

The Rubicon Project, Inc. Corporate Governance Guidelines

These Corporate Governance Guidelines reflect the corporate governance practices established by the Board of Directors (the “Board”) of The Rubicon Project, Inc. (the “Company”) to provide a framework for the governance of the Company. The Board’s decisions about corporate governance practices may evolve or change over time as a result of changes in the market or the Company’s circumstances or other factors. Accordingly, the Nominating & Governance Committee reviews the Corporate Governance Guidelines annually and recommends changes to the Board as appropriate. These Corporate Governance Guidelines are not intended to be rigid, and the Board retains flexibility to deal with situations as appropriate.

I. Board of Directors Role, Membership and Qualifications

a. Role of the Board

The Board oversees the management of the Company and its business. The Board selects the senior management team, which is responsible for operating the Company’s business, and monitors the performance of senior management. Consistent with the oversight function of the Board, the Board’s core responsibilities include:

- i. Assessing the performance of the Chief Executive Officer (the “CEO”) and other senior management and setting their compensation;
- ii. Planning for CEO and senior management succession and overseeing senior management development;
- iii. Reviewing the Company’s strategies and monitoring their implementation and results;
- iv. Overseeing the integrity of the Company’s financial statements and the Company’s financial reporting process;
- v. Overseeing the Company’s processes for assessing and managing risk;
- vi. Overseeing legal and regulatory compliance;
- vii. Nominating the Company’s director candidates and appointing committee members; and
- viii. Providing advice and counsel to management regarding significant issues facing the Company and reviewing and approving significant corporate actions.

b. Selection Process; Qualifications

The Nominating & Governance Committee recommends to the Board:

- i. The slate of the Company’s Director nominees for Board seats up for election by stockholders at each annual meeting;
- ii. Persons to be appointed by the Board to fill vacancies and newly created Board seats; and
- iii. The appointment of Directors to Board committees and chairpersons of the committees.

The Nominating & Governance Committee also considers director candidates recommended by stockholders who submit a recommendation for the Committee’s consideration by sending such recommendation to the Company at the attention of the Corporate Secretary. All such nominations must

comply with the Company's certificate of incorporation, bylaws, applicable laws and regulations, and other rules, if any, specified in the Company's most recent proxy statement or on the Company's web site.

Director candidates are approved and nominated by the Board based upon the recommendations of the Nominating & Governance Committee, and upon the Nominating & Governance Committee's and the Board's evaluation in light of relevant criteria approved by the Board. The chair of the annual meeting of stockholders may, if the facts warrant, determine and declare at the meeting that a stockholder nomination was not made in accordance with these procedures. If the chair makes such determination, the nomination shall be disregarded.

For purposes of clarification, the foregoing is meant solely to provide guidelines for consideration of stockholder director nominees and shall not create any obligation on the part of the Nominating & Governance Committee to recommend any stockholder nominee to the Company's Board. Furthermore, the discretion as to whether to include a stockholder's director nominee in the Company's annual proxy statement shall be made by the Company's Board in its sole discretion taking into account such factors as it may deem relevant; provided, however, nothing herein shall excuse the Company and its Board from complying with all applicable laws and regulations promulgated by the Securities and Exchange Commission (the "SEC") and the New York Stock Exchange (the "NYSE") listing requirements from time to time regarding stockholder nominees for director.

The Nominating & Governance Committee and the Board consider a broad range of factors and criteria that are relevant to the perceived needs of the Board as a whole at the time and under the circumstances prevailing when a Director is selected. Candidates nominated for election or re-election to the Board of Directors should have:

- i. Highest personal and professional ethics, integrity and values.
- ii. Independent, creative and disciplined thought processes.
- iii. Practical wisdom and mature judgment.
- iv. Broad training and experience at the policy-making or strategic level.
- v. A record of achievement and expertise that is useful to the Company and complementary to the background and experience of other Board members, so that a useful balance of members on the Board can be achieved and maintained.
- vi. Willingness to devote the required amount of time to carrying out the duties and responsibilities of Board membership.
- vii. Commitment to serve on the Board over a period of several years to develop knowledge about the Company.
- viii. Unless management Directors, independence under relevant standards.
- ix. Diversity of occupational and personal backgrounds among the members of the Board.

