

BNC FINANCIAL GROUP, INC.

208 Elm Street
New Canaan, Connecticut 06840
(203) 972-3838

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 25, 2008**

To the Shareholders of BNC Financial Group, Inc.:

The 2008 Annual Meeting of Shareholders of BNC Financial Group, Inc. (the "Company") will be held at the New Canaan Library, 151 Main Street, New Canaan, Connecticut 06840, on June 25, 2008 at 8:30 a.m. for the following purposes:

1. To elect the twelve (12) directors of the Company to serve until the 2009 Annual Meeting of Shareholders or until their successors are elected;
2. To recommend the election of fourteen (14) directors of The Bank of New Canaan to serve until the 2009 Annual Meeting of Shareholders or until their successors are elected; and
3. To transact such other business as may properly come before the Annual Meeting, including adjourning the Annual Meeting to permit, if necessary, further solicitation of proxies or any adjournment thereof.

The Board of Directors is not aware of any such other business.

Only shareholders of record of outstanding shares of common stock of the Company at the close of business on April 30, 2008 are entitled to notice of, and to vote, at the Annual Meeting or any adjournment or postponement thereof.

A list of the Company's shareholders will be open to the examination of any shareholder, for any purpose germane to the Annual Meeting, during ordinary business hours, beginning two (2) days after the notice date of the Annual Meeting through the date of the Annual Meeting, at 208 Elm Street, New Canaan, Connecticut.

The Company cordially invites all shareholders to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, please complete, sign and date the enclosed proxy and return it in the envelope provided. If your shares are held in the name of a broker, only the broker can vote your shares and only after receiving your instructions with respect to voting on the Plan of Reorganization. Please contact the responsible person on your account and instruct him or her to execute a proxy card on your behalf.

The Company's 2007 Annual Report is enclosed with this Notice and Proxy Statement.

By Order of the Board of Directors



Merrill Jay Forgotson
Chief Executive Officer

New Canaan, Connecticut
June 2, 2008

IMPORTANT: All shareholders are encouraged to attend the meeting. However, in order that there may be sufficient shareholder representation at the meeting, you are urged to sign and mail the enclosed proxy sheet even though you may plan to attend. Shares represented by proxy received prior to the time of the meeting will be voted as directed by the shareholders on their respective proxy sheets. If you are present in person you may, if you wish, revoke the proxy and vote personally on all matters brought before the meeting.

Your prompt action in sending in your proxy will be greatly appreciated. Return the proxy to:

**BNC Financial Group, Inc.
Attn: Mr. Peter Kirk
208 Elm Street
New Canaan, Connecticut 06840**

A self-addressed postage paid envelope is provided for your use.

We would appreciate notice of your plan to attend the meeting in person so that we may be certain to accommodate those who come. Please so indicate on the enclosed proxy sheet if you plan to attend in person.

Printed on the following pages is a Proxy Statement in regard to the Annual Meeting to which your attention is directed.

This is not a program sponsored by the New Canaan Library.

BNC FINANCIAL GROUP, INC.

208 Elm Street
New Canaan, CT 06840
(203) 972-3838

**PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 25, 2008**

The enclosed proxy is solicited by the management of BNC Financial Group, Inc. (the "Company") for use at the Annual Meeting of Shareholders of the Company (the "Annual Meeting") to be held at the New Canaan Library, 151 Main Street, New Canaan, Connecticut, on June 25, 2008, at 8:30 a.m. and at any adjournments thereof. The matters to be considered and acted upon at such meeting are referred to in the preceding notice and are more fully discussed below. The approximate date on which this proxy statement and the accompanying form of proxy (proxy sheet) will first be sent to shareholders is June 2, 2008.

In addition to solicitation by mail, Directors, Officers, and Employees may solicit proxies personally or by telephone or facsimile. The Company may also request brokers, nominees, custodians and fiduciaries to forward soliciting material to the beneficial owners of stock held of record and will reimburse such persons for reasonable expenses incurred in forwarding such material. The cost of solicitation will be borne by the Company.

All properly executed, unrevoked proxy sheets received pursuant to this solicitation prior to the close of voting will be voted as directed therein. Properly executed, unrevoked proxy sheets, which do not specifically direct the voting of the shares, covered thereby will be voted in the affirmative on all Proposals. Any proxy given pursuant to this solicitation may be revoked orally or in writing by the shareholder at any time prior to the exercise of the proxy by notifying Peter Kirk, Secretary, BNC Financial Group, Inc., 208 Elm Street, New Canaan, Connecticut 06840.

The persons named on the proxy sheet (to be signed and returned) to act as proxies at the Annual Meeting are: Todd Lampert, Ron C. Miller, and James A. Fieber, all of whom are Directors of the Company and residents of Connecticut. If, for any reason, any Director nominee shall become unavailable before the date of the Annual Meeting, discretionary authority will be exercised by the above-named persons to vote the proxy ballots for the election of such other person(s) as the Board of Directors shall determine.

The holders of a majority of the outstanding shares of stock, present at the Annual Meeting in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Proposal 1 (BNC Financial Group, Inc. Director Elections) and Proposal 2 (The Bank of New Canaan Director Recommendations) require, for approval, the vote in favor thereof by a majority of the votes cast by the shareholders present at the Annual Meeting in person or by proxy and entitled to vote. Votes will not be considered cast if the shares are not voted for any reason, including an abstention indicated as such on a written proxy or ballot; if directions are given in a written proxy to withhold votes; or if the votes are withheld by a broker. Broker nonvotes are counted towards a quorum, but are not counted for any purpose in determining whether a matter has been approved.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

On April 30, 2008, the record date for the determination of shareholders entitled to vote on all matters brought before the Annual Meeting, there were 2,482,962 common shares issued and outstanding. The Company has only one class of stock – all common. Each share is entitled to one vote on all matters brought before the Annual Meeting.

