

## COOPERATION AGREEMENT

Cooperation Agreement (this “**Agreement**”), dated April 8, 2019, by and among the persons listed on Schedule A (collectively, the “**PL Capital Group**”, and individually a “**Member**” of the PL Capital Group), BNCCORP, INC. (the “**Company**”), and John W. Palmer (“**Palmer**”), in his capacity as the PL Capital Designee (as defined below). The Company, the PL Capital Group and Mr. Palmer are each referred to herein as a “**Party**” and collectively, as the “**Parties.**”

WHEREAS, the PL Capital Group currently beneficially owns 340,800 shares of the common stock, par value \$.01 per share, of the Company (the “**Common Stock**”), which represents approximately 9.76% of the outstanding shares of Common Stock reported by the Company in its Annual Report for the year ended December 31, 2018.

WHEREAS, on March 15, 2019, the PL Capital Group publicly announced its intention to nominate Martin Alwin for election to the Board of Directors of the Company (the “**Board**”) and to present several non-binding stockholder proposals at the Company’s 2019 Annual Meeting of Stockholders (the “**2019 Annual Meeting**”).

WHEREAS, on March 27, 2019, Palmer delivered a letter to the Company giving notice (the “**Nomination Notice**”) of his intention to nominate himself for election to the Board and to present several non-binding stockholder proposals at the 2019 Annual Meeting.

WHEREAS, the Board has considered the qualifications of Palmer (the “**PL Capital Designee**”) and conducted such review as they have deemed appropriate.

WHEREAS, the Board has determined that it is in the best interests of the Company to appoint the PL Capital Designee to the Board for a term expiring at the Company’s 2021 Annual Meeting of Stockholders (the “**2021 Annual Meeting**”) on the terms set forth in this Agreement.

WHEREAS, the Parties have determined to come to an agreement with respect to the composition of the Board and certain other matters, as provided in this Agreement.

NOW, THEREFORE, in consideration of and reliance upon the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto hereby agree as follows:

1. Board Representation.

(a) Simultaneously, with the execution of this Agreement, pursuant to Section 3.1 of the Bylaws of the Company and Section 223(a)(i) of Delaware General Corporation Law (the “**DGCL**”), the Board has appointed the PL Capital Designee to the Board for a term to expire at the 2021 Annual Meeting.

(b) The PL Capital Group hereby irrevocably withdraws the Nomination Notice with immediate effect.

(c) Subject to compliance with applicable laws and regulations, and to the extent consistent with the treatment of other members of the Board, the Board shall consult with the PL Capital Designee regarding the appointment of the PL Capital Designee to one or more committees of the Board, with the understanding that the intent of the Parties is that the PL Capital Designee shall be considered for membership on committees of the Board in a similar manner to other members of the Board.

(d) (i) If the PL Capital Group does not own, in the aggregate, shares of Common Stock equal to at least 5.0% of the outstanding shares of Common Stock (based on the number of shares of Common Stock most recently identified by the Company as outstanding in (x) the most recent Annual Report or Quarterly Report of the Company available on the website of the OTC Markets Group or (y) a written notice by the Company to the PL Capital Group) or (ii) if the Board (acting through a resolution of a majority of its members) determines that any Member of the PL Capital Group or the PL Capital Designee has materially breached the terms of this Agreement and has failed to cure such breach within 15 calendar days following written notice from the Company to such Member or the PL Capital Designee describing such breach in reasonable detail, then the Board may, in its sole discretion, request that the PL Capital Designee resign from the Board and any committees of the Board of which the PL Capital Designee is a member at such time, in which case, the PL Capital Group shall cause the PL Capital Designee to promptly deliver his or her written resignation to the Board (which shall provide for immediate resignation). If, at any time, the Board learns that the PL Capital Designee has committed, been indicted for or charged with, or made a plea of nolo contendere to a felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, then (i) the Board may, in its sole discretion, request that the PL Capital Designee resign from the Board and any committees thereof, in which case, the PL Capital Group shall cause the PL Capital Designee to promptly deliver his written resignation to the Board (which shall provide for immediate resignation) and, (ii) as promptly as practicable following such resignation (taking into account the Company's director review process, which the Company shall commence promptly upon such resignation and complete as promptly as practicable), (A) the Company and the PL Capital Group shall mutually agree upon a replacement for the PL Capital Designee and (B) such replacement shall be appointed to the Board and any committees, in each case, to serve the unexpired term of the departed PL Capital Designee, and shall be considered the PL Capital Designee for all purposes of this Agreement.

(e) Each Member of the PL Capital Group shall, and shall cause each "affiliate" and "associate" (as such terms are defined in Rule 12b-2 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of such Member of the PL Capital Group (collectively and individually the "PL Capital Affiliates") to, cause all shares of Common Stock beneficially owned, directly or indirectly, by it to be present for quorum purposes and to be voted at the 2019 Annual Meeting or at any adjournments or postponements thereof, and to consent in connection with any action by consent in lieu of a meeting, (i) in favor of each director nominated and recommended by the Board for election at such meeting, (ii) withheld with

respect to any stockholder nominations for director that are not approved and recommended by the Board for election at such meeting, (iii) against any proposals or resolutions to remove any member of the Board at such meeting and (iv) in accordance with the Board's recommendation for each other proposal at such meeting.

(f) The PL Capital Group and the PL Capital Designee agree to provide to the Company information required to be disclosed for directors, candidates for directors and their affiliates and representatives in a proxy statement or other filings under applicable laws, regulations or stock exchange rules or listing standards, information in connection with assessing the eligibility, independence and other criteria applicable to directors and information on compliance with applicable laws or regulations, and each PL Capital Designee shall consent to background checks to the extent such information is being requested of all directors of the Company, including a fully completed copy of the Company's director questionnaire in the form provided to all directors of the Company and such other information as reasonably requested by the Company from time to time with respect to the PL Capital Group and the PL Capital Designee.

(g) If, prior to the 2021 Annual Meeting, the PL Capital Designee is unable or ceases to serve on the Board due to the PL Capital Designee's death or disability then (i) the PL Capital Group shall have the right to recommend a substitute person to fill the resulting vacancy for the PL Capital Designee's term of office and (ii) the Board shall promptly appoint such replacement director to the Board (any such replacement director appointed in accordance with this Section 2(g) shall thereafter be deemed a "PL Capital Designee" under this Agreement); provided that such replacement shall (A) satisfy the conditions set forth in Section 1(h), (B) meet the standards and criteria applied by the Company in nominating and appointing directors, (C) have relevant financial and business experience, (D) be mutually satisfactory to the PL Capital Group and the Board, provided that the approval of the Board shall not be unreasonably withheld or delayed, and (E) if not a Party hereto, execute and deliver a joinder to this Agreement and agree to be bound by the terms hereof applicable to the PL Capital Designee; provided, further, that the appointment of any replacement director pursuant to this Section 2(g) shall be subject to the Board's exercise of its fiduciary duties and satisfactory completion of its customary due diligence process (including its review of a questionnaire for directors and director nominees, a background check and interviews).

