



# **Charter of the Nominating and Governance Committee of the Board of Directors of Evolving Systems, Inc.**

## The Committee's Role and Responsibilities

The role of the Nominating and Governance Committee (the "Committee") is to provide oversight on the broad range of issues surrounding the composition and operation of the Board of Directors (sometimes referred to as the "Board"), including, but not limited to, assisting the Board of Directors of Evolving Systems, Inc. (the "Company") in the following areas:

- establish and periodically re-evaluate criteria for Board membership and selection of new directors including independence standards; and determine as necessary the portfolio of skills, experience, perspective, diversity and background required for the effective functioning of the Board, considering the Company's strategy and its market environments;
- evaluate the qualifications and performance of incumbent directors and determine whether to recommend them for re-election;
- search for, recruit, screen and select qualified individuals to become Board members;
- recommend to the Board the Director nominees for election during the Annual Meeting of Stockholders (and any special meeting) and candidates to fill vacancies on the Board;
- consider Board candidates submitted by stockholders of the Company in accordance with the notice provisions and procedures set forth in the Company's Bylaws;
- recommend the size and composition of the Board of Directors and its committees;
- periodically review Director compensation and benefits and make recommendations to the Board;
- recommend to the Board a set of corporate governance principles applicable to the Company;
- annually reassess the adequacy of this Charter and recommend any proposed changes to this Charter to the Board for its approval;
- review and assess the Company's compliance with the corporate governance guidelines and requirements established by The NASDAQ Stock Market and the requirements established under the Sarbanes-Oxley Act and by applicable laws and regulations, and recommend any proposed changes to the Board for approval;
- report its actions and recommendations to the Board at the next regularly scheduled Board meeting following any meeting of the Committee; and
- perform any other responsibilities delegated to the Committee by the Board from time to time.

## Committee Membership

The Committee shall consist of at least two (2) Directors. The members of the Committee shall be appointed by the Board and may be removed by the Board at its discretion. All members of the Committee shall, in the Board's judgment, meet the applicable independence requirements of the Securities and Exchange Commission and The NASDAQ Stock Market. Members of the Committee shall serve until their resignation, death, removal by the Board or until their successors are appointed. A Committee member shall be automatically removed without further action of the Board if the member ceases to be a director of the Company or is found by the Board to no longer be an "independent director" as that term is defined under The NASDAQ Stock Market listing standards, as amended from time to time.

The Committee or Board shall appoint one of its members to serve as Chairperson. The Committee may form and delegate authority to subcommittees of one or more members of the Committee as determined by the Committee to be necessary or advisable. In the event that the Company is legally required by contract or otherwise to provide third parties with the ability to designate directors, the selection and nomination of such directors need not be subject to the process set forth herein.

## Meetings

Meetings of the Committee will be held at least once annually. Other meetings of the Committee will be held as often as the Committee determines is appropriate to carry out its responsibilities. The Chairperson of the Committee, in consultation with other Committee members, will determine the frequency and length of the meetings and will set agendas consistent with this Charter. Minutes will be prepared and the Committee will report to the Board the results of its meetings. The Committee may designate a non-voting Secretary or Acting Secretary for the Committee, who shall assist in the administration of meetings and prepare the minutes of such meetings as requested by the Committee. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter; (b) any provision of the Bylaws or Certificate of Incorporation of the Company; or (c) the laws of the state of Delaware.

## Authority to Engage Advisors

The Committee shall have the authority, and shall have the appropriate funding from the Company, to retain and approve the fees of legal consultants and other advisors, including director search firms, as it deems necessary for the fulfillment of its responsibilities. Any communication between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

Adopted March 4, 2004.