Listed in the following table are those who, as of April 30, 2008, owned beneficially more than 5% of the Company’s outstanding common shares and the number of shares owned beneficially by Directors and Officers as a group:

Class	Name of Beneficial Owner ^(a)	Owned	Percent of Class
Common	George P. Bauer ^(b)	167,141	6.73%
Common	James A. Fieber	149,299	5.99%
Common	Hugh Halsell	133,524	5.35%
Common	Daniel S. Jones	130,560	5.24%
Common	Carl R. Kuehner, III	225,834	9.06%
Common	All Executive Officers and Directors as a group ^(c)	868,709	33.33%

^(a) In accordance with securities law definitions, beneficially owned shares include shares over which the named person exercises either sole or shared voting power or sole or shared investment power. It also includes shares owned (i) by a spouse, minor children or by relatives sharing the same home, (ii) by entities owned or controlled by the named person, and (iii) by other persons if the named person has the right to acquire such shares within 60 days by the exercise of any right or option.

^(b) Based upon the total of 2,482,962 shares issued and outstanding as of April 30, 2008.

^(c) Based upon the total 2,606,552 shares as of April 30, 2008 (2,482,962 issued and outstanding and a total of 123,590 fully diluted options exercisable within 60-days to Executive Officers and Directors).

PROPOSAL 1 - ELECTION OF DIRECTORS FOR BNC FINANCIAL GROUP, INC.

Twelve (12) Directors have been nominated for election to serve until the next Annual Meeting and until their successors are elected and qualified.

The name of the nominees, year of birth, date each became a Director of the Company, their principal occupation and number and percentage of shares of Company stock beneficially owned by each as of the close of business on the record date, April 30, 2008, is set forth herein.

Management recommends that you vote FOR the election of each of the Director nominees.

Name/Occupati on/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned ^(a)	Percentage of Shares Owned
Eric J. Dale Partner, Robinson & Cole, LLP <i>Attorney</i>	1964	2/27/08	2,000	0.08%
Blake S. Drexler Partner, Five Mile Ventures <i>Investments</i>	1957	1/24/07	120,096 ^(b)	4.82%
James A. Fieber Managing Member, Fieber Group, LLC <i>Investments</i>	1954	1/24/07	149,299 ^(c)	5.99%
William J. Fitzpatrick, III Member, Fitzpatrick, Gray & Bologna, LLC <i>Attorney</i>	1949	3/27/08	2,500	0.10%
Merrill Jay Forgotson CEO, BNC Financial Group, Inc. <i>Banking</i>	1942	11/14/07	32,500 ^(d)	1.31%
Daniel S. Jones President, NewsBank Inc. <i>Publisher</i>	1939	1/24/07	130,560 ^(e)	5.24%
Peter Kirk CEO, The Bank of New Canaan <i>Banking</i>	1953	2/27/08	19,200 ^(f)	0.77%
Carl R. Kuehner, III President & CEO, Building and Land Technology <i>Real Estate Development</i>	1963	1/24/07	225,834 ^(g)	9.06%
Todd Lampert Managing Member, Lampert, Williams, & Toohey, LLC <i>Attorney</i>	1963	1/24/07	38,154 ^(h)	1.52%
Victor S. Liss Retired, Stratford, CT	1937	2/27/08	5,000	0.20%
Ron C. Miller President, Miller's Hallmark <i>Retail</i>	1944	3/27/08	2,500	0.10%

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned ^(a)	Percentage of Shares Owned
T. Brock Saxe President, Tombrock Corporation <i>Real Estate</i>	1941	1/27/08	93,416 ⁽ⁱ⁾	3.75%
Total Directors and Executive Officers			868,709 ^(j)	33.33%

- (a) Beneficially owned shares include shares over which the named person exercises either sole or shared voting power or sole or shared investment power. It also includes shares owned (i) by a spouse, minor children or by relatives sharing the same home, (ii) by entities owned or controlled by the named person and (iii) by other persons if the named person has the right to acquire such shares within 60 days by the exercise of any right or option. All shares identified above are owned of record individually or jointly or beneficially by the named person.
- (b) Includes 7,863 shares issuable upon exercise of stock options exercisable within 60 days.
- (c) Includes 8,740 shares issuable upon exercise of stock options exercisable within 60 days.
- (d) Includes 30,000 shares of restricted stock, which vests over five (5) years.
- (e) Includes 7,249 shares issuable upon exercise of stock options exercisable within 60 days.
- (f) Includes 19,100 shares issuable upon exercise of stock options exercisable within 60 days.
- (g) Includes 11,011 shares issuable upon exercise of stock options exercisable within 60 days.
- (h) Includes 19,422 shares issuable upon exercise of stock options exercisable within 60 days.
- (i) Includes 9,705 shares issuable upon exercise of stock options exercisable within 60 days.
- (j) In addition to the stock options noted above, this figure includes 40,500 shares issuable upon exercise of stock options exercisable and issued to Executive Officers.

MEETINGS AND COMMITTEES OF THE BNC FINANCIAL GROUP, INC. BOARD OF DIRECTORS

Pursuant to authority provided by the By-Laws, the BNC Financial Group, Inc. Board of Directors has established a number of committees to facilitate its responsibility to supervise the overall performance of the Bank. The following is a description of each of the Committees, and Committee memberships as of April 30, 2008. BNC Financial Group, Inc. was formed on December 14, 2007 and during 2007, several organizational meetings were held.

The **Ad Hoc Committee** has the responsibility to study and report to the Board on matters of special interest arising from time to time and not otherwise arising from the specific responsibility of the other committees.