(h) The PL Capital Designee shall, at all times while serving as a member of the Board (i) meet all director independence standards of the Company and, if applicable with respect to service on the Board, The NASDAQ Stock Market and the Exchange Act, including the rules and regulations promulgated thereunder, (ii) with respect to service on the Board, be qualified to serve as a director under the DGCL and the Company's Bylaws, and (iii) comply with the Clayton Antitrust Depository Institution Management Interlocks Act and the rules and regulations promulgated thereunder.

(i) At all times while serving as a director of the Company, the PL Capital Designee will receive the same benefits of directors' and officers' insurance and any indemnity and exculpation arrangements available generally to the other non-executive members of the Board and the same compensation and other benefits for his service as a

director as the compensation and other benefits received by the other non-executive members of the Board.

(j) The Parties acknowledge that the PL Capital Designee (i) shall be governed by the same obligations regarding confidentiality, conflicts of interest, related-party transactions, fiduciary duties, codes of conduct, trading and disclosure policies, director resignation policies, and corporate governance policies of the Company (collectively, “**Company Policies**”) as other directors, and (ii) shall be required to preserve the confidentiality of, and not disclose to any person, non-public information of the Company or any of its subsidiaries, including discussions or matters considered in meetings of the Board or Board committees; provided that the PL Capital Designee may provide confidential information of the Company to the PL Capital Group and the PL Capital Affiliates subject to, and solely in accordance with the terms of, a confidentiality agreement in the form attached hereto as Exhibit A (the “**PL Capital Group Confidentiality Agreement**”) (which the PL Capital Group has executed and delivered to the Company simultaneously with the execution and delivery of this Agreement). Upon the request of the PL Capital Designee, the Company shall make available to the PL Capital Designee copies of Company Policies that are in writing and in effect as of the date of such request.

(k) The PL Capital Group and the PL Capital Affiliates hereby acknowledge that they and their affiliates are aware that United States securities laws may restrict any person who has material, non-public information about a company from purchasing or selling any securities of such company while in possession of such information. Accordingly, for so long as a PL Capital Designee continues to serve as a director of the Company, the PL Capital Group shall, and shall cause the PL Capital Affiliates to, purchase and sell securities of the Company only in compliance with applicable law and the Company’s insider trading policy.

2. Standstill.

(a) During the period beginning on the date of this Agreement and ending on the day after the 2019 Annual Meeting (the “**Covered Period**”), unless specifically otherwise requested in writing by the Company, acting through a resolution of a majority of the Company’s directors, each Member of the PL Capital Group shall not, and shall cause each PL Capital Affiliate not to (except as expressly set forth in this Agreement), directly or indirectly, in any manner, alone or in concert with others:

- (i) (A) acquire, offer or agree to acquire, or acquire rights to acquire (except by way of stock dividends or other distributions or offerings made available to holders of voting securities of the Company generally on a pro rata basis), directly or indirectly, whether by purchase, tender or exchange offer, through the acquisition of control of another person, by joining a group, through swap or hedging transactions or otherwise, any voting securities of the Company or any voting rights decoupled from the underlying voting securities which would result in the ownership, control or other beneficial ownership interest in more than 9.99% of the then-outstanding shares of the Common Stock in the aggregate; (B) knowingly sell, offer or agree to sell, all or substantially all, through swap or

hedging transactions or otherwise, the voting securities of the Company or any voting rights decoupled from the underlying voting securities held by the PL Capital Group to any person who is not identified on Schedule A as a Member of the PL Capital Group or a PL Capital Affiliate (any such person, a “**Third Party**”) which would result in such Third Party having any beneficial ownership interest of 5.0% or more of the then-outstanding shares of Common Stock (except for mutual funds, exchange traded funds, pension funds or index funds with no known history of activism), or (C) engage in any short sale or any purchase, sale or grant of any option, warrant, convertible security, stock appreciation right or other similar right (including, without limitation, any put or call option or “swap transaction”) with respect to any security (other than a broad-based market basket or index) that includes, relates to or derives any significant part of its value from a decline in the market price of value of the securities of the Company;

(ii) make, engage in, or in any way participate in, directly or indirectly, any “**solicitation**” of “**proxies**” (as such terms are defined in or used under the Exchange Act and Regulation 14A thereunder) or consents to vote, or seek to advise, encourage or influence (including, for the avoidance of doubt, by encouraging or participating in any “withhold” or similar campaign) any person with respect to the voting of any securities of the Company or any securities convertible or exchangeable into or exercisable for any such securities (collectively, “**securities of the Company**”) with respect to the election or removal of directors or stockholder proposals, or become a “**participant**” (as such term is defined in or used under the Exchange Act and Regulation 14A thereunder) in any contested solicitation for the election of directors with respect to the Company (other than a solicitation or acting as a participant in support of all of the nominees of the Board at any stockholder meeting) or make, be the proponent of or cause any person to initiate any stockholder proposal pursuant to Rule 14a-8 under the Exchange Act, the Company’s Bylaws or otherwise;

(iii) form, join, encourage, influence, advise or in any way participate in any group (within the meaning of Section 13(d)(3) under the Exchange Act) with any Third Party with respect to any securities of the Company or otherwise in any manner agree, attempt, seek or propose to deposit any securities of the Company in any voting trust or similar arrangement, or subject any securities of the Company to any arrangement or agreement with respect to the voting thereof;

(iv) consciously work in parallel, or otherwise participate in a joint activity or course of action, with any Third Party (other than the Company or any of its officers or directors) toward acquiring control or otherwise exercising a controlling influence over the management and policies of the Company, whether or not pursuant to an express agreement;

(v) effect or seek to effect, offer or propose to effect, cause or participate in, or in any way assist or facilitate any other person to effect or seek, offer or propose to effect or participate in, any tender or exchange offer, merger, consolidation, acquisition, scheme, arrangement, business combination,

recapitalization, reorganization, sale or acquisition of assets, liquidation, dissolution or other extraordinary transaction involving the Company or any of its subsidiaries or any of their respective securities (each, an “**Extraordinary Transaction**”), or make any public statement with respect to an Extraordinary Transaction; provided, that the restrictions in this Section 2(a)(v) shall not apply in the event that the Company solicits proxies with respect to an Extraordinary Transaction;

