

TIMELINE, INC.
NOMINATING COMMITTEE CHARTER

I. Purpose

The Nominating Committee ("Committee") is appointed by the Timeline, Inc. ("Company") Board of Directors ("Board") to:

- identify qualified individuals to become Board members;
- determine the composition of the Board and its committees, including size, structure and membership; and
- select, or recommend that the Board select, the director nominees for the next annual meeting of shareholders.

II. Organization

A. Membership

The Committee will be composed of such number of directors as determined by the Board. All members of the Committee will satisfy the definition of "independent" under the listing standards of The Nasdaq Stock Market, and any other requirements established by the Securities and Exchange Commission. Committee members will be appointed by the Board and will serve until their successors are duly appointed and qualified. Members shall serve at the pleasure of the Board, and the Board may remove any member at any time in its sole discretion. The members of the Committee may designate a Chairman.

B. Meetings

The Committee shall meet at least once a year and at such other times as required, upon the call of any member of the Committee. A majority of the members of the Committee shall constitute a quorum.

III. Responsibilities and Authorities

A. The Committee shall lead the search for, identify, evaluate and recommend qualified nominees for shareholder election to the Board for the next annual meeting and for election by the Board to fill vacancies which occur between annual meetings. The Committee shall also review and evaluate potential candidates suggested to it (including any candidate for election submitted by a shareholder), as well as all nominations for re-election of Board members, and report to the Board regarding the result of such review. The Committee shall develop and recommend to the Board of Directors guidelines and criteria to determine the qualifications of director nominees.

B. The Committee shall review and make recommendations to the Board about Board committees, committee structure and membership. In making

recommendations for committee appointments, the Committee shall consider any required qualifications as set forth in the committee's charter, the needs of the committee in light of its purpose and responsibilities and the existing composition of the committee, the benefits of periodic rotation of committee members and any other factors the Committee deems appropriate.

C. The Committee shall review the appropriateness of continued service on the Board, or Board committees, of members whose circumstances, including business or professional affiliations or responsibilities, have changed or who contemplate accepting a directorship on another public company board or an appointment to an audit or compensation committee of another public company board.

D. The Committee shall recommend overall compensation program for directors, including director, committee member and chair retainers, perquisites, deferred compensation, stock or option awards, and any other benefit plans.

E. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate.

F. The Committee shall have the sole authority to engage any search firm to assist in identifying director candidates, including the sole authority to approve related fees and retention terms. The Committee shall also have authority to obtain advice and assistance from legal, accounting, or other advisors.

G. The Committee shall report its actions and recommendation to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the Board for approval.