

BNCCORP, INC.

COMPENSATION COMMITTEE CHARTER

I. Committee Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of BNCCORP, INC. (the “Company”) is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation.

II. Committee Membership

The Committee shall consist of three or more directors. Each member of the Committee should be independent in accordance with the rules of the Nasdaq Stock Market, Inc.¹ and the OTCQX Market Rules for U.S. Banks eligibility requirements² and otherwise qualified to serve on the Committee.

The members of the Committee shall be appointed by the Board. The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

III. Duties and Responsibilities

The Committee shall have the following authority and responsibilities:

To discuss with and make recommendations to the Board regarding the corporate goals and objectives applicable to the compensation of the chief executive officer (“CEO”), to facilitate a review by the Board of the CEO’s performance in light of those goals and objectives, and the CEO’s compensation level based on this evaluation.

To review and make recommendations to the Board, after consultation with the CEO, regarding the compensation of all other executive officers.

To review and, when appropriate, recommend to the Board for approval, incentive compensation plans and equity-based plans, and where appropriate or required, recommend for approval by the stockholders of the Company, which includes the ability to adopt, amend and terminate such plans. The Committee shall also have the authority to administer the Company’s incentive compensation plans and equity-based plans, including, after consideration of the recommendations of the CEO, designation of the employees to whom the awards are to be granted,

¹ NTD: BNCC’s D&O questionnaire was drafted to comply with NASDAQ independence standards. Also, Questions 24 and 25 of the 2019 D&O questionnaire address Compensation Committee specific independence criteria from NASDAQ Rule 5605(d)(2)(A).

² NTD: No specific compensation committee independence criteria for OTCQX listed companies. General definition is: “**Independent Director**” shall mean a person other than an executive officer or employee of the Company or any other individual having a relationship which, in the opinion of the Company’s board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.”

the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan.

To review and recommend to the Board for approval, any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control, for the CEO and other executive officers.

To review and recommend to the Board for approval all employee benefit plans for executive officers of the Company.

To review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk.

To review all director compensation and benefits for service on the Board and Board committees at least once a year and to recommend any changes to the Board as necessary.

To develop and recommend to the Board for approval a CEO succession plan (the "Succession Plan"), to review the Succession Plan periodically with the Board, develop and evaluate potential candidates for executive positions and recommend to the Board any changes to, and any candidates for succession under, the Succession Plan.

IV. Outside Advisors

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a compensation consultant as necessary to assist with the execution of its duties and responsibilities as set forth in this Charter. The Committee shall set the compensation, and oversee the work, of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation, and oversee the work, of its outside legal counsel and other advisors. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisors.

In retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than the Company's in-house counsel), the Committee should take into consideration the factors specified in NASDAQ Stock Market Rule 5605(d)(3) regarding the independence of such advisors. The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

V. Structure and Operations

The Board shall designate a member of the Committee as the chairperson. The Committee shall meet at least three times a year and otherwise as frequently and at such times and places as it deems necessary to fulfill its responsibilities. The Committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee may invite such members of management to its meetings as it deems appropriate. However, the Committee shall meet regularly without such members present, and in all cases the CEO and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined.

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

VI. Delegation of Authority

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

VII. Performance Evaluation

The Committee shall conduct an annual evaluation of the performance of its duties under this charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.