

**CHARTER OF
CORPORATE GOVERNANCE/NOMINATING COMMITTEE
OF THE
BOARD OF DIRECTORS OF
SUNRISE TELECOM INCORPORATED**

1. Mission Statement

The Corporate Governance/Nominating Committee of the Board of Directors of Sunrise Telecom Incorporated (the “Company”) shall assist the full Board of Directors in fulfilling its responsibilities to assure that the Company is governed in a manner consistent with the interests of the stockholders of the Company. The Corporate Governance/Nominating Committee shall advise the Board with respect to: (a) Board organization, membership and operations; (b) committee structure, membership and operations; (c) succession planning for the executive officers of the Company; (d) the Company's Corporate Governance Policy, its operation and any modifications to such policy; and (e) other matters relating to corporate governance and the rights and interest of the Company's stockholders.

2. Membership and Qualification

The Committee shall consist of three or more Independent Directors (as defined in and determined pursuant to the rules and regulations of The Nasdaq Stock Market, Inc.) with the exact number being determined by the Board. The Committee members shall be elected by the Board annually for terms of one year, or until their successors shall be duly elected and qualified. The Board by majority vote may remove a Committee member at any time. The Board, upon recommendation by the Corporate Governance/Nominating Committee, may remove any other committee member at any time. Unless a Committee Chairman is elected by the full Board, the Committee members may designate a Chairman.

3. Meetings and Other Actions

The Committee shall meet at least once a year and at such additional times as may be necessary to carry out its responsibilities. The Chairman of the Committee or the Chairman of the Board may call meetings. All meetings of and other actions by the Committee shall be held or otherwise taken pursuant to the Company's bylaws.

- Unless otherwise authorized by an amendment to this Charter, the Corporate Governance/Nominating Committee shall not delegate any of its authority to any subcommittee.
- Reports of meetings of and actions taken at meetings or by consent of the Committee since the most recent Board meeting (except to the extent covered in an interim report circulated to the Board) shall be made by the Committee Chairman or his/her delegate to the Board at its next regularly scheduled meeting following the Committee meeting or action and shall be accompanied by any recommendations from the Committee to the Board. In addition, the Committee Chairman or his/her delegate shall be available to answer any questions the other Directors may have regarding the matters considered and actions taken by the Committee.

4. Goals, Responsibilities and Authority

In carrying out its mission, the Committee shall have the following goals, responsibilities and authority:

Board of Directors

- A. Evaluate periodically the desirability of, and recommend to the Board any changes in, the size and composition of the Board.
 - General Criteria. The Board should include at least enough Independent Directors (as defined in and determined pursuant to the rules and regulations of The Nasdaq Stock Market, Inc.) to satisfy the minimum number of Independent Directors required to fill all Board and Board committee positions required to be filled by Independent Directors. Subject to the right of the Corporate Governance/Nominating Committee and the Board to decide otherwise when deemed appropriate, the Chief Executive Officer of the Company generally should be a director and, depending on the

circumstances, certain other members of management, as well as certain individuals having relationships with the Company that prevent them from being Independent Directors, may be appropriate members of the Board. Each director should:

- Be an individual of high character and integrity and have an inquiring mind, vision, a willingness to ask hard questions and the ability to work well with others;
- Be willing and able to devote sufficient time to the affairs of the Company and be diligent in fulfilling the responsibilities of a director and Board committee member (including developing and maintaining sufficient knowledge of the Company and its industry, reviewing and analyzing reports and other information important to Board and committee responsibilities, preparing for, attending and participating in Board and committee meetings, and satisfying appropriate orientation and continuing education guidelines); and
- Have the capacity and desire to represent the balanced, best interests of the stockholders as a whole and not primarily a special interest group or constituency.

- Specific Criteria. In addition to the foregoing general criteria, the Corporate Governance/Nominating Committee shall develop, reevaluate at least annually and modify as appropriate a set of specific criteria outlining the skills, experiences (whether in business or in other areas such as public service, academia or scientific communities), particular areas of expertise, specific backgrounds, and other characteristics that should be represented on the Board to enhance the effectiveness of the Board and Board committees.

