

COMMUNITY SAVINGS BANCORP, INC.
COMMUNITY SAVINGS
JOINT AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
CHARTER

PREAMBLE

This Audit Committee Charter (the “Charter”) has been adopted by the Boards of Directors of Community Savings Bancorp, Inc. and Community Savings (collectively, the “Company”). The Audit Committee (the “Committee”) of the Boards shall review and reassess this charter annually and recommend any proposed changes to the Board for approval.

OBJECTIVES OF COMMITTEE

- To provide assistance to the Board of Directors in fulfilling its fiduciary responsibilities and oversee management’s activities relating to accounting, record keeping, financial reporting, disclosure controls and internal control over financial reporting.
- To provide a vehicle and establish a forum for the free and open communication of views and information among the Company’s directors, independent public accounting firm, internal auditor and management.
- To appoint the Company’s independent public accounting firm and evaluate its qualifications and independence.
- To perform the audit committee functions specified by the Securities and Exchange Commission (“SEC”) and the OTC Pink Marketplace (“OTCPK”).
- To establish and maintain a system for confidential complaints regarding the Company’s accounting, financial reporting, disclosure controls, and internal control over financial reporting.

ROLES AND RESPONSIBILITIES

The responsibilities of the Committee include the following:

Independent Auditors:

- Appoint an independent public accounting firm for the purpose of auditing the Company’s financial statements and, if and when required, attesting to its internal control over financial reporting.
- Assess the qualifications of the Company’s independent public accounting firm and its lead engagement partner. Oversee and evaluate the performance of such person and firm; and if necessary, remove them.

- Obtain annually from the Company's independent public accounting firm a formal written statement describing all relationships between the firm and the Company. Discuss with the Company's independent public accounting firm any relationships that may impact the objectivity and independence of such firm and take, or recommend that the Board take, appropriate actions with respect to the independence of such firm from the Company.
- If required, obtain annually from the Company's independent public accounting firm a statement regarding its quality control procedures.
- Resolve any disagreements between management and the Company's independent public accounting firm regarding accounting, financial reporting, disclosure controls, internal control over financial reporting and similar matters.
- Approve, in advance, whether specifically or in a broad basis, all audit and non-audit services to be performed for the Company by its independent public accounting firm, subject to applicable law and regulation. Negotiate and approve all fees and engagement terms of the Company's independent public accounting firm for audit and non-audit services.
- Obtain assurance from the Company's independent public accounting firm that Section 10A(b) of the Securities Exchange Act of 1934 has not been implicated.
- Review with the Company's independent public accounting firm the plan, procedures and scope of its annual audit of the Company's financial statements.
- Review annually the report of the Company's independent public accounting firm on the Company's financial statements.

Financial Reporting Review:

- Review at least annually reports on critical accounting policies, alternate treatments within GAAP and significant assumptions and estimates with respect to the Company's financial statements from its management and independent public accounting firm. Following such review, consider the financial accounting and reporting treatments preferred by the Company's independent public accounting firm.
- Review and discuss the Company's audited financial statements with management and the Company's independent public accounting firm including all of the matters indicated in Statement of Auditing Standards Number 61, *Communications with Audit Committees*, as amended (AICPA, *Professional Standards*, Vol. 1. AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. Based on such review, recommend to the board whether such audited financial statements should be included in the Company's Annual Report on Form 10-K for the relevant fiscal year.

- Review material written communications between the Company's independent public accounting firm and management including the management letter and schedule of unadjusted differences.
- Receive reports from management on the Company's material off-balance sheet liabilities and discuss the disclosure of such liabilities with management.
- Receive reports from management on material trends relating to the Company's business, operations and financial statements and discuss the disclosure of such trends with management.
- Receive reports from management on the appropriateness of any non-GAAP financial information or pro forma data to be included in the Company's public financial reports
- Review and discuss with management and the Company's independent public accounting firm prior to release any proposed earnings announcement or financial press release.
- Review and discuss with management and the Company's independent public accounting firm prior to filing the Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and any other SEC financial disclosure filings.
- Monitor the efforts of management and the Company's independent public accounting firm to cure any deficiencies noted in its financial statements or accounting processes.

