

HF Financial Corp.

Amended and Restated Charter of the Nominating and Corporate Governance Committee (Adopted September 22, 2004)

I. Purpose

The Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of HF Financial Corp. (the "Company") is responsible for creating and maintaining the overall corporate governance policies for the Company and for identifying, screening, recruiting and presenting director candidates to the Board. The Committee also nominates directors for committee membership.

II. Composition

The Committee shall be comprised of three or more members, all of whom must qualify as independent directors ("Independent Directors") under the listing standards of the NASDAQ National Market System.

The members shall be nominated by the Committee and appointed annually to one-year terms by the Board. The Committee shall recommend, and the Board shall designate, one member of the Committee as Chair. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualify. No member of the Committee shall be removed except by majority vote of the Independent Directors then in office.

III. Meetings and Procedures

- The Committee shall fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter.
- The Committee shall meet at least two times annually and more frequently as circumstances require.
- The Chair of the Committee or a majority of the members of the Committee may call a special meeting of the Committee.
- A majority of the members of the Committee shall constitute a quorum.
- 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, however that:
 - ♦ no subcommittee shall consist of fewer than two members, and
 - ♦ 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.
- 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.

- Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting.
- The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.
- The Committee shall review and reassess the adequacy of this Charter at least annually and recommend to the Board any necessary amendments. To the extent required under the listing standards of the NASDAQ National Market System, by the rules and regulations of the SEC, or by any other applicable rules and regulations, the Committee shall assist the Company in making this Charter publicly available by posting it on the Company's website or including it with the Company's proxy statement for its annual meeting of stockholders. If included with the Company's proxy statement, it must be included no less frequently than once every three years or whenever there are material modifications to this Charter.

IV. Responsibilities and Duties

The Committee shall have the following duties and responsibilities:

Implement Policies Regarding Corporate Governance Matters

- To recommend to the Board policies to enhance the Board's effectiveness, including with respect to the distribution of information to Board members, the size and composition of the Board, and the frequency and structure of Board meetings.
- To develop and review periodically, and at least annually, the corporate governance policies of the Company to ensure that they are appropriate for the Company and comply with applicable laws, regulations and listing standards, and to recommend any desirable changes to the Board.
- To create and maintain and recommend to the Board for adoption a Code of Business Conduct and Ethics for directors, officers and employees.
- To assist the Independent Directors of the Board in holding regularly scheduled meetings at which only Independent Directors of the Board are present ("Executive Session"). To confirm that the Independent Directors of the Board meet in Executive Session as frequently as circumstances require, which in no event shall be less than two times annually.
- To recommend to the Board policies regarding processes by which stockholders of the Company may communicate with the Board and specified individual directors.
- To consider any other corporate governance issues that arise from time to time, and to develop appropriate recommendations for the Board.

Director Education and Training

- In consultation with the Chief Executive Officer and senior management of the Company, develop and implement appropriate educational and training programs for new directors.
- In consultation with the Committee Chairs, the Chief Executive Officer and senior management of the Company, develop and recommend to the Committee Chairs appropriate educational and training programs to ensure that Committee members fulfill the specific qualifications and requirements for service on the Committees as set forth in the respective charters of the Committees.

Assess Board Membership Needs and Recommend Nominees

- To determine what types of backgrounds are needed to help strengthen and balance the Board and to nominate candidates to fill vacancies accordingly. When selecting candidates, the Committee may consider, among other things, financial, regulatory and business experience; familiarity with and participation in the communities the Company serves; integrity, honesty and reputation; dedication to the Company and its stockholders; independence; and any other factors that the Committee deems relevant. Each candidate will be evaluated in the context of the Board as a whole, with the objective of recommending a group of nominees that can best perpetuate the success of the Company.
- To be constantly alert to the needs of the Board and maintain an active file of suitable candidates for consideration as nominees to the Board.
- To conduct director evaluations upon re-nomination for election every three years, with such evaluation to include, among other things, a review of a director's Board and committee attendance and performance; length of Board service; experience, skills and contributions that the director brings to the Board; and independence.
- To recommend to the Board the slate of nominees of directors to be elected by the stockholders and any directors to be elected by the Board to fill vacancies. Recommendations should include a review by the Committee of the performance and contribution of fellow directors as well as the qualifications, as articulated above, of proposed new directors.
- To monitor, in connection with the recommendation of nominees, the composition of the Board to confirm that no less than a majority of the directors qualify as Independent Directors. To recommend to the Board the directors that qualify as Independent Directors and assist the Board and the Company in disclosing in its periodic filings or proxy statements, as and to the extent required by the SEC, the names of the Independent Directors.