(vi) (A) call, seek to call or request the call of any meeting of stockholders, including by written consent, (B) seek representation on, or nominate any candidate to, the Board, except as specifically set forth in Section 1, (C) seek the removal of any member of the Board, (D) solicit consents from stockholders or otherwise act or seek to act by written consent, (E) conduct a referendum of stockholders, or (F) make a request for any stockholder list or other books and records of the Company, whether pursuant to the DGCL, the Company’s Bylaws or otherwise;

(vii) except in connection with the enforcement of this Agreement or passive participation as a class member in any class action (which, for the avoidance of doubt, shall not include participation as a name or lead plaintiff) with respect to any event or circumstance occurring prior to the date of this Agreement, initiate, encourage or participate in any litigation against the Company or any of its subsidiaries or their respective directors or officers, or in any derivative litigation on behalf of the Company, except for testimony in any legal proceeding that may be required by law;

(viii) take any action in support of or make any proposal or request that constitutes: (A) advising, controlling, changing or influencing the Board or management of the Company, including any plans or proposals to change the number or term of directors, the removal of any directors, or to fill any vacancies on the Board, (B) any material change in the capitalization, stock repurchase programs and practices or dividend of the Company, (C) any other material change in the Company’s management, business or corporate structure, (D) seeking to have the Company waive or make amendments or modifications to the Company’s Certificate of Incorporation or Bylaws, or other actions that may impede or facilitate the acquisition of control of the Company by any person, or (E) causing a class of securities of the Company to be delisted from, or to cease to be authorized to be quoted on, any securities exchange; provided however, that this Section 2(a)(viii) shall not preclude any Member of the PL Capital Group or any PL Capital Affiliate from privately communicating directly with the Chief Executive Officer of the Company regarding their views as shareholders on the Company’s management, business, financial performance, corporate structure or governance provided that such communications are and remain nonpublic and confidential, could not reasonably be expected by the Company to require public disclosure by any Party hereto and are not prohibited by applicable law or regulation;

(ix) make any public disclosure, announcement or statement regarding any intent, purpose, plan or proposal with respect to the Board, the Company, any subsidiary of the Company, the Company's officers or directors, policies or affairs, any securities of the Company, the Company's assets or this Agreement that is inconsistent with the provisions of this Agreement;

(x) enter into any negotiations, agreements or understandings with any Third Party with respect to any of the foregoing, or advise, assist, knowingly encourage or seek to persuade any Third Party to take any action or make any statement with respect to any of the foregoing, or otherwise take or cause any action or make any statement inconsistent with any of the foregoing; or

(xi) make or in any way advance any request or proposal to amend, modify or waive any provision of this Agreement other than in a nonpublic and confidential manner and which nonpublic and confidential request could not reasonably be expected by the Company to require public disclosure by any Party hereto.

(b) Nothing in this Section 2 shall limit the PL Capital Designee, during the term of any service as a director of the Company, from taking actions solely in the PL Capital Designee's capacity as a director of the Company (including voting on any matter submitted for consideration by the Board, participating in deliberations or discussions of the Board and making suggestions or raising issues to the Board; provided that the PL Capital Designee does not breach any applicable fiduciary duty) and complying with applicable fiduciary duties and requirements under applicable law for compliance therewith by the members of the Board, including requirements with respect to the disclosure or other treatment of conflicts of interest and similar circumstances, so long as such actions are consistent with the PL Capital Designee's obligations and representations under the other Sections of this Agreement.

For purposes of this Agreement the terms "person" or "persons" shall mean any individual, corporation (including any not-for-profit corporation), general or limited partnership, limited liability or unlimited liability company, joint venture, estate, trust, association, organization or other entity of any kind or nature.

3. Representations of the Company. The Company represents and warrants as follows: (a) the Company has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and to consummate the transactions contemplated hereby, and (b) this Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company and is enforceable against the Company in accordance with its terms except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the right of creditors and subject to general equity principles.

4. Representations of the PL Capital Group. Each Member of the PL Capital Group, jointly and severally, represents and warrants as follows: (a) each Member of the PL Capital Group has the power and authority to execute, deliver and carry out the terms and provisions of this

Agreement and to consummate the transactions contemplated hereby, (b) this Agreement has been duly and validly authorized, executed and delivered by each Member of the PL Capital Group, constitutes a valid and binding obligation and agreement of each Member of the PL Capital Group and is enforceable against each Member of the PL Capital Group in accordance with its terms except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the right of creditors and subject to general equity principles, (c) the PL Capital Group, together with the PL Capital Affiliates, beneficially owns, directly or indirectly, an aggregate of 340,800 shares of Common Stock and such shares of Common Stock constitute all of the Common Stock beneficially owned by the PL Capital Group and the PL Capital Affiliates or in which the PL Capital Group or the PL Capital Affiliates have any interest or right to acquire, whether through derivative securities, voting agreements or otherwise and owns no Synthetic Equity Interests or any Short Interests (each term as defined below in the Company, (d) the PL Capital Designee satisfies the conditions set forth in Section 1(h), (e) none of the PL Capital Group or any PL Capital Affiliate has formed, or has any present intent to form, a group (within the meaning of Section 13(d)(3) under the Exchange Act) with any Third Party in relation to the Company or securities of the Company and (f) none of the PL Capital Group or any PL Capital Affiliate has consciously worked in parallel, or otherwise participated in a joint activity or course of action, with any Third Party (other than the Company or any of its officers or directors) toward acquiring control or otherwise exercising a controlling influence over the management and policies of the Company, whether or not pursuant to an express agreement.

For purposes of this Agreement, (a) the term “**Short Interests**” means any agreement, arrangement, understanding or relationship, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, engaged in, directly or indirectly, by such person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of shares of any class or series of the Company’s equity securities by, manage the risk of share price changes for, or increase or decrease the voting power of, such person with respect to the shares of any class or series of the Company’s equity securities, or which provides, directly or indirectly, the opportunity to profit from any decrease in the price or value of the shares of any class or series of the Company’s equity securities; and (b) the term “**Synthetic Equity Interests**” means any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such person, the purpose or effect of which is to give such person economic risk similar to ownership of equity securities of any class or series of the Company, including due to the fact that the value of such derivative, swap or other transactions are determined by reference to the price, value or volatility of any shares of any class or series of the Company’s equity securities, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares of any class or series of the Company’s equity securities, without regard to whether (i) the derivative, swap or other transactions convey any voting rights in such equity securities to such person; (ii) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such equity securities; or (iii) such person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transactions.