The **Audit Committee** has the responsibility (a) to assist the Board of Directors in its statutory and regulatory responsibilities as they relate to financial reporting practices, (b) review the adequacy of internal accounting controls, (c) supervise the external and internal audit functions, and (d) recommend and review the engagement of the independent internal and external auditors.

The **Governance/Nominating Committee** has the responsibility to adopt corporate governance policies and procedures to insure that the operations of the Company conform to desirable standards of business conduct and ethics.

The **Personnel and Compensation Committee** establishes the policies of the Company with regard to compensation of executives specifically and of the Bank personnel generally.

Board Committees

Director	Ad Hoc ⁽¹⁾	Audit	Governance	Personnel & Comp.
Eric J. Dale		x	x	
Blake S. Drexler		x		x
James A. Fieber				C
William J. Fitzpatrick, III				x
Merrill Jay Forgotson				
Daniel S. Jones		C	x	
Peter Kirk				
Carl R. Kuehner, III			x	
Todd Lampert			x	x
Victor S. Liss		x		
Ron C. Miller			x	
T. Brock Saxe			C	x

C = Chairperson

(1) Ad Hoc membership is decided as needed.

**PROPOSAL 2 -
RECOMMENDATION FOR THE ELECTION OF
THE BANK OF NEW CANAAN DIRECTORS**

The Company's By-Laws provide that its shareholders shall be requested to vote on the election of the Directors of the Company's subsidiaries. Currently, there is only one subsidiary, The Bank of New Canaan (BNC). In future years, Company's shareholders are expected to vote on the BNC and The Bank of Fairfield Directors. The vote of the shareholders binds the Company's Board to vote into office at its Bank subsidiaries those Directors approved by the Company's shareholders, absent a fiduciary duty concern.

Fourteen (14) Directors have been recommended for election to serve on The Bank of New Canaan Board of Directors until the next Annual Meeting and until their successors are elected and qualified.

The name of the nominees, year of birth, date each became a Director of the Bank, their principal occupation and number and percentage of shares of Company stock beneficially owned by each as of the close of business on the record date, April 30, 2008, is set forth herein. A total of thirteen (13) (twelve (12) scheduled and one (1) special) meetings of the Board of Directors and numerous committee meetings were held during the year. Attendance percentages shown in parentheses are for the scheduled and total meetings, respectively.

Management recommends that you vote FOR the recommendation of each of the Director nominees.

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned ^(a)	Percentage of Shares Owned
Frederick R. Afragola Retired CEO, The Bank of New Canaan (92%/90%)	1941	5/31/01	89,790 ^(b)	3.56%

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned^(a)	Percentage of Shares Owned
Judy S. Bentley Community Volunteer (98%/95%)	1945	1/1/06	7,438 ^(c)	0.30%
Blake S. Drexler Partner, Five Mile Ventures <i>Investments</i> (92%/92%)	1957	5/31/01	120,096 ^(d)	4.82%
James A. Fieber Managing Member, Fieber Group, LLC <i>Investments</i> (100%/97%)	1954	5/31/01	149,299 ^(e)	5.99%
Merrill Jay Forgotson CEO, BNC Financial Group, Inc. <i>Banking</i> (Not applicable)	1942	3/26/08	32,500 ^(f)	1.31%
Hugh Halsell Real Estate Broker, Brotherhood & Higley Real Estate <i>Real Estate</i> (100%/97%)	1943	5/31/01	133,524 ^(g)	5.35%
Daniel S. Jones President, NewsBank Inc. <i>Publisher</i> (96%/92%)	1939	5/31/01	130,560 ^(h)	5.24%
Peter Kirk CEO, The Bank of New Canaan (Not applicable)	1953	3/26/08	19,200 ⁽ⁱ⁾	0.77%
Carl R. Kuehner, III President & CEO, Building and Land Technology <i>Real Estate Development</i> (94%/92%)	1963	5/31/01	225,834 ^(j)	9.06%
Todd Lampert Managing Member, Lampert, Williams, & Toohey, LLC <i>Attorney</i> (100%/98%)	1963	5/31/01	38,154 ^(k)	1.52%

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned ^(a)	Percentage of Shares Owned
Ronald J. Manganiello Managing Member, New Canaan Capital, LLC <i>Investments</i> (100%/100%)	1949	5/31/01	25,067 ^(l)	1.01%
Kathleen M. McShane CEO, Kendrew Group, Ltd. <i>Marketing</i> (100%/96%)	1951	5/31/01	15,585 ^(m)	0.63%
T. Brock Saxe President, Tombrock Corporation <i>Real Estate</i> (92%/90%)	1941	5/31/01	93,416 ⁽ⁿ⁾	3.75%
Duncan M. Toll President, GPB Group; President, Red Lodge Development <i>Investments/Development</i> (88%/86%)	1955	5/31/01	38,990 ^(o)	1.56%
Total Directors and Executive Officers			1,149,103 ^(p)	42.92%

(a) Beneficially owned shares include shares over which the named person exercises either sole or shared voting power or sole or shared investment power. It also includes shares owned (i) by a spouse, minor children or by relatives sharing the same home, (ii) by entities owned or controlled by the named person and (iii) by other persons if the named person has the right to acquire such shares within 60 days by the exercise of any right or option. All shares identified above are owned of record individually or jointly or beneficially by the named person.

(b) Includes 40,000 shares issuable upon exercise of stock options exercisable within 60 days and 18,000 shares of restricted stock that vest over three years.

(c) Includes 6,338 shares issuable upon exercise of stock options exercisable within 60 days.

(d) Includes 7,863 shares issuable upon exercise of stock options exercisable within 60 days.

(e) Includes 8,740 shares issuable upon exercise of stock options exercisable within 60 days.

