



DATATRAK INTERNATIONAL, INC.

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

(As Adopted on September 10, 2004)

The Board of Directors (the "Board") of DATATRAK International, Inc. (the "Company") has constituted and established a Nominating and Corporate Governance Committee (the "Committee") with authority, responsibility and specific duties as described in this Nominating and Corporate Governance Committee Charter.

Membership

The Committee shall consist of three directors who are independent of management and free from any relationship that, in the opinion of the Board, and as evidenced by its appointment of such Committee members, would interfere with the exercise of independent judgment as Committee members. Each Committee member shall meet the definition of "independent" within the meaning of the Nasdaq Stock Market listing standards, and any other applicable laws, rules and regulations, as amended from time to time.

The Board shall appoint one member of the Committee to serve as the Chairman of the Committee. The Board may fill vacancies on the Committee from time to time, and the Board may remove a Committee member from membership on the Committee at any time with or without cause.

Principle Functions

The Committee has two basic responsibilities: (1) to assist the Board in identifying individuals qualified to become board members and to recommend that the Board select the director nominees to be elected at the annual meeting of shareholders or to be appointed to fill a vacancy or to otherwise increase the size of the Board; and (2) to assist the Board in developing and implementing the Company's corporate governance policies and guidelines. In carrying out its responsibilities, the Committee will:

- Identify, review, evaluate and recommend individual candidates to the Board to become Board members and shall consider management and shareholder recommendations for director candidates. In recommending candidates for nomination, the Committee shall consider such factors as it deems appropriate and shall not recommend candidates for nomination who do not meet the following minimum qualifications:
 - A desire to represent the best interests of the shareholders;
 - An express commitment to the mission and success of the Company as well as an ability to work compatibly with the Board and senior management;

- A history of outstanding achievements and the highest ethical standards, values and integrity;
 - Experience and knowledge that is relevant to the Company and which has been obtained as a director or in a senior executive position or in an academic, scientific or government position;
 - The ability and willingness to commit and devote the necessary time and energy to the diligent performance of his or her duties, including preparing for, attending and participating in Board meetings and one or more standing committees of the Board; and
 - Basic knowledge of corporate governance matters and the role of boards of public companies.
- Establish policies and procedures with regard to the consideration of shareholder recommended director candidates and the process by which the Committee identifies and evaluates all director candidates.
- Evaluate whether an incumbent director should be nominated for reelection to the Board upon expiration of such director's term. The Committee shall use the same factors established for new director candidates to make its evaluation and also shall take into account the incumbent director's past performance and contribution to the Board and its committees.
- The Committee shall review annually the Board's committee structure and recommend to the Board for its approval directors to serve on each of the Board's committees. The Committee also shall recommend additional directors to serve as committee members when necessary to fill vacancies. The Committee shall consult with the Chief Executive Officer or acting Chairman of the Board on all such recommendations.
- The Committee shall develop and recommend to the Board for its approval Corporate Governance Guidelines for the Company. Thereafter, the Committee shall periodically review and assess the adequacy of the Company's Corporate Governance Guidelines and recommend changes to the Board as necessary.
- The Committee shall develop and recommend to the Board for its approval a Code of Business Conduct and Ethics applicable to the Company's directors, officers and employees, as well as a Financial Code of Ethics applicable to the Company's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and other persons performing similar functions.
- The Committee shall review matters brought to its attention relating to the integrity of management, including conflicts of interest, and shall oversee adherence to the Company's Financial Code of Ethics and Code of Business Conduct and Ethics. In connection with these reviews, the Committee will meet, as appropriate, with the Company's outside counsel and other Company officers and employees.

- The Committee shall develop and recommend to the Board for its approval an annual self-evaluation process for the entire Board and each of its committees. The Committee shall coordinate that such annual self-evaluations shall be conducted for the Board and each of its committees.
- The Committee shall make recommendations regarding director orientation programs and shall consider continuing education opportunities for directors to the extent appropriate.
- Delegate, where appropriate in the discretion of the Committee, any of its responsibilities to a subcommittee.
- Retain and authorize search firms, consultants, legal, accounting or other advisors, without seeking approval from the Board, as it deems necessary, to assist in fulfilling its responsibilities and discharging its duties.
- Report its activities to the Board at its next regularly scheduled meeting following a Committee meeting or written action, accompanied by any recommendations to the Board approved by the Committee.
- Periodically review and assess the adequacy of this Charter and recommend any appropriate changes to this Charter to the Board.
- Such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board and/or the Chairman of the Board.

Meetings

The Committee will meet as often as necessary to carry out its responsibilities. Meetings may be called by the Chairman of the Committee and/or management of the Company. All meetings of the Committee shall be held pursuant to the Code of Regulations of the Company with regard to notice and waiver thereof, and written minutes of each meeting shall be duly filed in the Company's records. The Chairman shall preside at each meeting and, in the absence of the Chairman, one of the other members of the Committee shall be designated as the acting chair of the meeting. A quorum shall consist of a majority of the members of the Committee.