5. Term.



(a) This Agreement is effective as of the date hereof and shall remain in full force and effect for the period commencing on the date hereof and ending on the earlier of (i) the day after the 2021 Annual Meeting and (ii) the day after the PL Capital Designee shall voluntarily resign as a member of the Board (except in the circumstances described in Section 1(d) and 1(g)) and the PL Capital Group has provided written notice to the Company that it does not intend to designate a replacement for such PL Capital Designee; provided, however, that if (A) the Company has materially breached the terms of this Agreement and has failed to cure such breach within 15 calendar days following written notice from the PL Capital Group to the Company describing such breach in reasonable detail or (B) any Member of the PL Capital Group has materially breached the terms of this Agreement and has failed to cure such breach within 15 calendar days following written notice from the Company to such Member of the PL Capital Group describing such breach in reasonable detail, then the PL Capital Group (in the case of any breach by the Company) or the Company (in the case of any breach by any Member of the PL Capital Group) may terminate this Agreement on written notice to the other Parties hereto, and this Agreement shall terminate, and, if not previously expired, the Covered Period shall end, on the date on which such notice is deemed to be given in accordance with Section 9.

(b) The provisions of Section 7 through Section 14 and the PL Capital Group Confidentiality Agreement shall survive the termination of this Agreement. The termination pursuant to Section 5(a) shall not relieve any Party hereto from liability for any breach of this Agreement prior to such termination.

6. Public Announcement and Non-Defamation.

(a) No later than the next business day following the execution and delivery of this Agreement, the Company shall issue the press release in the form attached hereto as Exhibit B (the “**Press Release**”).

(b) The Company and the PL Capital Group shall not, and shall cause their respective affiliates (including, for the avoidance of doubt, the PL Capital Affiliates) and representatives not to, (i) prior to the issuance of the Press Release, issue any press release or public announcement regarding this Agreement without the prior written consent of the other Parties hereto, and (ii) during the Covered Period, make any public statement, disclosure or announcement with respect to this Agreement or the actions contemplated hereby that is inconsistent with the Press Release, except as required by applicable law or regulation, pursuant to the rules or listing standards of any stock exchange or with the prior written consent of the other Party.

(c) Each of the Company, the Members of the PL Capital Group, and the PL Capital Designee covenants and agrees that neither it nor any of its respective subsidiaries, affiliates (including, for the avoidance of doubt, with respect to the PL Capital Group, the PL Capital Affiliates), successors, assigns, officers, key employees or directors shall in any way disparage (or cause to be disparaged), attempt to discredit, make derogatory statements with respect to, or otherwise call into disrepute, the other Parties to this Agreement or such other Parties’ subsidiaries, affiliates, successors, assigns, officers (including any current, future or former officer of a Party or a Party’s subsidiaries), directors (including any

current, future or former director of a Party or a Party's subsidiaries), employees, agents, attorneys or representatives, or any of their practices, procedures, business operations, products or services, in any manner. The restrictions in this Section 6(c) shall not (i) apply in any compelled testimony or production of information, whether by legal process, subpoena or as part of a response to a request for information from any governmental authority with jurisdiction over the Party from whom information is sought, in each case, to the extent required or (ii) prohibit any person from reporting possible violations of federal law or regulation to any governmental authority pursuant to Section 21F of the Exchange Act or Rule 21F promulgated thereunder.

7. Specific Performance; Forum; Choice of Law. The Parties each acknowledge and agree that money damages would not be a sufficient remedy for any breach (or threatened breach) of this Agreement by it and that, in the event of any breach or threatened breach hereof, (a) the non-breaching Party shall be entitled to seek injunctive and other equitable relief, without proof of actual damages; (b) the breaching Party shall not plead in defense thereto that there would be an adequate remedy at law; and (c) the breaching Party agrees to waive any applicable right or requirement that a bond be posted by the non-breaching Party. Such remedies shall not be the exclusive remedies for a breach of this Agreement but shall be in addition to all other remedies available at law or in equity. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. Each of the Parties (a) irrevocably and unconditionally consents to the personal jurisdiction and venue of the Delaware Court of Chancery located in Wilmington, Delaware; (b) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court; (c) agrees that it shall not bring any action relating to this Agreement or otherwise in any court other than such court; and (d) waives any claim of improper venue or any claim that that court is an inconvenient forum. The Parties agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 9 or in such other manner as may be permitted by applicable law, shall be valid and sufficient service thereof. Each of the Parties, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waives any right that such Party may have to a trial by jury in any litigation based upon or arising out of this Agreement or any related instrument or agreement, or any of the transactions contemplated thereby, or any course of conduct, dealing, statements (whether oral or written), or actions of any of them. No Party shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

8. Entire Agreement; Amendment. This Agreement (including its exhibits and schedules) and the PL Capital Group Confidentiality Agreement) constitute the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, memoranda, arrangements and understandings, both written and oral, among the Parties, or any of them, with respect to the subject matter hereof. This Agreement may be amended only by an agreement in writing executed by the Parties hereto, and no waiver of compliance with any provision or condition of this Agreement and no consent provided for in this Agreement shall be effective unless evidenced by a written instrument executed by the Party against whom such waiver or consent is to be effective. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof,

nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

9. Notices. All notices, consents, requests, instructions, approvals and other communications provided for herein and all legal process in regard hereto shall be in writing and shall be deemed validly given, made or served, if (a) given by facsimile or email, when such facsimile or email is transmitted to the facsimile number or email address, if any, set forth below and appropriate confirmation is received or (b) if given by any other means, when actually received during normal business hours at the address specified in this Section 9:

If to the Company:

BNCCORP, INC.  
222 East Main Avenue  
Bismarck, North Dakota 58501  
Facsimile: 612-305-2213  
Attention: Chief Executive Officer  
Corporate Secretary

With a copy (which shall not constitute notice) to:

Kaplan, Strangis and Kaplan, P.A.  
5500 Wells Fargo Center  
Minneapolis, Minnesota 55402  
Facsimile: (612) 379-1143  
Attention: James C. Melville

If to Mr. Palmer:

c/o PL Capital, LLC  
750 Eleventh Street South, Suite 202  
Naples, Florida 34102  
Facsimile: (630) 848-1342  
Attention: John W. Palmer

If to a Member of the PL Capital Group:

c/o PL Capital, LLC  
750 Eleventh Street South, Suite 202  
Naples, Florida 34102  
Facsimile: (630) 848-1342  
Attention: John W. Palmer  
Richard J. Lashley

With a copy (which shall not constitute notice) to:

Foley & Lardner LLP  
321 North Clark Street  
Chicago, Illinois 60654  
Facsimile: (312) 832-4700  
Attention: Phillip M. Goldberg

10. Expenses. The Company shall reimburse PL Capital Group for their documented out of pocket fees and expenses (including legal expenses) incurred in connection with the Palmer's nomination notice, all matters related to the 2019 Annual Meeting and the negotiation and execution of this Agreement; provided that such reimbursement shall not exceed \$25,000 in the aggregate. Payment shall be made as expeditiously as possible, but in any event shall be made within ten (10) business days following the Company's receipt of documentation supporting such expenses.

