

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

I. Purpose

The primary objectives of the Governance and Nominating Committee are to assist the Board by: (i) identifying individuals qualified to become Board members and recommending that the Board select a group of Director nominees for each next annual meeting of the Company's stockholders; (ii) ensuring that the Audit, Compensation and Governance and Nominating Committees of the Board shall have the benefit of qualified and experienced "independent" Directors; and (iii) developing and recommending to the Board a set of effective corporate governance policies and procedures applicable to the Company.

II. Organization

The Governance and Nominating Committee shall consist of three or more Directors, each of whom shall satisfy the applicable independence requirements of The Nasdaq Stock Market and any other applicable regulatory requirements.

Committee members shall be elected by the Board at the annual organizational meeting of the Board of Directors; members shall serve until their successors shall be duly elected and qualified. The Committee's chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect a Chairman by vote of a majority of the full Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

III. Structure and Meetings

The chairperson of the Governance and Nominating Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting.

IV. Goals and Responsibilities

The Governance and Nominating Committee shall: (i) develop and recommend to the Board a set of corporate governance principles applicable to the Company, and review and reassess the adequacy of such guidelines annually and recommend to the Board any changes deemed appropriate; (ii) develop policies on the size and composition of the Board; (iii) review possible candidates for Board membership consistent with the Board's criteria for selecting new Directors; (iv) perform Board member performance evaluations on an annual basis; (v) annually recommend a slate of nominees to the Board with respect to nominations for the Board at the annual meeting of the Company's stockholders; (vi) review and discuss with Management the program that Management has established to monitor compliance with the Company's Code of Business Conduct and Ethics for Directors, Officers and employees; and (vii) generally advise the Board (as a whole) on corporate governance matters.

Together with the Audit Committee, assist the Board in its oversight of legal and regulatory compliance. The Audit Committee shall have sole oversight over matters of financial compliance (accounting, auditing, financial reporting and investor disclosures). As to all other areas of compliance (“non-financial compliance”), the Committee shall have oversight responsibilities in the first instance; however, the two committees shall meet jointly at least annually to review the major non-financial compliance matters, including: overall state of compliance, significant legal or regulatory compliance exposure, and material reports or inquiries from regulators. The Committee shall periodically report to the Board with respect to the effectiveness of the program established to monitor compliance with the Company’s Code of Business Conduct and Ethics for Directors, Officers and employees. In the event the Committee becomes aware of matters which in its judgment may affect the Company’s financial statements, it shall promptly report such matters to the Audit Committee in order to assist the Audit Committee in its oversight of legal and regulatory matters pertaining to financial compliance.

The Committee will consider director candidates proposed by stockholders, provided that the stockholder recommendation complies with the Company’s by-law provisions requiring that stockholder submissions be submitted to the Company’s Corporate Secretary in a timely manner and include the information called for in the Company’s by-laws concerning (a) the potential nominee and (b) the person proposing the nomination. The Committee will use the same process for evaluating a stockholder director candidate as it uses for any other potential nominee.

The Committee shall also advise the Board on (a) committee member qualifications, (b) committee member appointments and removals, (c) committee structure and operations (including authority to delegate to subcommittees), and (d) committee reporting to the Board.

The Committee will annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

The Committee shall perform any other activities consistent with this Charter, the Company's By-laws and governing law as the Committee or the Board deems appropriate.

V. Performance Evaluation

The Governance and Nominating Committee shall conduct an annual performance evaluation of itself.

VI. Committee Resources

The Governance and Nominating Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify Director candidates, including sole authority to approve such search firm's fees and other retention terms.

VII. Disclosure of Charter

This Charter will be made available on the Company's Web site at “www.Singletouch.net”.