B. Evaluate each new director candidate and each incumbent director before recommending that the Board nominate or renominate such individual for election or reelection (or that the Board elect such individual on an interim basis) as a director based on the extent to which such individual meets the general criteria established by the Committee, and will contribute significantly to satisfying the overall mix of specific criteria established by the Committee.

- Each annual decision to renominate incumbent directors should be based on a careful consideration of each such individual's contributions, including the value of his/her experience as a director of the Company, the availability of new director candidates who may offer unique contributions, and the Company's changing needs.

C. Diligently seek to identify potential director candidates who will strengthen the Board and remedy any perceived deficiencies in the composition of the Board. This should include establishing procedures for soliciting and reviewing potential nominees from directors and stockholders and for advising those who suggest nominees of the outcome of such review.

- The Corporate Governance/Nominating Committee shall have sole authority to retain and terminate any search firm used to identify director candidates and to approve any such search firm's fees and other terms of retention.

D. Submit to the Board the candidates for director to be recommended by the Board for election at each annual meeting of stockholders and to be added to the Board at any other times due to Board expansions, director resignations or retirements or otherwise. Consider nominations properly submitted by the Company's stockholders in accordance with the procedures set forth in the Company's Bylaws, and, as determined by the Committee to be appropriate, establish policies and procedures regarding the recommendation of such nominees.

E. Monitor performance of directors based on the general criteria and the specific criteria applicable to each such director. If any serious problems are identified, work with such director to resolve such problems or, if necessary, seek such director's resignation or recommend to the Board such person's removal.

- F. Develop and periodically evaluate initial orientation guidelines and continuing education guidelines for each member of the Board and each member of each Board committee regarding his/her responsibilities as a director generally and as a member of any applicable Board committee, and monitor and evaluate annually (and at any additional time a new member joins the Board or any Board committee) each director's cooperation in fulfilling such guidelines.

Board Committees

- G. Evaluate at least annually the composition of each standing or ad hoc Board committee and recommend any changes considered appropriate in the authority, operations, charter, number or membership of each committee.
- H. Submit to the Board annually (and at any additional times that any committee members are to be selected) candidates for membership on each Board committee and for the chairman of each committee.
- I. The Committee may evaluate periodically (i) the performance and operations of the Board, (ii) the performance, operations, authority and charter of each of the committees of the Board, and (iii) the performance of the individual directors.

Evaluation of and Successor Planning for Chief Executive Officer and Other Executive Officers

- J. Assist the Board in evaluating the performance of and other factors relating to the retention of the Chief Executive Officer. Assist the Board in overseeing the evaluation of the performance of other executive officers. It is recognized that, subject to oversight by the Board and this Committee and subject to the authority and responsibilities of the Compensation Committee, the Chief Executive Officer will have primary responsibility for evaluating the performance of other executive officers.
- K. Develop and periodically review and revise as appropriate a management succession plan and related procedures. Consider and recommend to the Board candidates for successor to the Chief Executive Officer of the Company and, with appropriate consideration of the Chief Executive Officer's recommendations, candidates for successors to other executive officers, in each case when vacancies shall occur in those offices.

Corporate Governance

- L. Develop and recommend to the Board, and review on at least an annual basis and recommend any changes to, a Corporate Governance Policy setting forth the corporate governance principles applicable to the Company.
- M. Monitor and make recommendations to the Board on other matters of Board policies and practices relating to corporate governance.
- N. Review and make recommendations to the Board regarding proposals of stockholders that relate to corporate governance.

Other Matters

- O. The Committee also shall undertake such additional activities within the scope of its primary functions as the Committee may from time to time determine.

5. Additional Resources

The Corporate Governance/Nominating Committee shall have the right to use reasonable amounts of time of the Company's internal and independent accountants, internal and outside lawyers and other internal staff and also shall have the right to hire independent experts, lawyers and other consultants to assist and advise the Committee in connection with its responsibilities. The Corporate Governance/Nominating Committee shall keep the Company's Finance and Legal Departments advised as to the general range of anticipated expenses for outside consultants, and shall obtain the concurrence of the full Board (in advance or after-the-fact) for expenditures exceeding \$10,000 in any year.