11. Severability. If at any time subsequent to the date hereof, any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon the legality or enforceability of any other provision of this Agreement.

12. Counterparts. This Agreement may be executed in two or more counterparts either manually or by electronic or digital signature (including by facsimile or email transmission), each of which shall be deemed to be an original and all of which together shall constitute a single binding agreement on the Parties, notwithstanding that not all Parties are signatories to the same counterpart.

13. No Third Party Beneficiaries; Assignment. This Agreement is solely for the benefit of the Parties hereto and is not binding upon or enforceable by any other persons. No Party to this Agreement may assign its rights or delegate its obligations under this Agreement, whether by operation of law or otherwise, and any assignment in contravention hereof shall be null and void. Nothing in this Agreement, whether express or implied, is intended to or shall confer any rights, benefits or remedies under or by reason of this Agreement on any persons other than the Parties hereto, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party.

14. Interpretation and Construction. When a reference is made in this Agreement to a Section, such reference shall be to a Section of this Agreement, unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" and "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The word "will" shall be construed to have the same meaning as the word "shall." The words "dates hereof" will refer to the date of this Agreement. The word "or" is not exclusive. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. References herein to either gender include the other gender. Any agreement, instrument, law, rule, regulation or statute defined or referred to herein means, unless

otherwise indicated, such agreement, instrument, law, rule, regulation or statute as from time to time amended, modified or supplemented. Each of the Parties hereto acknowledges that it has been represented by counsel of its choice throughout all negotiations that have preceded the execution and delivery of this Agreement, and that it has executed and delivered the same with the advice of such counsel. Each Party cooperated and participated in the drafting and preparation of this Agreement and the documents referred to herein, and any and all drafts relating thereto exchanged among the Parties shall be deemed the work product of all of the Parties and may not be construed against any Party by reason of its drafting or preparation. Accordingly, any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against any Party that drafted or prepared it is of no application and is hereby expressly waived by each of the Parties hereto, and any controversy over interpretations of this Agreement shall be decided without regard to events of drafting or preparation.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the Parties hereto has executed this Cooperation Agreement or caused the same to be executed by its duly authorized representative as of the date first above written.

**BNCCORP, INC.**

By: Timothy J. Franz  
Name: Timothy J. Franz  
Title: President and CEO

\_\_\_\_\_  
John W. Palmer

\_\_\_\_\_  
Curtis Thompson

**PL CAPITAL, LLC**

By: \_\_\_\_\_  
Name: John W. Palmer  
Title: Managing Member

**PL CAPITAL ADVISORS, LLC**

By: \_\_\_\_\_  
Name: John W. Palmer  
Title: Managing Member

**FINANCIAL EDGE FUND, L.P.**

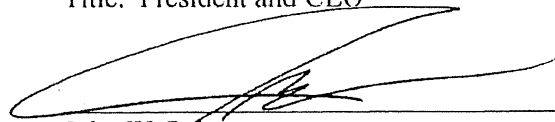
By: PL CAPITAL, LLC, General Partner

By: \_\_\_\_\_  
Name: John W. Palmer  
Title: Managing Member

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By: \_\_\_\_\_  
Name: John W. Palmer  
Title: Managing Member

**FINANCIAL EDGE-STRATEGIC FUND, L.P.**

By: PL CAPITAL, LLC, General Partner

By: 

Name: John W. Palmer

Title: Managing Member

**PL CAPITAL/FOCUSED FUND, L.P.**

By: PL CAPITAL, LLC, General Partner

By: 

Name: John W. Palmer

Title: Managing Member

**GOODBODY/PL CAPITAL, L.P.**

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By: 

Name: John W. Palmer

Title: Managing Member

**GOODBODY/PL CAPITAL, LLC**

By: 

Name: John W. Palmer

Title: Managing Member

\_\_\_\_\_  
Richard J. Lashley

\_\_\_\_\_  
Martin P. Alwin



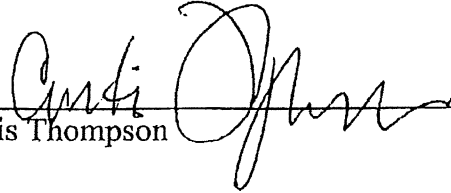
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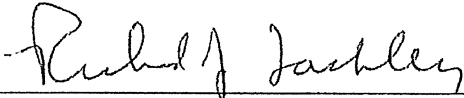
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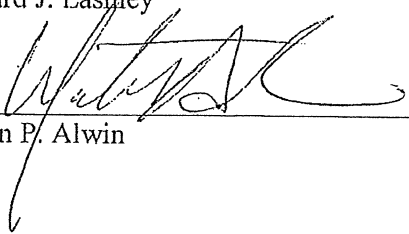
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Richard J. Lashley

  
\_\_\_\_\_  
Martin P. Alwin

**SCHEDULE A**

**Members of PL Capital Group**

PL Capital, LLC

PL Capital Advisors, LLC

Financial Edge Fund, L.P.

Financial Edge-Strategic Fund, L.P.

PL Capital/Focused Fund, L.P.

Goodbody/PL Capital, L.P.

