

**BNCCORP, INC.**

**NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER**

***I. Committee Purpose***

The purposes of the Nominating and Corporate Governance Committee of the Board of Directors of BNCCORP, INC. shall be to:

Identify and recommend to the Board individuals qualified to serve as directors of the Company and on committees of the Board:

Advise the Board with respect to Board composition, procedures and committees;

To oversee the evaluation of the Board and any related matters required by applicable laws.

***II. Committee Membership***

The Committee shall consist of three or more directors, as determined from time to time by the Board.

Each member of the Committee shall be “independent” pursuant to the rules of the Nasdaq Stock Market, Inc., and the OTCQX Market Rules for U.S. Banks eligibility requirements and otherwise qualified to serve on the Committee.

The chairperson of the Committee shall be designated by the Board.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by a majority vote of the Board.

***III. Meetings of Committee and Committee Procedures***

The Committee shall develop its own schedule of meetings throughout the year and meet as often as it determines necessary to carry out its duties and responsibilities.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall regularly report to the Board regarding its activities.

The Committee is governed by the same rules regarding meetings and actions without meetings as are applicable to the Board.

***IV. Committee Authority and Responsibilities***

The Committee shall have the following authority and responsibilities:

**A. *Board Composition and Procedures***

- (i) To review annually with the Board the composition of the Board as a whole and to recommend measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills and expertise and diversity required by the Board.
- (ii) To periodically review and make recommendations to the Board regarding Board size.
- (iii) To make recommendations to chairperson of the Board and the chief executive officer of the Company on the frequency and structure of Board meetings.
- (iv) To make recommendations to the Board concerning any other aspect of the procedures of the Board that the Committee considers warranted.

**B. *Board Candidates and Nominees; Director Orientation and Training***

- (i) To assist in identifying, recruiting and, as appropriate, interviewing candidates to fill positions on the Board, including persons suggested by stockholders or others.
- (ii) To establish procedures or revise existing procedures to be followed by stockholders in submitting recommendations for Board candidates.
- (iii) To review the background and qualifications of individuals being considered as director candidates.
- (iv) To recommend to the Board the director nominees for election by the stockholders or appointment by the Board, as the case may be.
- (v) To oversee the Company's orientation program for new directors.
- (vi) To make a recommendation to the Board regarding the continued service as a director of each Board member when his or her term expires or when he or she has a change in status in employment or otherwise.

**C. *Board Committees***

- (i) After consultation with the chairperson of the Board and the chief executive officer of the Company, make recommendations to the Board regarding the size and composition of each standing committee of the Board and to recommend directors to fill any vacancies that might occur on a committee.
- (ii) To monitor the functioning of Board committees and to recommend to the Board any changes to committee structure or function, including the creation and elimination of committees.
- (iii) To review annually committee assignments and committee chairpersons, and to report any recommendations to the Board.

- (iv) To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

***D. Corporate Governance***

- (i) To (a) oversee the Company's corporate governance practices and procedures and identify best practices specifically applicable to the Company, and (b) review and recommend to the Board for approval the adoption of, or any changes to, the documents, policies and practices in the Company's corporate governance framework.
- (ii) To annually receive and review a report from BNC National Bank of:
  - (a) all "related party transactions" as defined by SEC Regulation SK Item 404, involving any director, nominees, the Company's officers or others as required by the corporate governance principles or SEC rules; and
  - (b) all transactions within the scope of 12 CFR Part 215 (Regulation O) .
- (iii) To consider any other corporate governance issues that arise from time to time, and to develop appropriate recommendations to the Board.

***E. Evaluation of the Board***

- (i) To develop, subject to approval by the Board, a process for the evaluation of the Board as a whole and its committees.
- (ii) To oversee the conduct of the annual evaluation of the Board and its committees and to report to the Board on the performance and effectiveness of the Board.

***V. Outside Advisors***

The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of a director search firm 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 director search firm. The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice and assistance of outside counsel, an executive or director search firm 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 counsel, the executive or director search firm and any 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 search consultants, outside counsel and any other advisors.

**VI. Delegation of Authority**

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

**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.