In addition to specific candidate qualifications, the Nominating & Governance Committee and the Board consider other factors as they deem appropriate, such as Director diversity and maintenance of appropriate board-level competence in areas of expertise that are relevant to the Company.

c. Limits on Number of Board Memberships

The Company recognizes that its Board members benefit from service on the boards of other companies, and that experience on other boards is valuable to the Company. The Company also recognizes that Directors must have the opportunity to dedicate sufficient time to their service on the Company's Board. Therefore:

- i. Before appointing or endorsing a new Director, the Board must conclude that such person's other time commitments will not interfere with effective service as a Director of the Company.
- ii. Before accepting a position on another board, a Director must notify the Nominating & Governance Committee, which will consider whether the acceptance of that position would compromise the Director's ability to perform in accordance with his or her responsibilities as a Director of the Company.
- iii. The CEO and other members of senior management must obtain the approval of the Nominating & Governance Committee, and then the full Board, before accepting outside board memberships, and the Board generally discourages more than one or two other corporate board memberships, as well as charitable board memberships that would be likely to interfere with obligations to the Company.

The Company's view is that the appropriate number of directorships varies depending upon each individual's personal situation, the demands of the various boards, and other circumstances. Therefore, the Board evaluates these matters and establishes limits as appropriate on a case-by-case basis for each individual Director or candidate. Generally, Directors may not serve on the boards of more than five other public companies in addition to the Company's Board; a lower limit may be appropriate under some circumstances. Directors who are serving as chief executives of public companies may not serve on the boards of more than two other public companies in addition to the Company's board. Members of the Audit Committee may not serve on the audit committees of more than two other public companies.

d. Mandatory Retirement Age

Outside Directors may not stand for reelection after age 75.

e. Change in Circumstances

Individual Directors who retire from or change the principal position they held when they initially joined the Board (or following the last change in employment reviewed by the Board), or who have a change of personal circumstances that limits their ability to fulfill their Board responsibilities (other than on a temporary basis) must tender their resignation from the Board for consideration by the Nominating & Governance Committee and the Board effective as of the date of retirement or change in position, or earlier when a future change in circumstances is known. The Nominating & Governance Committee will assess each situation based on the individual circumstances and make a recommendation to the Board regarding the appropriateness of retaining that individual as a Director in light of the changes in circumstances. The Board (acting without participation by the affected Director) will act promptly to evaluate the change in circumstances, considering the factors the Nominating & Governance Committee believes are relevant, including the stated qualifications, and determine whether resignation is appropriate, and communicate the decision to the affected Director. If the Board accepts a Director's resignation offer pursuant to this process, the Nominating & Governance Committee will recommend to the Board and the Board will thereafter determine whether to fill the vacancy or reduce the size of the Board. In addition, Directors should report to the chair of the Nominating & Governance Committee any change in personal circumstances that might affect their independence under applicable laws and regulations.

f. Failure to Obtain Majority Vote

If an incumbent Director is not reelected because such Director does not receive a majority of votes cast at a meeting of the Company's stockholders where the election of directors is not contested but

would otherwise remain in office until his or her successor is elected and qualified, the director is expected to tender his or her resignation to the Board, which may be conditioned upon acceptance of such resignation by the Board. If a resignation is so conditioned, the Nominating and Governance Committee of the Board, or such other committee designated by the Board, will evaluate any such resignation in light of the best interests of the Company and its stockholders and will make a recommendation to the Board on whether to accept or reject such resignation or whether other action should be taken with respect thereto. In making its recommendation, such committee may consider any factors it deems relevant, including the Director's qualifications, the Director's past and expected future contributions to the Company, the overall composition of the Board and whether accepting the tendered resignation would cause the Company to fail to satisfy or otherwise comply with any applicable rule or regulation (including listing requirements of the New York Stock Exchange and the federal securities laws). The Board will act on the resignation, taking into account the recommendation of such committee, within ninety (90) days from the date of the certification of the election results. The Director who tenders his or her resignation will not participate in the decision of the Board or Board committee.