Accept and Consider Stockholder Recommendations for Nominees

- It is the Committee's general policy that it will consider a director candidate recommended by a stockholder who appears to be qualified to serve on the Board. The Committee may choose not to consider an unsolicited recommendation if no vacancy exists on the Board and the Committee does not perceive a need to increase the size of the Board. The Committee has established the following procedures for stockholders to submit such recommendations and only those director candidates recommend in accordance with such procedures will be considered by the Committee:
 - ◆ if a stockholder would like to recommend a director candidate for the next annual meeting, the stockholder must deliver such recommendation to the Company's Corporate Secretary at the Company's principal offices no later than the 120th calendar day before the date that the Company's proxy statement was released to stockholders in connection with the previous year's annual meeting, advanced by one year;

- ◆ recommendations for candidates must be accompanied by (i) personal information regarding the candidate, including the name of the candidate, a list of the candidate's references, the candidate's resume or curriculum vitae and any information that is required to be disclosed in solicitations of proxies for election of directors pursuant to Schedule 14A under the Securities Exchange Act of 1934, as amended, (ii) the written consent of the person being recommended to being named in the proxy statement as a nominee and to serving as a director if elected; and (iii) certain information regarding the stockholder making the recommendation, including the stockholder's name and address, as they appear on the Company's books, the number and class of shares of the Company's capital stock owned, either directly or indirectly, by the stockholder (and, if owned indirectly, a current written statement from the record holder of the stock that reflects ownership in such stock), and a statement disclosing whether such shareholder is acting with or on behalf of any other person and, if applicable, the identity of such other person;
 - ◆ a stockholder recommending a candidate may be asked to submit additional information regarding himself or herself or the candidate as determined by the Corporate Secretary or as necessary to satisfy the listing standards of the NASDAQ National Market System, SEC rules and regulations or any other applicable rules and regulations; and
 - ◆ if a stockholder's recommendation is received on or before the date set forth above and is accompanied by the information set forth above, the Committee will evaluate such candidate, along with the other candidates being evaluated by the Committee, in accordance with this Charter and any other policies and procedures established by the Committee or the Board.
- The Committee does not use different standards to evaluate nominees depending upon whether they are proposed by member of the Board, management of the Company or stockholders.

Make Recommendations Regarding Committee Memberships

- To recommend to the Board those directors to be selected for membership on the various Board committees. Recommendations should consider the qualifications for membership on each committee, the extent to which there should be a policy of periodic rotation of directors among the committees, and any limitations on the number of consecutive years a director should serve on any one Board committee.
- To recommend that individual directors be designated as chairs of Board committees, particularly those that perform oversight functions, i.e., Audit and Compensation.
- To be involved with management in reviewing director and officer insurance needs and the means of satisfying them.

Evaluation of the Board and Management

- To sponsor and oversee performance evaluations for the Board as a whole and directors.
- To monitor director performance, counsel those who may be found wanting and, when necessary, steer low-performance directors away from standing for reelection.

V. Performance Evaluation

- The Committee shall conduct a self-evaluation of its performance annually.
- In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope.
- In conducting this review, the Committee shall address all matters that it considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

VI. Investigations and Studies; Outside Advisors

- The Committee may conduct or authorize investigations into or studies of matters within the scope of the Committee's duties and responsibilities, and may retain, at the Company's expense, such advisors as it deems necessary.
- The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.