Internal Control over Financial Reporting and Disclosure Controls:

- As necessary, oversee the selection, compensation and performance of the Company's internal auditor and/or internal auditing firm. Assess the qualifications and independence of the Company's internal auditor and/or internal auditing firm, as applicable.
- Discuss with the Company's management, independent public accounting firm and internal auditor and/or internal auditing firm the organization, scope, objectivity, budget and staffing of the Company's internal audit.
- Instruct that no restrictions be placed upon the scope of the internal audit. Receive reports from the Company's internal auditors regarding its computer systems, facilities and backup systems.
- Review material regulatory examination reports and internal audit reports and monitor management's compliance efforts with respect to such reports.
- Discuss with the Company's management, independent public accounting firm and internal auditor and internal auditor and/or internal auditing firm, the adequacy and effectiveness of the Company's financial and reporting controls including its internal control over financial reporting and disclosure controls.
- Review reports of management, the Company's independent public accounting firm and/or internal auditing firm on internal and quality controls including management's

report and, if and when required by applicable law or regulation, the independent public auditing firm's attestation on internal control over financial reporting.

- Receive reports from the Company's internal auditors and/or internal auditing firm regarding the Company's controls over computer systems, facilities and backup systems.
- Discuss with management on a quarterly basis its review and conclusions regarding the Company's disclosure controls and procedures, whether there has been any changes in the Company's internal control over financial reporting and whether any such changes should be disclosed in the Company's Quarterly Report on Form 10-Q and/or Annual Report on Form 10-K.

Other:

- Prepare such audit committee reports as may be required for inclusion in the Company's annual proxy statement.
- Review and approve all transactions with related parties but only to the extent required under applicable rules and regulations.
- Establish procedures for (a) the receipt, retention and treatment of any complaints received by the Company on accounting, financial reporting, internal control over financial reporting, or auditing matters and (b) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting, financial reporting, internal control over financial reporting and auditing matters.
- Reassess the adequacy of this Charter at least annually.

ORGANIZATION

- The committee shall consist of a minimum of two outside directors of the Company. All members must be (i) financially literate, (ii) able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement and (iii) able to satisfy any applicable OTCPK, SEC and other requirements with respect thereto.
- All members of the committee must be free from any relationship with the Company which would interfere with their independent judgement. Other than in his or her capacity as a member of the board of directors or any committee thereof, no audit committee member shall accept directly or indirectly any financial consulting or advisory fee from the Company. All audit committee members must meet the standards set forth in Section 10A(m)(3) of the Securities Exchange Act of 1934 and comply with all applicable independence requirements of the OTCPK, the SEC and any exchange or electronic trading system on which the Company's stock is traded.
- The Committee shall meet at least four times a year and more frequently as circumstances require. The timing of meetings shall be determined by the Committee. However, at

least once per year, the Committee shall have private meetings with each of the Company's independent public accounting firm, management and the internal auditor.

- The Committee shall create written minutes of its meetings. Following approval by the Committee, the minutes shall be reported to the Board of Directors and shall be maintained with the books and records of the Committee.
- The members of the Committee may participate in meetings of the Committee using communications equipment by which all persons participating in the meeting can hear each other.
- The Committee shall have the power to conduct or authorize investigations into any matters within its scope of responsibilities. The Committee is empowered to engage independent counsel and such other advisers as it determines necessary or appropriate to carry out its duties. The Company shall pay all expenses of such advisors and any other expenses that are necessary or appropriate, as determined by the Committee, for carrying out the Committee's duties.
- The Committee, and each member of the Committee in his or her capacity as such, shall be entitled to rely, in good faith, on information, opinions, reports or statements, or other information prepared or presented to them by (i) officers and other employees of the Company whom such member believes to be reliable and competent in the matters presented, and (ii) counsel, the Company's independent public accounting firm or other persons as to matters which the member reasonably believes to be within the professional competence of such person.
- The Committee's duties do not include planning or conducting external or internal audits or determining that the Company's financial statements are complete, accurate and in accordance with generally accepted accounting principles. Nor is it the duty of the Committee to assure compliance with laws and regulations. These are the responsibilities of management.

Adopted December 21, 2016