Goodbody/PL Capital, LLC

John W. Palmer

Richard J. Lashley

Curtis Thompson

Martin P. Alwin

**EXHIBIT A**

**FORM OF PL CAPITAL GROUP  
CONFIDENTIALITY AGREEMENT**

[See Attached]

PERSONAL AND CONFIDENTIAL

April 8, 2019

PL Capital Group c/o PL Capital, LLC  
750 Eleventh Street South, Suite 202  
Naples, FL 34102

Ladies and Gentlemen:

This letter agreement shall become effective upon the appointment of the PL Capital Designee to the Board of Directors (the "**Board**") of BNCCORP, INC. (the "**Company**") pursuant to the cooperation agreement, dated as of the date hereof, between the Company and you (the "**Cooperation Agreement**"). Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Cooperation Agreement. Upon the terms of, and subject to the conditions in, this letter agreement, you and your Representatives (as defined below), may receive certain information about the Company and its subsidiaries from John W. Palmer or his replacement chosen in accordance with the Cooperation Agreement (Mr. Palmer and any such replacement, the "**PL Capital Designee**") that is confidential and proprietary, the disclosure of which could harm the Company and its subsidiaries. You understand and agree that the PL Capital Designee shall be subject to his or her fiduciary duties to the Company and its stockholders. It is understood and agreed that the PL Capital Designee shall not disclose to you or your Representatives (i) any information of a third party in the possession of the Company or any of its subsidiaries that, based on advice of legal counsel, the Company or any of its subsidiaries is prohibited from disclosing pursuant to any contractual or other legal obligation or duty of confidentiality to such third party of which the PL Capital Designee has previously been notified; provided that, at the request of the PL Capital Designee, the Company will use commercially reasonable efforts to obtain a waiver or consent from any such third party to permit the PL Capital Designee to share such information with you and your Representatives pursuant to the terms of this agreement; or (ii) any legal advice provided by external or internal counsel to the Company or any of its subsidiaries if such disclosure may constitute a waiver of the Company's or any of its subsidiaries' attorney-client privilege or attorney work-product privilege (both with respect to internal and external legal counsel) that is identified as such to the PL Capital Designee by or on behalf of the Company or any of its subsidiaries.

As a condition to being furnished such information, you agree to treat any information, whether written or oral, concerning the Company or any of its subsidiaries that is furnished to you or your Representatives by or on behalf of the PL Capital Designee, the Company or its Representatives (herein collectively referred to as the "**Confidential Information**") on or after the date hereof in accordance with the provisions of this letter agreement, and to take or abstain from taking certain other actions as set forth herein. The term "Confidential Information" includes, without limitation, all data or other documents furnished to you or your Representatives (as defined below) or prepared by you or your Representatives to the extent such materials reflect or are based upon the Confidential Information. The term "Confidential Information" does not include information that (a) is or becomes available to you or your Representatives on a nonconfidential basis from a source other than the Company or its Representatives; provided that such source is not known by you or your Representatives to be bound by a confidentiality agreement with, or other contractual, legal

or fiduciary obligation to, the Company or any of its subsidiaries that prohibits such disclosure, (b) is or becomes generally available to the public other than as a result of a disclosure by you or your Representatives in violation of this letter agreement, (c) has been or is independently developed by you or your Representatives without the use of the Confidential Information or (d) was already in your or your Representatives' possession on a nonconfidential basis prior to receiving such information from the Company or any of its Representatives hereunder; provided that the source of such information is not known by you or your Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation to, the Company or any of its subsidiaries that prohibits such disclosure. For purposes of this letter agreement, the term "**Representatives**" shall include (i) with respect to you, your affiliated funds (collectively, the "**Funds**") and your and your Funds' general (but not limited) partners, managing members, managers, directors, officers, employees, agents, representatives, attorneys, accountants, financial advisors and other professional representatives, in each case, acting on your behalf; provided that the term Representatives shall expressly exclude, to the extent they do not receive Confidential Information from you or on your behalf, (x) your portfolio companies or any other companies in which you have an investment and (y) any of your Funds' portfolio companies and any other companies in which they have an investment; and (ii) with respect to the Company, its subsidiaries, and its and their respective directors, officers, employees, agents, representatives, attorneys, accountants, financial advisors and other professional representatives.

1. You hereby agree that the Confidential Information will be kept confidential and used solely for the purpose of monitoring and evaluating your investment in the Company; provided, however, that the Confidential Information may be disclosed (i) to any of your Representatives who need to know such information solely for the purpose of a monitoring and evaluating your investment in the Company, (ii) in accordance with paragraph 3 of this letter agreement, or (iii) as the Company may otherwise consent in writing. All such Representatives shall (A) be informed by you of the confidential nature of the Confidential Information, (B) agree to keep the Confidential Information strictly confidential, and (C) be advised of the terms of this letter agreement. You agree to be responsible for any breaches of any of the provisions of this letter agreement by any of your Representatives as if they were party hereto (it being understood that such responsibility shall be in addition to and not by way of limitation of any right or remedy the Company may have against your Representatives with respect to such breach). For the avoidance of doubt, nothing in this letter agreement shall prevent you or your Affiliates from trading or engaging in any derivative or other transaction involving the Company's securities subject to applicable law, the terms of this agreement and, so long as the PL Capital Designee is an individual employed by the undersigned or one of the PL Capital Affiliates, compliance with the Company's insider trading policy and the terms of the Cooperation Agreement.

2. You hereby acknowledge that you and your Representatives are aware that the Confidential Information may contain material, non-public information about the Company, and that the U.S. securities laws may restrict any person who has material, non-public information about a company from purchasing or selling any securities of such company while in possession of such information, and further acknowledge your obligations and those of your Representatives (as applicable) under Section 2(j)-(k) of the Cooperation Agreement.

3. Notwithstanding anything to the contrary provided in this letter agreement, in the event you or any of your Representatives are required by deposition, interrogatory, request for documents, subpoena, court order, similar judicial process, civil investigative demand or similar process or pursuant to a formal request from a regulatory examiner (any such requested or required disclosure, an "External Demand") or are otherwise required pursuant to applicable law, regulation or the rules of any national securities exchange (as determined based on advice of outside legal counsel) to disclose all or any part of the Confidential Information, you agree, and you agree to cause your Representatives, to the extent permitted by applicable law, to (a) promptly notify the Company of the existence, terms and circumstances surrounding such External Demand or other requirement, (b) consult with the Company on the advisability of taking legally available steps to resist or narrow such request or disclosure, and (c) in the case of any External Demand, assist the Company, at the Company's request and expense, in seeking a protective order or other appropriate remedy to the extent available under the circumstances. In the event that such protective order or other remedy is not obtained or not available or that the Company waives compliance with the provisions hereof, (i) you or your Representatives, as the case may be, may disclose only that portion of the Confidential Information which you or your Representatives are advised by outside legal counsel is legally required to be disclosed, and you or your Representatives shall (in the case of any External Demand), at the Company's request and expense, exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information, and (ii) you and your Representatives shall not be liable for such disclosure, unless such disclosure was caused by or resulted from a previous disclosure by you or your Representatives in violation of this letter agreement. For the avoidance of doubt, it is understood and agreed that there shall be no "applicable law," "regulation" or "rule" requiring you or your Representatives to disclose any Confidential Information solely by virtue of the fact that, absent such disclosure, you or your Affiliates or Representatives would be prohibited from purchasing, selling or engaging in derivative or other voluntary transactions with respect to the securities of the Company or you or your Affiliates or Representatives would be unable to file any proxy materials or tender or exchange offer materials in compliance with Section 14 of the Exchange Act or the rules promulgated thereunder; provided, however, that following the Restricted Period, in connection with the filing or dissemination of proxy materials in compliance with Section 14(a) of the Exchange Act or the rules promulgated thereunder, you may, solely to the extent you and the Company agree in good faith that such disclosure is required by applicable law, including Section 14 of the Exchange Act or the rules promulgated thereunder, and after consultation with outside counsel, disclose Confidential Information; provided further, that you shall have previously afforded the Company reasonable opportunity to review such disclosure and reflect any changes that may be reasonably necessary to maintain the confidential nature of such Confidential Information in a manner that complies with applicable law.

