

**BUTLER NATIONAL CORPORATION
SECOND AMENDED AND RESTATED
COMPENSATION COMMITTEE CHARTER**

Purpose

The purpose of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Butler National Corporation (the “Corporation”) is to: (i) assist the Board in meeting its responsibilities with regard to oversight and determination of the compensation of the Corporation’s Chief Executive Officer (the “CEO”) and the Corporation’s other executive officers; (ii) review and determine non-employee director compensation; and (iii) exercise the authority and perform the duties and responsibilities set forth in this Charter. Among other things, the Committee approves the salaries and other compensation of the Corporation’s executive officers (including the CEO) and administers the Corporation’s equity incentive plans (including reviewing, recommending and approving stock option and other equity incentive grants to executive officers).

Membership and Structure

The Committee will consist of at least two member directors. A minimum of two directors must be independent directors (as defined in the applicable rules for NASDAQ-traded issuers as well as applicable federal law). At least two members of the Committee will also qualify as a “non-employee” director within the meaning of Rule 16b-3 under the Exchange Act. The members of the Committee will be appointed annually by the Board on the recommendation of the Nominating and Governance Committee and will serve at the Board’s discretion. The designation of the Chair of the Committee (the “Committee Chair”) shall be made by the full Board. Committee members may be replaced or removed from the Committee by the Board at any time, with or without cause, and any vacancies will be filled through appointment by the Board on the recommendation of the Nominating and Governance Committee. Resignation or removal of a director from the Board will automatically constitute resignation or removal, as applicable, of such director from the Committee. The Committee will meet as often as it determines necessary to carry out its responsibilities. Meetings of the Committee shall be held at such times and places as the Committee shall determine. The Committee Chair will preside at each meeting. If the Committee Chair is not present at a meeting, the Committee members present at that meeting will designate one of its members as the acting chair of such meeting. The Committee may also act by unanimous written consent in lieu of a meeting in accordance with the Corporation’s Bylaws. When necessary, the Committee shall meet in executive session outside of the presence of any senior executive officer of the Corporation. The CEO may not be present during voting or deliberations on the CEO’s compensation. The Committee Chair shall report on activities of the Committee to the full Board.

Responsibilities

The Compensation Committee shall:

1. Review and approve annual levels of base salary, bonus and certain other matters relating to compensation of the CEO. In determining the amount, form, and terms of such compensation, the Committee shall consider the annual performance evaluation of the CEO conducted by the Board of Directors in light of company goals and objectives relevant to CEO compensation, competitive market data pertaining to CEO

compensation at comparable companies, the risk to the Corporation from various incentive compensation arrangements, issues related to internal equity, and such other factors as it shall deem relevant, and shall be guided by, and seek to promote, the best interests of the Corporation and its shareholders.

2. Review with the CEO and approve annual levels of base salary, bonuses, and certain other matters relating to compensation of the Corporation's executive officers other than the CEO. In determining the amount, form, and terms of such compensation, the Committee shall consider the officers' performance in light of company goals and objectives relevant to executive compensation, competitive market data pertaining to executive compensation at comparable companies, the risk to the Corporation from various incentive compensation arrangements, issues related to internal equity, and such other factors as it shall deem relevant, and shall be guided by, and seek to promote, the best interests of the Corporation and its stockholders. The CEO of the Corporation may be present at meetings during which compensation of executive officers (other than the CEO) is under review and consideration, but may not vote.
3. Review and approve the compensation of non-employee directors of the Corporation.
4. Review and make recommendations with respect to stockholder proposals related to compensation matters.
5. Review and make recommendations to the Board regarding executive benefit plans and programs.
6. Administer the Corporation's equity incentive plans, including the review and grant of restricted stock and other equity incentive grants to executive officers and other members of management of the Corporation.
7. Administer the Corporation's long-term incentive plans, including perquisites, club memberships, and long-term employee bonus programs applicable to executive officers and other members of management of the Corporation.
8. Administer the Corporation's annual incentive plans, including the review and approval of cash bonus payments to executive officers and other members of management of the Corporation.
9. Review and discuss with management the draft Compensation, Discussion & Analysis disclosure to be included in the Company's public SEC filings. Based on the review and discussions, recommend to the Board of Directors that the Compensation, Discussion & Analysis be included in the Corporation's annual proxy statement.
10. Prepare the Report of the Compensation Committee for inclusion in the Corporation's annual proxy statement.
11. When appropriate, be authorized to designate one or more of its members to perform certain of its duties on its behalf, subject to such reporting to or ratification by the Committee as the Committee shall direct.

12. Annually review and reassess the adequacy of its charter and recommend any changes to the full Board.
13. Review annually its own performance and report thereon to the Board.

In fulfilling its responsibilities, the Compensation Committee shall have the authority, and shall be afforded resources sufficient, to engage and pay compensation consultants, legal counsel and other advisers when determined by the Committee to be necessary or appropriate. The Committee shall have sole authority to retain and terminate any such compensation consultant, legal counsel or other adviser, including sole authority to approve the fees and other retention terms. The Committee may select a compensation consultant, legal counsel or other adviser to the Committee only after taking into consideration the following factors:

- (i) The provision of other services to the Corporation by the person that employs the compensation consultant, legal counsel or other adviser;
- (ii) The amount of fees received from the Corporation by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- (iii) The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- (iv) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the compensation committee;
- (v) Any stock of the Corporation owned by the compensation consultant, legal counsel or other adviser; and
- (vi) Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Corporation.

Adopted: November 7, 2024