

**KINGSTONE COMPANIES, INC.  
COMPENSATION COMMITTEE CHARTER**

**General**

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Kingstone Companies, Inc. (the “Company”) shall have the purpose, duties, responsibilities, power and authority described below and shall be governed by this Charter.

**Purpose**

The purpose of the Committee is to carry out the responsibilities delegated by the Board relating to the review and determination of executive compensation and make such reports and recommendations to the Board as it deems advisable.

**Duties and Responsibilities**

The Committee shall have the following authority and responsibilities:

- To review and approve the compensation of the chief executive officer (“CEO”).
- To make recommendations to the Board regarding the compensation of all other executive officers. For purposes hereof, the term “executive officer” means the Company’s CEO, President, any Executive Chairman of the Board, any Vice President of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer of the Company who performs a policy making function or any other person who performs similar policy making functions for the Company.
- To make recommendations to the Board regarding the adoption, amendment and termination of incentive compensation plans and equity-based plans, and where appropriate or required, recommend such actions for approval by the stockholders of the Company. The Committee shall also have the authority to administer the Company’s incentive compensation plans and equity-based plans, including the designation of the employees to whom the awards are to be granted, 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 make recommendations to the Board regarding, 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, including with regard to the amendment and termination of such agreements, arrangements or plans.
- To review, and make recommendations to the Board regarding, all employee benefit plans for the Company, including with regard to the adoption, amendment and termination of such plans. The Committee shall also have the authority to administer such plans.

- To review director compensation for service on the Board and Board committees and to recommend any changes to the Board.
- In its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel and/or other advisor.
- To be directly responsible for the appointment, compensation, and oversight of the work of any compensation consultant, legal counsel and/or other advisor retained by the Committee.

## **Structure and Operation**

### **A. Composition.**

The Committee shall be comprised of not less than two (2) members of the Board. Each member of the Committee shall be:

- “independent” as determined in accordance with the rules and regulations of the NASDAQ Stock Market, Inc.;
- a “non-employee director” as defined in Rule 16b-3 promulgated under Section 16 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); and
- an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The Chairman of the Board of the Company shall be an ex-officio non-voting member of the Committee.

### **B. Appointment and Removal.**

The members of the Committee shall be appointed by the Board based on recommendations from the Nominating and Corporate Governance Committee of the Board. The members of the Committee shall serve for such term or terms as the Board may determine or until their earlier resignation. The Board may remove any member from the Committee at any time with or without cause.

### **C. Committee Chair.**

Unless a Chair is appointed by the Board, the members of the Committee shall designate a Chair by a vote of the Committee. The Chair will chair all regular sessions of the Committee and set the agenda for Committee meetings. In the absence of the Chair, the Committee shall select another member to preside. In the event the Board or the Committee members determine to have Co-Chairs, then all references herein to “Chair” shall be deemed to refer to “Co-Chairs” who shall act jointly.

D. **Meetings and Operation.**

The Committee will operate as follows:

- Meetings of the Committee shall be called by the Chair of the Committee, the Chairman of the Board of Directors or the CEO.
- A majority of the members of the Committee shall constitute a quorum. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee.
- The Committee shall be 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 pursuant to the By-Laws of the Company.
- The Secretary of the Company, or, in the absence of the Secretary, an Assistant Secretary of the Company, or, in the absence of the Secretary and an Assistant Secretary, such person as may be designated by the Chair of the Committee, shall act as secretary and keep the minutes of all meetings of the Committee.
- The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests; however, the CEO and any other such officers and employees shall not be present at meetings during which time their compensation is discussed or determined.

E. **Resources and Authority.**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of consultants, legal counsel or other advisors, as it deems appropriate, without seeking approval of the Board or management. With respect to compensation consultants retained to assist in the evaluation of director, CEO or other executive officer compensation, this authority shall be vested solely in the Committee.

F. **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.

## **Other Responsibilities**

### **A. Evaluation of the Committee.**

The Committee shall evaluate its performance at least once a year, or more often as directed by the Board. The Committee shall address all matters that it considers relevant to its performance, including the adequacy, appropriateness, and quality of the information and recommendations the Committee presents to the Board, how they were discussed or debated, and whether the number and length of Committee meetings were adequate for the Committee to complete its work thoroughly and thoughtfully.

### **B. Reports and Recommendations.**

The Committee shall make regular reports to the Board with regard to its activities and actions and shall make recommendations to the Board with regard thereto. The Chair of the Committee shall report to the Board at each meeting of the Board the deliberations, actions and recommendations of the Committee, if any, since the last Board meeting.

### **C. Meetings with Management.**

The Committee shall meet with management at least annually to discuss matters for which the Committee has responsibility.

### **D. Review of Charter.**

The Committee shall review this Charter at least annually and submit any proposed amendments to the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will review such proposed Charter amendments and submit them to the Board for approval with such further amendments as it deems necessary and appropriate.