4. Upon the Company's demand following the termination of this letter agreement in accordance with its terms, you and your Representatives shall either promptly (at your option) (a) destroy the Confidential Information and any copies thereof, or (b) return to the Company all Confidential Information and any copies thereof, and, in either case, confirm in writing to the Company that all such material has been destroyed or returned, as applicable, in compliance with this letter agreement; provided that (i) you and your Representatives shall be permitted to retain Confidential Information to the extent necessary to comply with applicable law, professional standards or such person's document retention policies of general application, or to the extent disclosed pursuant to an External Demand, and (ii) the foregoing shall not require the deletion of



Confidential Information from computer archives maintained in the ordinary course. Notwithstanding the destruction or return of Confidential Information, you and your Representatives shall continue to be bound by the obligations contained herein with respect to any Confidential Information retained by you or your Representatives for such period of time as you and such Affiliates or Representatives retain such Confidential Information until such Confidential Information is returned or destroyed or no longer constitutes Confidential Information pursuant to the terms hereof.

5. You acknowledge and agree that money damages would not be a sufficient remedy for any breach (or threatened breach) of this letter agreement by you or your Representatives and that the Company shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach (or threatened breach), without proof of damages, and each party further agrees to waive, and use its reasonable best efforts to cause its Representatives to waive any requirement for the securing or posting of any bond in connection with any such remedy. Such remedies shall not be the exclusive remedies for a breach of this letter agreement, but will be in addition to all other remedies available at law or in equity.

6. You agree that (a) none of the Company or its Representatives shall have any liability to you or your Representatives resulting from the selection, use or content of the Confidential Information by you or your Representatives and (b) none of the Company or its Representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of any Confidential Information. This letter agreement shall not create any obligation on the part of the Company or its Representatives to provide you or your Representatives with any Confidential Information, nor shall it entitle you or your Representatives (other than the PL Capital Designee in his capacity as a director of the Company) to participate in any meeting of the Board or any committee thereof. You and your Representatives shall not directly or indirectly initiate contact or communication with any executive or employee of, or advisor to, the Company other than as permitted by the terms of the Cooperation Agreement and as otherwise may be approved in writing by the Company, in each case, concerning Confidential Information; provided, however, the restrictions set forth in this sentence shall not apply to the PL Capital Designee. All Confidential Information shall remain the property of the Company and its subsidiaries. Neither you nor any of your Representatives shall by virtue of any disclosure of and/or your or their use of any Confidential Information acquire any rights with respect thereto, all of which rights shall remain exclusively with the Company and its subsidiaries.

7. No failure or delay by any party or any of its Representatives in exercising any right, power or privilege under this letter agreement shall operate as a waiver thereof, and no modification hereof shall be effective, unless in writing and signed by the parties.

8. The illegality, invalidity or unenforceability of any provision hereof under the laws of any jurisdiction shall not affect its legality, validity or enforceability under the laws of any other jurisdiction, nor the legality, validity or enforceability of any other provision.

9. This letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware. Each of the parties (a) irrevocably and unconditionally consents to the personal jurisdiction and venue of the Delaware Court of Chancery located in Wilmington, Delaware; (b) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion

or other request for leave from such court; (c) agrees that it shall not bring any action relating to this letter agreement or otherwise in any court other than such court; and (d) waives any claim of improper venue or any claim that such court is an inconvenient forum. Each of the parties, after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waives any right that such party may have to a trial by jury in any litigation based upon or arising out of this letter agreement or any related instrument or agreement, or any of the transactions contemplated thereby, or any course of conduct, dealing, statements (whether oral or written), or actions of any of them. No party shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

10. This letter agreement and the Cooperation Agreement (including the schedules and exhibits thereto) constitute the only agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. This letter agreement may be amended only by an agreement in writing executed by the parties hereto.

11. This letter agreement may be executed in separate counterparts (including by fax, .jpeg, .gif, .bmp and .pdf), each of which when so executed shall be an original, but all such counterparts shall together constitute one and the same instrument.

12. Except as otherwise set forth herein, this letter agreement shall terminate two (2) years from the date on which the PL Capital Designee ceases to be a director of the Company; provided that you and your Representatives shall maintain in accordance with the confidentiality obligations set forth herein any Confidential Information constituting trade secrets for such longer time as such information constitutes a trade secret of the Company or any of its subsidiaries under applicable law; and provided further, that any liability for breach of this letter agreement prior to such termination shall survive such termination.

13. Each of the parties acknowledges that it has been represented by counsel of its choice throughout all negotiations that have preceded the execution of this letter agreement, and that it has executed this letter agreement with the advice of such counsel. Each party and its counsel cooperated and participated in the drafting and preparation of this letter agreement and the documents referred to herein, and any and all drafts relating thereto exchanged among the parties shall be deemed the work product of all of the parties and may not be construed against any party by reason of its drafting or preparation. Accordingly, any rule of law or any legal decision that would require interpretation of any ambiguities in this letter agreement against any party that drafted or prepared it is of no application and is hereby expressly waived by each of the parties hereto, and any controversy over interpretations of this agreement shall be decided without regards to events of drafting or preparation.

[Signature pages follow.]

