

**CHARTER OF THE NOMINATING AND GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS OF
KEYNOTE SYSTEMS, INC.**

I. Statement of Policy

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of Keynote Systems, Inc. (“Keynote” or the “Company”) is to identify, consider and nominate candidates for membership on the Board, and to handle various other corporate governance matters that are enumerated in Part III of this charter.

II. Composition and Organization

The Committee shall consist of two or more members of the Board, with the exact number being determined by the Board. Each member of the Committee shall be an “independent director” as defined by the rules of The NASDAQ Stock Market, Inc. and must meet such other requirements for membership on the Committee as the rules of The NASDAQ Stock Market, Inc. and the rules of the Securities and Exchange Commission may establish from time to time.

All members of the Committee will be appointed by, and shall serve at the discretion of, the Board. The Board may elect a member of the Committee to serve as the chair of the Committee. If the Board does not elect a chair, the members of the Committee may designate a chair by majority vote of the Committee membership.

III. Duties and Responsibilities

The following shall be the principal responsibilities and duties of the Committee. These duties and responsibilities are set forth as a guide with the understanding that the Committee may alter or supplement them as appropriate.

Subject to approval of the Board, the Committee may obtain advice and assistance from internal or external legal or other advisors at the Company’s expense. In order to carry out its nominating duties, the Committee may retain and terminate any search firm to be used to identify candidates to serve as members of the Board. The Committee shall have the authority to approve the fees and other retention terms of any such advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such advisors employed by the Committee pursuant to this Charter.

Nominating Functions

1. **Board Composition**: Evaluate the size and composition of the Board and develop and review criteria for Board membership.
2. **Candidates and Nominees**: Actively seek and evaluate qualified individuals to become new directors as needed. Establish procedures to solicit, review, and recommend to the Board, potential director nominees proposed by shareholders. Select or recommend that the Board select, the director nominees for the annual meeting of stockholders.
3. **Board Committees**: Evaluate the nature, structure and operations, size and composition of other Board committees, committee member qualifications, committee member

appointment and removal, and committee reporting to the Board. Make recommendations to the Board with respect to these matters.

4. Succession: Periodically review with the Chief Executive Officer and the Lead Independent Director the succession plans for senior management positions.

Corporate Governance Functions

1. Develop, recommend for Board approval, and review on an ongoing basis the adequacy of the corporate governance principles applicable to Keynote. Such principles should include, at a minimum, director qualification standards, director responsibilities, director access to management and, as necessary and appropriate, independent advisors, director compensation, director orientation and continuing education, management succession and annual assessment of the Board and Committees.

2. The Committee shall review and assess on an ongoing basis the adequacy of this Charter and the Code of Business Conduct and Ethics and recommend revisions for approval by the Board.

3. The Committee shall periodically review the business interests and business activities of members of the Board and management.

4. The Committee shall perform such other functions and have such other powers as may be necessary or convenient to the efficient discharge of the foregoing or any other activities related to the nominations process and such related matters as required by applicable law, rules or regulations, including the rules of the Securities and Exchange Commission and any exchange or market on which Keynote's capital stock is traded.

IV. Meetings

The Committee shall meet as often as it determines appropriate. The Committee may form and delegate authority to subcommittees when appropriate, or to one or more members of the Committee. The Committee shall maintain written minutes of its meetings. The Committee will also record its summaries of recommendations to the Board, which will be incorporated as part of the minutes of the Board meeting at which those recommendations are presented. Meetings may be held telephonically. A quorum of the Committee for the transaction of business shall be a majority of its members. In lieu of a meeting, the Committee may also act by unanimous consent.