(f) Includes 30,000 shares of restricted stock, which vest in 5 years.

(g) Includes 14,621 shares issuable upon exercise of stock options exercisable within 60 days.

(h) Includes 7,249 shares issuable upon exercise of stock options exercisable within 60 days.

(i) Includes 19,100 shares issuable upon exercise of stock options exercisable within 60 days.

(j) Includes 11,011 shares issuable upon exercise of stock options exercisable within 60 days.

(k) Includes 19,422 shares issuable upon exercise of stock options exercisable within 60 days.

(l) Includes 6,254 shares issuable upon exercise of stock options exercisable within 60 days.

(m) Includes 7,685 shares issuable upon exercise of stock options exercisable within 60 days.

(n) Includes 9,705 shares issuable upon exercise of stock options exercisable within 60 days.

(o) Includes 10,745 shares issuable upon exercise of stock options exercisable within 60 days.

(p) In addition to the stock options noted above, this figure includes 25,500 shares issuable upon exercise of stock options exercisable within 60 days and issued to Executive Officers.

MEETINGS AND COMMITTEES OF THE BNC BOARD OF DIRECTORS

Pursuant to authority provided by the Bank's By-Laws, the Board of Directors has established a number of committees to facilitate its responsibility to supervise the overall performance of the Bank. The following is a description of each of the Committees, and Committee memberships as of April 30, 2008, and the number of meetings that each Committee held during 2007. All Directors attended at least 85% of the total number of Board meetings and the meetings of the Committee(s) on which they served.

The **Executive Committee** is empowered to act in the intervals between meetings of the Board of Directors and to exercise all powers of the Board of Directors in the management of the business and operations of the Bank, except those which may not be delegated by law or otherwise limited by specific direction of the Board of Directors given from time to time. The Executive Committee, while provided for in the By-Laws, is currently an inactive committee. Any matters it would be empowered to act on are referred to the full Board.

The **Audit Committee** has the responsibility (a) to assist the Board of Directors in its statutory and regulatory responsibilities as they relate to financial reporting practices, (b) review the adequacy of internal accounting controls, (c) supervise the external and internal audit functions, and (d) recommend and review the engagement of the independent internal and external auditors.

The **Asset and Liability Committee** oversees the management and balance of the assets and liabilities of the Bank and acts as the Bank's Investment Committee.

The **Loan Committee** establishes the loan policies of the Bank, and oversees and monitors the lending activities of the Bank.

The **Marketing Committee** oversees the development and implementation of the marketing plan of the Bank and advises the Board of Directors with regard to marketing initiatives.

The **Personnel and Compensation Committee** establishes the policies of the Bank with regard to compensation of executives specifically and of the Bank personnel generally.

The **Technology Committee** establishes the policies of the Bank with regard to oversight, management and implementation of operating technology.

The **Community Reinvestment Act Committee** establishes the policies of the Bank with regard to compliance with the Community Reinvestment Act.

The **Governance Committee** was formed in September 2002 with the responsibility to adopt corporate governance policies and procedures to insure that the operations of the Bank conform to desirable standards of business conduct and ethics.

The **Ad Hoc Committee** has the responsibility to study and report to the Board on matters of special interest arising from time to time and not otherwise arising from the specific responsibility of the other committees.

Board Committees

Director	Ad Hoc	ALCO & Investment	Audit	CRA	Governance	Loan	Marketing	Personnel & Comp.	Technology
Frederick R. Afragola		x		x		x	x		x
Judy Bentley				x		x	x		
Blake S. Drexler	x	C	x		x		x		
James A. Fieber	x	x						C	
Merrill Jay Forgotson	x	x				x	x	x	
Hugh Halsell					x	C			
Daniel S. Jones			x					x	C
Peter Kirk	x	x		x			x	x	x
Carl R. Kuehner, III	C	x				x	x		
Todd Lampert	x	x		C	x	x	x		
Ronald J. Manganiello			C						
Kathleen M. McShane				x			C	x	
T. Brock Saxe	x			x	C	x		x	
Duncan M. Toll			x	x	x	x	x		x
Number of Meetings in 2007	3	6	4	2	2	23	3	7	2

C = Chairperson

INFORMATION ON THE BANK OF FAIRFIELD, (IN ORGANIZATION)

Twelve (12) Directors have been submitted to the FDIC and State of Connecticut Department of Banking, to serve as Directors of The Bank of Fairfield, (In Organization), hereafter TBF. At this time, the Company's shareholders are not being requested to vote on the TBF Directors, and the following disclosures are for shareholder information only.

The name of the nominees, year of birth, date each was submitted for regulatory approval to become a Director of TBF, their principal occupation and number and percentage of shares of Company stock beneficially owned by each as of the close of business on the record date, April 30, 2008, is set forth herein. Various organizational meetings were held in 2007 and into 2008. It is expected TBF will receive its permanent banking charter in the third quarter of 2008.

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned^(a)	Percentage of Shares Owned
Scott K. Brooks Vice President, Brooks, Torrey, & Scott, Inc. <i>Real Estate</i>	1957	1/24/08	5,000	0.20%
Robert G. Cocks, Jr. President & CLO, The Bank of Fairfield, In Organization <i>Banking</i>	1945	12/13/07	20,000 ^(b)	0.80%
Eric J. Dale Partner, Robinson & Cole, LLP <i>Attorney</i>	1964	10/31/07	2,000	0.08%