If the Board accepts a Director's resignation pursuant to this process, then the Nominating & Governance Committee will recommend to the Board and the Board will thereafter determine whether to fill the resulting vacancy or decrease the size of the Board in accordance with the Company's bylaws.

II. Board Composition, Structure

a. Board Size

The Board should be large enough to maintain appropriate expertise, diversity and independence, but small enough to function efficiently, permit productive discussion, and facilitate the contributions and accountability of individual Directors. The Board determines the appropriate size of the Board from time to time as provided in the Company's Certificate of Incorporation.

b. Board Structure

The Company's position is that a staggered Board contributes to Director recruitment and retention and provides continuity that is in the best interests of stockholders. The Board comprises three classes of Directors, with approximately one third of the Directors assigned to each class. The members of each class are elected for a term of three years. Under the Company's Certificate of Incorporation, the number of directors in each class shall be apportioned as nearly equal as possible.

c. Composition of Board and Committees; Independence

A majority of the Directors are independent under the standards of the NYSE, as determined by the Board. The members of the Audit Committee and the Compensation Committee satisfy the additional independence requirements applicable to audit committee and compensation committee members, respectively, imposed under NYSE listing standards and the rules and regulations of the SEC.

The Board makes an affirmative determination regarding the independence of each director annually, based upon the recommendation of the Nominating & Governance Committee.

d. Director Cash and Equity Compensation

Directors are compensated in the manner that the Board determines from time to time to be appropriate in light of the Company's objective to recruit, retain and reward the highly qualified Directors that the Company desires. The Compensation Committee makes recommendations to the Board

regarding compensation for Directors. Director compensation includes a combination of cash and equity compensation. In order to align the interests of Directors and stockholders, Company equity constitutes a substantial portion of total director compensation and at least half of Directors' annual retainer is paid through equity-based awards. Directors are reimbursed for expenses incurred in Board service, but do not participate in Company benefit programs or receive other perquisites.

All stock options issued to Directors as compensation for Board service have an exercise price not less than the closing price of the Company's common stock on the date of issuance and are issued pursuant to the Company's Equity Award Guidelines, which provide for the issuance of stock options on the regularly scheduled issuance date coinciding with or next following the date on which the grant is approved.

Management Directors do not receive separate compensation for Board service.

III. Board Operation

a. Board Leadership

The Board determines in its discretion from time to time whether the roles of Chairman and CEO should be combined or split. When the Chairman is a non-independent Director, the independent directors will designate an independent director to act as Lead Director.

Currently, the Board believes it is in the best interests of the company for Frank Addante to serve as both Chairman and CEO, and accordingly the independent directors have appointed Robert Frankenberg as Lead Director.

The duties of the Chairman include:

- i. Lead the Board and chair Board meetings.
- ii. Establish the agenda for each Board meeting, with the approval of the Lead Director (if designated by the Board).
- iii. Confer regularly with the CEO.
- iv. Consult with the CEO regarding Board meeting schedules and agendas.
- v. Chair the executive sessions of the Board.
- vi. Assume ad hoc leadership role (pending formal succession or appointment by the Board of an interim CEO) in the event of the death or incapacity of the CEO or in other situations where it is not possible or appropriate for the CEO to take the lead.
- vii. Consult with committees of the Board on matters within the scope of their responsibilities.

The duties of the Lead Director, if designated by the Board, will include:

- i. Preside at executive sessions of the Board in place of the Chairman, as well as at meetings of the Board at which the Chairman is not present and meetings of independent or non-management directors.
- ii. Approve information sent to the Board.
- iii. Approve the agenda and schedule for Board meetings at which the Lead Director will preside, as well as other Board meetings if the CEO and Chairman are the same person.