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By: Timothy J. Franz

Name: Timothy J. Franz

Title: President and CEO

\_\_\_\_\_  
John W. Palmer

\_\_\_\_\_  
Curtis Thompson

**PL CAPITAL, LLC**

By: \_\_\_\_\_

Name: John W. Palmer

Title: Managing Member

**PL CAPITAL ADVISORS, LLC**

By: \_\_\_\_\_

Name: John W. Palmer

Title: Managing Member

**FINANCIAL EDGE FUND, L.P.**

By: PL CAPITAL, LLC, General Partner

By: \_\_\_\_\_

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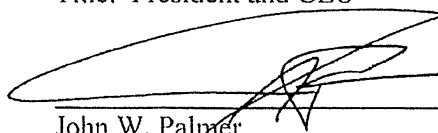
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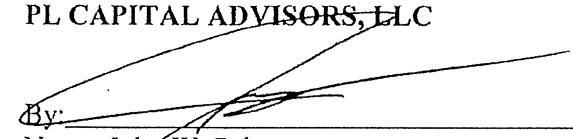
  
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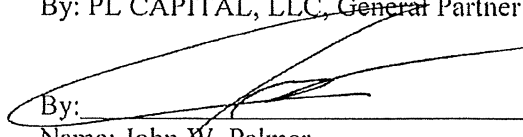
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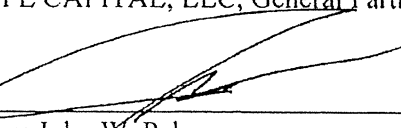
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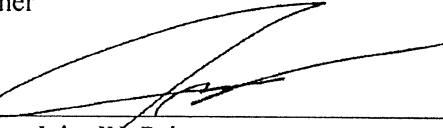
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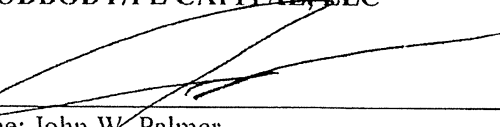
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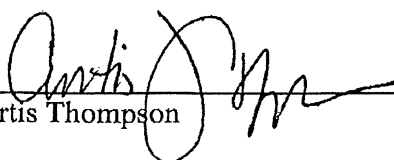
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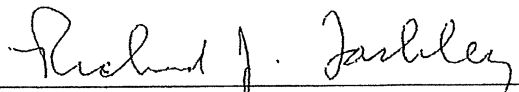
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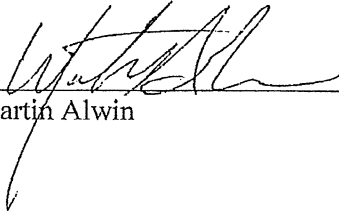
**GOODBODY/PL CAPITAL, LLC**

By: \_\_\_\_\_

Name: John W. Palmer

Title: Managing Member

\_\_\_\_\_  
Richard J. Lashley

  
\_\_\_\_\_  
Martin Alwin



**EXHIBIT B**  
**FORM OF PRESS RELEASE**

[See Attached]

## John Palmer Joins BNCCORP Board of Directors

- Palmer's term expires at the 2021 Annual Meeting
- PL Capital Group Agrees to Support BNC Nominees and Proposals at 2019 Annual Meetings
- Company terminating Rights Plan

BISMARCK, ND, April 9, 2019 – BNCCORP, INC. (BNC or the Company) (OTCQX Markets: BNCC), which operates community banks and wealth management businesses in North Dakota, Arizona and Minnesota, and has mortgage banking offices in Illinois, Kansas, Missouri, Minnesota, Arizona and North Dakota, today reported that John W. Palmer has joined BNC's Board of Directors for a term to expire at the Company's 2021 Annual Meeting of Stockholders.

Timothy J. Franz, BNC's President and Chief Executive Officer, said, "We are looking forward to welcoming John to BNC's Board of Directors. He brings extensive business, financial and banking industry experience to the board as the Company continues to focus on creating value for its shareholders, and we think he will be a fine addition to the board."

Mr. Palmer, a co-founder and principal at PL Capital Advisors, LLC, had previously provided notice to the Company of his intent to nominate himself for election to the Company's Board of Directors and to make other non-binding proposals at the Company's 2019 Annual Meeting of Stockholders. PL Capital Advisors, LLC and its affiliates (collectively, the "PL Capital Group"), an investment firm, own approximately 9.76% of the Company's outstanding stock. PL Capital Group has agreed to vote its shares in support of all of the Company's nominees for election

at the Company's 2019 Annual Meeting of Stockholders and to abide by certain cooperation provisions until the day following that meeting. Previously, the PL Capital Group had announced its intention to nominate Martin Alwin, another PL Capital executive, for election to the Company's Board of Directors. Mr. Palmer's notice to the Company was in lieu of any notice of intent to nominate Mr. Alwin. The complete Cooperation Agreement between BNC and PL Capital will be posted on the Company's website at [www.bnccorp.com](http://www.bnccorp.com).

The Company also announced that its Board has authorized the termination of its Rights Plan. Mr. Franz noted that, "We know from experience that stockholder rights plans can be an effective tool in defending against efforts to obtain control of a company without paying stockholders an appropriate control premium for their shares, particularly in circumstances where a potential acquiror may not be subject to or comply with customary Securities and Exchange Commission ownership reporting requirements. However, we are also aware that many stockholders and stockholder advocates object to the existence of stockholder rights plans for an extended period of time absent a stockholder vote. Accordingly, we are terminating the Company's Rights Plan that has been in existence since 2001 in response to discussions with some of our stockholders. In the future, the Board of Directors may consider the adoption of a stockholder rights plan if it considers it appropriate under the circumstances."

#### About John W. Palmer

Mr. Palmer is a co-founder and principal of PL Capital Advisors, LLC. PL Capital Advisors is a registered investment advisory firm specializing in the banking industry. Prior to co-founding PL Capital in 1996, Mr. Palmer was employed by KPMG LLP, an international public accounting firm, from 1983 to 1996. While at KPMG, Mr. Palmer specialized as an auditor and a strategic advisor to companies in the commercial banking, consumer finance, thrift,

mortgage banking and discount brokerage industries, serving publicly and privately held clients ranging in size from \$25 million to \$25 billion in assets.

Mr. Palmer has significant prior experience serving as a board member of banking companies including most recently BankFinancial Corporation, HF Financial Corp., and CFS Bancorp, Inc. He received a Bachelor of Accounting Degree from Walsh College and is a Certified Public Accountant (status inactive).

*This news release contains forward-looking statements. Forward looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "anticipate," "intend," "plan," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may."*

*Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors-many of which are beyond the Company's control-could cause actual results to differ significantly from those described in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. In addition, all statements in this press release, including forward-looking statements, speak only as of the date they are made and the Company undertakes no obligation to update any statement in light of new information or future events.*