Name/Occupation/Attendance	Year of Birth	Date of Election as Director	Number of Shares Beneficially Owned^(a)	Percentage of Shares Owned
Jeffrey R. Dunne Vice Chairman, CB Richard Ellis, Inc. <i>Real Estate</i>	1954	9/19/07	15,000	0.60%
Frank J. Duzy Retired, Southport, CT	1943	12/13/07	1,000	0.04%
William J. Fitzpatrick, III Member, Fitzpatrick, Gray & Bologna, LLC <i>Attorney</i>	1949	9/19/07	2,500	0.10%
Merrill Jay Forgotson CEO, BNC Financial Group, Inc. CEO, The Bank of Fairfield, (In Organization) <i>Banking</i>	1942	9/19/07	32,500 ^(c)	1.31%
Anthony F. Izzo President, A.F.I. Inc. <i>Real Estate Development</i>	1947	12/13/07	15,000	0.60%
Peter Kirk CFO, The Bank of Fairfield, (In Organization) <i>Banking</i>	1953	9/19/07	19,200 ^(d)	0.77%
Victor S. Liss Retired, Stratford, CT	1937	9/19/07	5,000	0.20%
Ron C. Miller President, Miller's Hallmark <i>Retail</i>	1944	10/31/07	2,500	0.10%
Mary-Margaret Weber Sales Manager, Associates of Westport <i>Executive Search Firm</i>	1962	12/13/07	0	0.00%
Total Directors and Executive Officers			119,700	4.76%

(a) Beneficially owned shares include shares over which the named person exercises either sole or shared voting power or sole or shared investment power. It also includes shares owned (i) by a spouse, minor children or by relatives sharing the same home, (ii) by entities owned or controlled by the named person and (iii) by other persons if the named person has the right to acquire such shares within 60 days by the exercise of any right or option. All shares identified above are owned of record individually or jointly or beneficially by the named person.

(b) Includes 15,000 shares issuable upon exercise of stock options.

(c) Includes 30,000 shares of restricted stock that vests over five years.

(d) Includes 19,100 shares issuable upon exercise of stock options.

MEETINGS AND COMMITTEES OF THE TBF BOARD OF DIRECTORS

Pursuant to authority provided by the By-Laws, the Board of Directors of TBF has established a number of committees to facilitate its responsibility to supervise the overall performance of the Company. The following is a description of each of the Committees, and Committee memberships as of April 30, 2008.

The **Audit Committee** has the responsibility (a) to assist the Board of Directors in its statutory and regulatory responsibilities as they relate to financial reporting practices, (b) review the adequacy of internal accounting controls, (c) supervise the external and internal audit functions, and (d) recommend and review the engagement of the independent internal and external auditors.

The **Asset and Liability Committee** oversees the management and balance of the assets and liabilities of the Bank and acts as the Bank's Investment Committee.

The **Loan Committee** establishes the loan policies of the Bank, and oversees and monitors the lending activities of the Bank.

The **Marketing Committee** oversees the development and implementation of the marketing plan of the Bank and advises the Board of Directors with regard to marketing initiatives.

The **Personnel and Compensation Committee** establishes the policies of the Bank with regard to compensation of executives specifically and of the Bank personnel generally.

The **Technology Committee** establishes the policies of the Bank with regard to oversight, management and implementation of operating technology.

The **Community Reinvestment Act Committee** establishes the policies of the Bank with regard to compliance with the Community Reinvestment Act.

The **Governance Committee** has the responsibility to adopt corporate governance policies and procedures to insure that the operations of the Bank conform to desirable standards of business conduct and ethics.

The **Ad Hoc Committee** has the responsibility to study and report to the Board on matters of special interest arising from time to time and not otherwise arising from the specific responsibility of the other committees.

Board Committees

Director	Ad Hoc	ALCO & Investment	Audit	CRA	Governance	Loan	Marketing	Personnel & Comp.	Technology
Scott K. Brooks						x			
Robert G. Cocks, Jr.	x	x		x		x	x	x	x
Eric J. Dale	x	x	x		C	A		x	x
Jeffrey R. Dunne	x				x	A			
Frank J. Duzy		x	C			x	x		x
William J. Fitzpatrick, III		x		C		x	x	C	
Merrill Jay Forgotson	C	x			x	x		x	
Anthony F. Izzo				x		x			
Peter Kirk		C		x		x	x		x
Victor S. Liss	x		x		x	x			x
Ron C. Miller				x		C	x	x	
Mary -Margaret Weber			x	x	x	A	C	x	

C = Chairperson

A = Alternate

REMUNERATION AND RELATED MATTERS

Compensation Philosophy

The Company and the Banks believe there are three financial components to successfully recruiting and retaining talented staff.

1. **Base Salary** - The Company and the Banks pay a competitive base salary intended to provide compensation within the upper 25% of their peer group.
2. **Incentive Bonus Compensation** - BNC has implemented an incentive compensation bonus plan. Currently, this Plan ties 75% of the incentive payment to the pre tax net income (income) earned by BNC and 25% to individual goals. These goals are determined each year based on the BNC's budget. Payments under the Plan are based on a target income number with reduced or increased payments possible depending on how well BNC does. No payments are made under the plan unless BNC earns at least 80% of the target figure and BNC must earn 140% of the target figure for the maximum incentive amount to be paid. All of BNC's staff participates in the Plan. It is expected that in 2008, BNC Financial Group, Inc. and TBF, will develop incentive plans that mirror BNC's plan.
3. **Stock Option Plan** - The Board of Directors awards stock options to selected employees based on Senior Management recommendations and the Board of Directors evaluation of employees' contribution to the Company's success. The Company believes awarding stock options to its staff aligns their interest with that of the shareholders and encourages employees to think like owners.