- iv. Serve as liaison between the independent directors and the Chairman and/or Chief Executive Officer on sensitive matters.
- v. Be available for consultation and communication with major stockholders upon request.
- vi. Call executive sessions of the Board and independent or non-management directors.
- vii. Serve as designated review director for stakeholder communications.

b. Director Orientation and Continuing Education

A thorough orientation is important to the ability of a new Director to serve effectively. Accordingly, each new Director, under the direction of the Nominating & Governance Committee, participates in an orientation that includes at least the following elements:

- i. Discussion with the CEO, President, CFO and Chairman, and with other Directors and officers as appropriate. Officer meetings will include briefings on the Company's status, operations, significant financial, accounting and risk management issues, independent auditors, internal audit function, compliance programs, codes of conduct and ethics, legal affairs, corporate governance, strategy and other important issues.
- ii. Provision of the Company's principal public documents for the past two years, including the Company's Form 10-K annual and 10-Q quarterly reports filed with the SEC, annual reports to stockholders, and proxy statements.
- iii. Provision of the current budget, internal financial statements and other planning documents used by management and the Board.
- iv. Provision of summaries of the Company's Directors & Officers liability insurance and any material litigation.

On an ongoing basis, Directors are offered the opportunity and are encouraged to participate in continuing education about the Company's business as well as seminars and conferences organized by various institutions, accounting firms, law firms or other third parties.

c. Board and Committee Meetings

The Board meets at least four times per year, and more frequently as appropriate. Board meetings are scheduled as far in advance as practicable so as to maximize availability of all Directors. Committee meetings generally occur on the same basic schedule as regular Board meetings. Additional committee meetings are arranged as appropriate in light of pending committee business. Each committee chair reports to the Board on committee matters. Directors are expected to attend Board meetings and meetings of the Board committees on which they serve, absent unusual circumstances.

d. Executive Sessions

The independent Directors of the Board meet in executive session without management in connection with each regular Board meeting or at a minimum, at least three times per year. The Chairman or the Lead Director leads these sessions. The Company discloses in its annual Proxy Statement the number of such executive session meetings held each year.

e. Meeting Agendas

The Chairman establishes the agenda for each Board meeting. The Lead Director, if any, approves agendas of Board meetings, as noted above. Agenda items that fall within the scope of

responsibilities of a Board committee are reviewed with the chair of that committee. Directors are encouraged to suggest the inclusion of items on the agenda. Directors are also free to raise subjects at a Board meeting that are not on the agenda for that meeting.

f. Distribution and Review of Board Materials

Generally, Board materials related to agenda items are provided to Directors sufficiently in advance of Board meetings to allow Directors to review and prepare for discussion of the items at the meeting. In some cases, due to timing or the sensitive nature of an issue, material may be distributed shortly before or at the meeting, as appropriate.

g. Access to Management and Company Advisors

Board members have full and free access to the Company's management, employees, and counsel. Board members may access the Company's auditors through the Chairman of the Audit Committee. Board members should advise the Chairman of any such contact if and as appropriate. The Board may invite members of management to attend Board meetings or portions of meetings to present matters to the Board and participate in discussions, and the Board encourages the CEO, from time to time, to bring managers into Board meetings who can provide additional insight into the items being discussed or whom the CEO believes should be made visible to the Board.

h. Board Advisors

The Board and its committees may retain and have access to outside counsel and other advisors of their choice with respect to any issue relating to their activities, at Company expense.

i. Directors' Dealings with Outsiders

In general, the Company's management speaks for the Company. Communications with the public at large, the press, customers, securities analysts, stockholders and other third parties should typically flow through, and be coordinated by, the CEO or other management. Individual Board members may, from time to time at the request of Management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman or Lead Director.

j. Committees

The Board has three standing committees: Audit, Compensation, and Nominating & Governance.

