by the shareholders at the Company's next annual meeting of shareholders and, where applicable, to fill vacancies. Recommendations by the Committee should include a review by the Committee of the performance and contribution of fellow trustees, as well as the qualifications of new nominees.
6. Determine policies and procedures for receiving, reviewing and evaluating nominee recommendations made by shareholders and from other sources.

##### **B. Board Committees**

1. Recommend to the Board the responsibilities of the Board committees, including each committee's structure, operations, and authority to delegate to subcommittees.
  2. Evaluate and recommend to the Board those trustees to be appointed to the various Board committees, including the persons recommended to serve as chairperson of each committee. Recommendations should consider: (i) the qualifications for membership on each committee; (ii) committee member appointment and removal and (iii) the number of boards and other committees on which each trustee serves.
- C. Evaluation of the Board and Board Committees
1. Oversee the annual evaluation of the Board and the other Board committees, and deliver a report to the Board setting forth the results of such evaluations, to be discussed with the full Board following the end of each fiscal year.
  2. Annually review and assess its own performance.
- D. General Corporate Governance Matters
1. Periodically review and assess the adequacy of the Company's Corporate Governance Guidelines and recommend any changes to the Board for its approval and adoption.
  2. Recommend general matters for consideration by the Board, including but not limited to: (i) the structure of Board meetings, including recommendations for the improvement of such meetings, and the timeliness and adequacy of the information provided to the Board prior to such meetings; (ii) policies regarding the number of other boards on which a trustee may serve; (iii) trustee orientation and training; and (iv) the functions of the Company's senior executives and the outside board positions of such executives.
  3. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for its approval.