1. Summary Compensation Table

The following table sets forth information with respect to executive officers whose total annual salary and other compensation exceeded \$100,000 for the fiscal years ended December 31, 2006 and 2007:

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$) ⁽⁵⁾	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Frederick R. Afragola ⁽¹⁾	2007	215,250	-0-	-0-	-0-	3,609	-0-	11,725 ⁽²⁾	230,584
	2006	203,077	-0-	-0-	47,211	20,453	-0-	13,503	284,244
Peter Kirk President & CFO	2007	175,013	-0-	-0-	3,675	2,250	-0-	5,318 ⁽³⁾	182,581
	2006	161,844	-0-	-0-	9,336	12,750	-0-	5,050	188,980
Heidi DeWyngaert EVP & CLO	2007	169,350	-0-	-0-	3,675	1,969	-0-	7,609 ⁽⁴⁾	178,928
	2006	161,134	-0-	-0-	9,380	11,156	-0-	7,614	189,284
Robert G. Cocks, Jr. ⁽⁶⁾ Vice President	2007	104,615	-0-	-0-	1,147	-0-	-0-	18,000 ⁽⁷⁾	123,762
	2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Mr. Afragola retired on March 4, 2008. Mr. Merrill Jay Forgotsen has succeeded him.
- (2) The \$11,725 listed under the All Other Compensation column represents a \$2,855 life insurance policy premium, \$2,304 for the personal use of the Company automobile and a \$6,566 matching contribution made by the Company under the Company's 401(k) Plan.
- (3) The \$5,318 listed under the All Other Compensation column represents a matching contribution made by the Company under the Company's 401(k) Plan.
- (4) The \$7,609 listed under the All Other Compensation column represents a \$2,400 phone and travel allowance and a \$5,209 matching contribution made by the Company's 401(k) Plan.
- (5) Represents the amount accrued on the Company's financial statements for 2007 under FAS 123R.
- (6) Mr. Cocks, Jr. joined the Company on April 30, 2007. The 2007 figures are based on a partial year.
- (7) Represents a travel and phone allowance of \$4,000 and a housing allowance of \$14,000.

Outstanding Equity Awards as of December 31, 2007

Name	Option Awards				
	Number of securities underlying unexercised options (#) Exercisable	Number of securities underlying unexercised options (#) Unexercisable	Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date
Frederick R. Afragola ⁽¹⁾	30,000	-0-	-0-	10.00	8/15/2013
	5,000	-0-	-0-	14.50	2/22/2016
	5,000	-0-	-0-	18.50	9/27/2016
Peter Kirk ⁽²⁾ President & CFO	6,100	-0-	-0-	10.00	8/15/2013
	4,000	-0-	-0-	10.00	3/31/2014
	3,000	-0-	-0-	14.50	3/1/2015
	1,334	666	-0-	16.00	3/29/2016
Heidi DeWyngaert ⁽³⁾ SVP & CLO	6,000	-0-	-0-	10.00	7/6/2014
	1,500	-0-	-0-	14.50	3/1/2015
	1,334	666	-0-	16.00	3/29/2016
Robert G. Cocks, Jr. ⁽⁴⁾	-0-	15,000	-0-	20.77	6/27/2017

- (1) Options vest immediately with the following vesting dates of 8/15/2003, 2/22/2006, and 9/27/2006. Total Stock Options awarded 40,000.
- (2) Options vest at the rate of 33 1/3% per year, with the following vesting dates of 8/15/2003, 2004, 2005; 3/31/2004, 2005, 2006; 3/1/2005, 2006, 2007; and 3/29/2007, 2008, 2009. Vesting is conditioned on the named individual remaining an employee until the end of each vesting period. Vesting may be accelerated under the circumstances described in Mr. Kirk's employment agreement and the Company's 2002, 2006, and 2007 Stock Option Plans. Total Stock Options awarded 15,100.
- (3) Options vest at the rate of 33 1/3% per year, with the following vesting dates of 7/6/2004, 2005, 2006; 3/1/2005, 2006, 2007; and 3/29/2007, 2008, 2009. Vesting is conditioned on the named individual remaining an employee until the end of each vesting period. Vesting may be accelerated under the circumstances described in Ms. DeWyngaert's employment agreement and the Company's 2002, 2006, and 2007 Stock Option Plans. Total Stock Options awarded, as of April 30, 2008, are 9,500.
- (4) Options vest over five (5) years with the following vesting dates of 6/27/2008, 2009, 2010, 2011, 2012. Vesting is conditioned on the named individual remaining an employee until the end of each vesting period. Vesting may be accelerated under the circumstances described in Mr. Cocks' employment agreement and the Company's 2002, 2006, and 2007 Stock Option Plans.

2. Employment Agreements

Mr. Merrill Jay Forgotson was named Chief Executive Officer of the Company upon Mr. Afragola's retirement and entered into an employment agreement with the Company which provides for an employment period of three years ending December 31, 2010 with a base salary of \$220,000 for 2008, \$240,000 for 2009, and thereafter subject to annual increases as determined by the Board of Directors. Mr. Forgotson is eligible for a performance bonus of up to twenty-five percent (25%) of his base salary as declared by the Board of Directors based on goals mutually determined by Mr. Forgotson and the Board of Directors. Mr. Forgotson was granted 30,000 shares of restricted stock at \$20.70 per share subject to a five-year vesting period. He is also entitled to benefits similar to those provided for other employees and perquisites customary to his position at the Company. Additionally, the Company agreed to reimburse Mr. Forgotson for his annual country club dues in the amount of \$7,000 for 2008, and \$11,000 per year for 2009 and 2010. Mr. Forgotson has the use of a Bank automobile and a \$200 per month telephone allowance. He is entitled to reimbursement for attorney's fees (up to \$10,000) related to the negotiation of his employment agreement. Mr. Forgotson's employment agreement provides for change in control protection consisting of a lump sum payment of two times his annual salary and incentive payment and the immediate vesting of his restricted stock following a change in control event. The Agreement also provides for a severance payment of up to 12 months base salary and incentive payment if he is terminated without cause.