The Audit, Compensation, and Nominating & Governance Committees consist solely of independent directors. In addition, directors who serve on the Audit Committee and the Compensation Committee must meet additional, heightened independence criteria applicable to directors serving on these committees under NYSE listing standards and the rules and regulations of the SEC.

The Board may also establish and maintain other committees from time to time as it deems appropriate.

Committee members and chairs are recommended to the Board by the Nominating & Governance Committee and appointed by the full Board. The Nominating & Governance Committee also considers and makes recommendation to the full Board regarding committee size. Each Board committee has a charter setting forth the committee's responsibilities and various authority delegated to the committee by the Board. The content of each committee charter is the responsibility of the Board. Each committee reviews its charter annually and recommends to the Board any changes deemed appropriate.

The chair of each committee determines the frequency, length and agenda of the committee's meetings. Generally, materials related to agenda items are provided to committee members sufficiently in advance of meetings to allow the members to review and prepare for discussion of the items at the meeting. In some cases, due to timing or the sensitive nature of an issue, materials may be distributed shortly before or at meetings, as appropriate. All committees report regularly to the full Board with respect to their activities.

k. Board and Director Evaluations

The Board is responsible for its own evaluation to assess its performance. The Audit, Compensation, and Nominating & Governance Committees conduct annual self-evaluations to assess their performance. As part of the process of considering Directors for re-election, individual Directors are evaluated informally by the Nominating & Governance Committee on the basis of their attendance, preparedness, participation, candor, and overall contribution, as well as other criteria that the Nominating & Governance Committee deems appropriate.

The Nominating & Governance Committee is responsible for administering and overseeing processes for conducting evaluations. In addition, the Nominating & Governance Committee evaluates the Board's size, composition, structure and operations to facilitate the Board's effectiveness and accountability. Each Director participates in these evaluations, through discussion or by completing a written evaluation. Areas of review may include:

- i. Board Structure
 - Size
 - Composition
 - Expertise
 - Committee composition and operations
 - Diversification
- ii. Board Meetings
 - Frequency
 - Use of time for in-depth strategic business presentations and discussions
 - Quality of communication and participation in Board meetings
- iii. Board Operation
 - Involvement in major business policies and decisions
 - Understanding of the Company's vision, operations and strategic plans
 - Oversight of the Company's annual capital and operating budgets, income statement, balance sheet and cash flow
 - Attention to performance of peer companies
 - Oversight of the performance of the CEO and senior officers, and of executive compensation relative to performance
 - Oversight of planning for executive succession
 - Adequacy and timeliness of preparation of Board materials

The Chairman or the Lead Director and the Chair of the Nominating & Governance Committee review and discuss the results of the evaluation with the Board.

I. Confidentiality.

Directors must protect and hold confidential all non-public information that comes to them, from whatever source, in their capacity as a director of the Company, unless disclosure is authorized or required by law. **Proceedings and deliberations of the Board and its committees are confidential.**

IV. Corporate Affairs

a. Strategic Planning

The Board reviews the Company's long-term strategic plan and business unit initiatives at least annually, and monitors implementation of the strategic plan.

b. Management Succession Planning

The Compensation Committee is responsible for oversight of succession planning for certain senior management positions. At least annually, the Compensation Committee reviews with the Board succession planning and management development, including recommendations and evaluations of potential successors to fill the CEO and other senior management positions. The succession planning process includes consideration of both ordinary course succession, in the event of planned promotions and retirements, and planning for situations in which the CEO or another member of senior management unexpectedly becomes unable to perform the duties of such person's position.

c. CEO Performance Reviews

The Compensation Committee is responsible for setting annual and long-term performance goals for the CEO and evaluating the CEO's performance against such goals. Both objective and subjective criteria are used, including, but not limited to:

- i. The Company's financial and operating performance.
- ii. Accomplishment of the Company's long-term strategic objectives.
- iii. The development of the firm's top management team.