Mr. Peter Kirk was named Chief Executive Officer of the Bank upon Mr. Afragola's retirement. Mr. Kirk and the Bank have entered into an eighteen-month employment contract, which is from January 1, 2008 through July 1, 2009. The agreement provides for an annual base salary of \$225,000 effective March 4, 2008 and subject to annual increases as determined by the Board of Directors. Mr. Kirk is eligible for a performance bonus of 20 to 50% of his base salary as declared by the Board of Directors based on the 2008 Bank of New Canaan Executive Incentive Plan. He is also entitled to benefits similar to those provided for other employees. Mr. Kirk's employment agreement provides for change in control protection consisting of a lump sum payment of two times his annual salary if he is terminated following a change in control event. The Agreement also provides for a severance payment of up to six months base salary if he is terminated without cause. Additionally, Mr. Kirk agreed to forfeit 12,000 stock options awarded to him in September 2007, in exchange for the extension of the exercise date on his existing options to their expiration date, subject to his remaining with the Bank through July 1, 2009.

Ms. Heidi DeWyngaert was named Executive Vice President of the Bank upon Mr. Afragola's retirement. Ms. DeWyngaert and the Bank have entered into a three-year employment contract, which is from March 10, 2008 through March 9, 2011. The agreement provides for an annual base salary of \$195,000 effective March 4, 2008 and subject to annual increases as determined by the Board of Directors. Ms. DeWyngaert is eligible for a performance bonus of 10 to 30% of her base salary as declared by the Board of Directors based on the 2008 Bank of New Canaan Executive Incentive Plan. She is also entitled to benefits similar to those provided for other employees and a \$200 per month telephone and mileage allowance. Ms. DeWyngaert's employment agreement provides for change in control protection consisting of a lump sum payment of two times her annual salary if she is terminated following a change in control event. The Agreement also provides for a severance payment of up to six months base salary if she is terminated without cause. Additionally, Ms. DeWyngaert was awarded 4,000 stock options on January 2, 2008 at an exercise price of \$20.70 and having a three-year vesting schedule and was awarded 12,000 stock options on March 26, 2008, at an exercise price of \$20.70, with a seven-year vesting schedule.

On April 30, 2007, the Bank hired Mr. Robert G. Cocks, Jr. as the President of The Bank of New Canaan and subsequently The Bank of New Canaan entered into an employment contract with Mr. Cocks, Jr. In the fourth quarter of 2007, Mr. Cocks, Jr. agreed to become the President of The Bank of Fairfield, In Organization (hereafter TBF). On December 1, 2007, Mr. Cocks, Jr. and TBF entered into a two-year

employment contract, which replaced his earlier contract with The Bank of New Canaan (BNC), and is effective from December 1, 2007 through November 30, 2009. The agreement provides for an annual base salary of \$175,000 effective December 1, 2007 and subject to annual increases as determined by the Board of Directors. Mr. Cocks, Jr. is eligible for a performance bonus of 20 to 50% of his base salary as declared by the Board of Directors based on the, to be developed, 2008 Bank of Fairfield Executive Incentive Plan. He is also entitled to benefits similar to those provided for other employees and a \$500 per month telephone and mileage allowance as well as a \$2,000 per month housing allowance that runs through May 1, 2008. Mr. Cocks, Jr. employment agreement provides for change in control protection consisting of a lump sum payment of one time his annual salary if he is terminated following a change in control event. The Agreement also provides for a severance payment of up to six months base salary if he is terminated without cause. Additionally, Mr. Cocks, Jr. was awarded 15,000 stock options on June 27, 2007 (under his agreement with the BNC) at an exercise price of \$20.77 and having a five-year vesting schedule.

Mr. Frederick R. Afragola, the Chief Executive Officer and President of the Bank and the Chief Executive Officer of the holding company retired from both companies on March 4, 2008. At that time, he entered into a three-year consulting agreement with the Bank. The agreement calls for Mr. Afragola to be the Chairman Emeritus of the Bank and to provide assistance by acting as the Bank's "good will ambassador" and aiding in business development and community involvement. The contract is from March 4, 2008 through March 4, 2011. Under this contract, the Bank agreed to extend the exercise date of Mr. Afragola's existing stock options to their expiration date, to pay Mr. Afragola \$5,000 per month in 2008, \$4,000 per month in 2009, and \$2,000 per month in 2010. Additionally, Mr. Afragola will receive 18,000 shares of restricted stock at \$20.70 per share, which vest over three years subject to certain performance goals.

3. Employee Benefits

(a) Stock Option Plan

On June 25, 2003, the Shareholders adopted the 2002 Bank Management, Director and Founder Stock Option Plan (2002 Plan). Under the 2002 Plan, 152,200 shares were made available to be issued as options. On July 26, 2006, the Shareholders approved the 2006 Stock Option Plan (2006 Plan). Under the 2006 Plan, 47,800 shares were made available to be issued as options. On July 26, 2007, Shareholders adopted the 2007 Bank of New Canaan Stock Option and Equity Award Plan, 165,244 shares were made available for issuance. As of April 30, 2008, of the 365,244 options authorized under the 2002, 2006, and 2007 Plans, 262,358 options have been issued to Employees, Directors and Founders, and 18,000 and 30,000 shares of restricted stock have been issued to Messrs. Frederick R. Afragola and Merrill Jay Forgotson, respectively. There were 2,000 options exercised in 2004, and there are 52,886 available to be issued.

The following table sets forth the total number of securities authorized for issuance under equity compensation plans as of December 31, 2007.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by shareholders	262,358	\$15.41	52,886
Equity compensation plans not approved by shareholders	0	0	0
Total	262,358	\$15.41	52,886

(b) Qualified Retirement and 401(k) Benefit Plan

The Company and Bank's retirement benefit plan consists solely of a 401(k) Retirement Plan that was effective October 1, 2002. The 401(k) Plan is administered by Mass Mutual, with professional oversight by Rollin Schuster of Schuster – Driscoll & Company. Employees may elect to contribute through salary deductions on a before tax basis. The maximum contribution per employee allowed by law for 2007 was \$15,500 plus an additional "catch-up" contribution of \$5,000 if age 50 or over. In 2008, employees may contribute up to an IRS maximum of \$15,500 plus an additional "catch-up" contribution of \$5,000 if age 50 or over. The Company provides a discretionary matching contribution, which totaled \$59,899 and \$46,941 for 2007 and 2006, respectively. The Company or Bank match is 50% of the first 6% of employee contributions.

4. Indebtedness of Directors, Officers and Management

The aggregate amount of extensions of credit, including overdraft protection, to Directors and Officers, including their immediate families and other associates, was \$3,176,558 as of December 31, 2007. Of the foregoing indebtedness, \$3,072,580 were loans secured by mortgages held on local real estate. All extensions of credit were made in the ordinary course of business on substantially the same terms, including interest rates, collateral and repayment terms, as those prevailing at the time for comparable transactions with others and do not represent more than a normal risk of collectibility or present other unfavorable features. The Bank expects to have similar banking transactions in the future on comparable terms and conditions.

Director Drexler had loans in excess of 10% of the Bank's equity capital accounts during 2007. For Mr. Drexler, the largest aggregate amount of indebtedness outstanding at any time from January 1, 2007 through March 31, 2008 was \$1,775,578 or approximately 9.75% of the Bank's Tier 1 Capital accounts as of March 31, 2008. This loan is performing as agreed and was made on terms and conditions that would apply to on loan with an unaffiliated party.

5. Transactions with Directors, Officers, and Associates

In addition to the transactions noted above with respect to indebtedness of Directors, Officers and Management and the employment agreements mentioned in this proxy the Bank paid approximately \$19,600 for legal services to the law firm of Lampert, Williams, & Toohey, LLC of which Mr. Lampert, a Director, is the Managing Member.

6. Director Compensation

Compensation Philosophy

The Company and Banks believe that to successfully recruit and retain talented Directors of the caliber needed to effectively direct the Company and the Banks, its Director Compensation package should be within the upper 25% of its banking peer group. The Company also believes that Director Compensation should serve to solidify the alignment of the shareholders interests with that of the Board of Directors and that stock option and other forms of equity awards are the best way to do this.

During 2007, the Company's Directors did not receive any compensation for the organizational meetings they attended. During 2008, Company Directors will receive Director's fees based on the following plan:

Annual Retainers	
Board Chairperson	\$4,000
Committee Chairperson	\$1,000
Board Member	\$2,000
Per Board Meeting	\$300
Per Committee Meeting	\$150

During 2007, BNC Directors received no cash compensation for attendance at Board or Committee meetings but did receive stock options based on their attendance. Non-employee Directors earned \$818 per Board Meeting and the Board of Director's Chairperson earned \$1,230 per Meeting. Non-employee Directors also earned \$275 per Committee Meeting with Committee Chairperson's earning \$500 per Meeting. The Bank's Corporate Secretary earned \$8,000 for his 2007 services. These earnings (shown on the following table) were converted into Stock Options based on the Options' Fair Market Value (approximately \$5.49 per Option) as of the issue date of December 13, 2007. The Options have an exercise price of \$20.70. This compensation was set by the Board of Directors after careful and extended evaluation and consideration of the recommendation of an independent Consultant hired by the Personnel and Compensation Committee to review the Board's compensation relative to its peer bank group.

A total of 37,854; 42,600; and 12,820 options were issued for Board attendance in 2007, 2006 and 2005, respectively.

The following table sets forth for the year ended December 31, 2007, the compensation paid or awarded by the Bank to each of the Directors.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)(1)(2)(3)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value & Nonqualified Deferred Compensation Earnings	All Other Compensation (\$)	Total (\$)(1)(2)(3)
Frederick R. Afragola	0	0	\$0	0	0	0	\$0
Judy Bentley	0	0	18,340	0	0	0	18,340
Blake Drexler	0	0	15,320	0	0	0	15,320
James A. Fieber	0	0	15,796	0	0	0	15,796
Hugh Halsell	0	0	22,371	0	0	0	22,371
Daniel S. Jones	0	0	14,115	0	0	0	14,115
Carl Kuehner	0	0	20,115	0	0	0	20,115
Todd Lampert	0	0	29,274	0	0	0	29,274
Ronald Manganiello	0	0	12,640	0	0	0	12,640
Kathleen McShane	0	0	14,065	0	0	0	14,065
T. Brock Saxe	0	0	20,165	0	0	0	20,165
Duncan Toll	0	0	17,803	0	0	0	17,803
Total	0	0	\$200,003	0	0	0	\$200,003

- (1) Compensation in the form of perquisites and other personal benefits provided by the Company has been omitted for each Director as the total amount of those perquisites and personal benefits constituted less than \$10,000 for 2007.
- (2) Mr. Lampert's fees include the cash value of 1,456 options (\$8,000) issued to him in his role as the Bank's Corporate Secretary.
- (3) Represents the amount accrued on the Bank's financial statements for 2007 under FAS 123R.

OTHER MATTERS

The Board of Directors is not aware of any matters proposed to be brought before the meeting other than the matters described herein. If any other matters are properly brought before the meeting, it is the intention of the persons authorized to vote the proxies to do so in accordance with their judgment in the best interests of the Company with respect to such matters.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read "M. Forgotson", with a long horizontal flourish extending to the right.

Merrill Jay Forgotson
Chief Executive Officer