The results of the evaluation are shared with the CEO and considered in setting the CEO's compensation, which is determined by the Compensation Committee.

The Compensation Committee, in conjunction with the CEO, is also responsible for setting annual and long-term performance goals and compensation for other officers selected by the Committee.

d. Company Loans

The Company does not make loans to executive officers or Directors that are prohibited by applicable law. In addition, the Company does not make loans to employees to facilitate the exercise of stock options. For this purpose, a concurrent exercise and sale procedure whereby the exercise price is paid from the proceeds of shares sold promptly upon exercise does not constitute a loan, except to the extent prohibited by applicable law or regulation.

e. Ethics Reporting

In compliance with applicable legal and regulatory requirements, the Company maintains mechanisms for the confidential reporting of violations of the Company's policies, ethical standards, or legal or regulatory requirements, including escalation of such matters to the Audit Committee under appropriate circumstances.

f. Political Contributions.

The Company from time to time may make contributions to political candidates and initiatives and engage in lobbying activity to support innovation generally and promote the interests of the Company and its business. The Company's contributions are not based on the personal preferences of individual Company leaders. As part of its oversight role in public policy and corporate social responsibility, the Board reviews periodically the Company's policies and practices related to political contributions, contributions to campaigns, and contributions to trade associations and other tax-exempt and similar organizations that may engage in political activity. The Board also receives and reviews periodically reports on the Company's political activities and spending, including political contributions and contributions to trade associations and other tax-exempt and similar organizations that may engage in political activity. Any political activities and contribution of Company funds or other assets for political purposes must be reviewed in advance by the Company's General Counsel for compliance with the Company's policies as well as applicable laws and regulations.

V. Annual Stockholders' Meeting

a. Scheduling; Attendance

When possible, the Company's Annual Stockholders' Meetings are scheduled to coincide with one of the four regular quarterly Board meetings. Directors are expected to attend the Annual Stockholders' Meeting absent unusual circumstances.

b. Conduct of Meeting

At each Annual Stockholders' Meeting the stockholders are allocated time on the agenda to ask questions of, and have a dialogue with, the Company's Chairman, CEO, and the chair of each committee, if in attendance. There is no requirement that questions be submitted in advance.

Polls will remain open at the Annual Stockholders' Meeting until stockholders have had an opportunity to ask and receive answers to questions related to proposals to be voted upon.

VI. Communications with Directors

Stockholders and other stakeholders may communicate with the Board, or with a specific director or directors, by writing to them c/o the Corporate Secretary, The Rubicon Project, Inc., at 12181 Bluff Creek Drive, 4th Floor, Los Angeles, CA 90094.

The Company's Secretary shall promptly review all communications from stockholders and other stakeholders. Bona-fide communications directed to the Company's Board of Directors or any of its members shall be forwarded by the Company's Secretary to the designated review director. For this purpose, the designated review director shall be the Chairman of the Board (if an independent director), or the Lead Director (if one is appointed), or the Chairman of the Nominating & Governance Committee, as may be specified by the Board of Directors from time to time. The Company's Secretary may disregard,

or take such other action he or she may deem to be appropriate with respect to, non-bona-fide stockholder communications.

The designated review director will review such communications and, with the assistance of the Company's General Counsel and Chief Financial Officer, determine whether to provide copies, or summaries, of particular communications to other members of the Board of Directors. In general, the designated review director should forward communications (or summaries thereof) that relate to corporate governance, long-term corporate strategy, and other important substantive matters, unless there is a compelling reason not to forward such communications. In general, the designated review director may decline to forward communications that relate to ordinary business affairs or personal grievances, or are repetitive or duplicative, unless there is a compelling reason to forward such communications.

The Company's Secretary shall keep one copy of all stockholder communications and any member of the Company's Board of Directors shall be entitled, at any time, to request copies or summaries of any or all stockholder communications.