

CORPORATE GOVERNANCE GUIDELINES
OF
QUEST SOFTWARE, INC.

The Nominating and Corporate Governance Committee of the Board of Directors (the “*Board*”) of Quest Software, Inc. (“*Quest*” or the “*Company*”) has established the following guidelines (“*Governance Guidelines*”) for the conduct and operation of the Board.

1. BOARD COMPOSITION AND SELECTION

1.1 Size of the Board

Quest’s Bylaws provide that the number of directors of the Company will be not less than five (5) nor more than nine (9). Currently, we have seven (7) directors on our Board. The Board periodically reviews the appropriate size of the Board within this range, and the actual number of directors may vary to accommodate the availability of an outstanding candidate or the Company’s needs. We cannot change the minimum or maximum number of directors without shareholder approval, as required by California law. Directors are elected annually by the shareholders to serve a one-year term. The Board may elect directors between annual shareholders meetings to serve until the next annual meeting.

1.2 Independence of Directors

A majority of the members of the Board shall be comprised of directors who satisfy the criteria for independence established by Section 303A.02 of the New York Stock Exchange Listed Companies Manual and the criteria for independence established by The Nasdaq Stock Market (collectively, the “*Exchange Requirements*”). A nominee for election or appointment to the Board as an independent (as defined by the Exchange Requirements) member, shall not, at such time, have previously served on the Board for a total of sixteen (16) years or more. The Board will periodically review the relationships, if any, its members have with Quest, either directly or as a partner, shareholder, officer or director of an organization that has a relationship with Quest, to determine whether any directors have any relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Directors are expected to promptly inform the Chairman of the Board if they become aware of any changes in circumstances that may result in a director no longer being considered independent under the Exchange Requirements.

1.3 Management Directors

The Board anticipates that the Company’s Chief Executive Officer will be nominated annually to serve on the Board. Subject to our guidelines concerning independence of directors, the Board may also appoint or nominate other members of the Company’s management whose experience and role at the Company are expected to assist the Board in fulfilling its responsibilities.

1.4 Selection of Chief Executive Officer and Chairman of the Board

The Board will select the Company's Chief Executive Officer and Chairman of the Board ("*Chairman*") in the manner that it determines to be in the best interests of the Company's shareholders.

1.5. Selection of New Directors

The Board will be responsible for nominating members for election to the Board by the Company's shareholders at the annual meeting of shareholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of shareholders. The Nominating and Corporate Governance Committee is responsible for identifying, reviewing and evaluating and recommending to the Board candidates to serve as directors of the Company, in accordance with its charter and consistent with the criteria described in Section 1.6 below.

The Nominating and Corporate Governance Committee's policy is to consider shareholder recommendations for candidates for membership on the Board. Shareholder recommendations for nominations should be delivered to the Company's Corporate Secretary at Quest Software, Inc., 5 Polaris Way, Aliso Viejo, California 92656, with a copy to the attention of Quest's General Counsel at the same address. Shareholder recommendations should set forth, among other matters: (i) the name, age and business address of the nominee; (ii) the principal occupation or employment of the nominee; (iii) the number of shares of Quest capital stock owned by the nominee; and (iv) other information relating to the nominee that is required to be disclosed in solicitations for proxies for election of directors under applicable rules and regulations of the U.S. Securities and Exchange Commission.

1.6 Board Membership Criteria

The Board will determine the appropriate characteristics, skills and experience for the Board as a whole and for its individual members. In selecting candidates and existing directors for service on the Board, the general criteria set forth below will be considered; specific additional criteria may be added with respect to specific searches. An acceptable candidate may not fully satisfy all of the criteria, but is expected to satisfy nearly all of them.

The Board believes that candidates for director should have certain minimum qualifications, including being able to read and understand basic financial statements, having a high level of personal and professional integrity and ethics. In considering candidates recommended by the Nominating and Corporate Governance Committee, the Board encourages selection of directors possessing relevant expertise upon which to be able to offer advice and guidance to management, having sufficient time to devote to the affairs of the Company and contribute to the Company's goals, who have demonstrated excellence in their fields and have the ability to exercise sound business judgment and the commitment to rigorously represent the long-term interests of the Company's shareholders. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of shareholders. In conducting this assessment, the Board considers such factors as it deems appropriate given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability. In the case of

incumbent directors whose terms of office are set to expire, the Board reviews such directors' overall service to the Company during their term, including the number of meetings attended, level of participation, quality of performance, and any other relationships and transactions that might impair such directors' independence. In the case of new director candidates, the Board also determines whether the nominee must be independent and, if so, whether a candidate satisfies this independence requirement.

1.7 Directors Who Change Their Present Job Responsibilities

Non-employee directors who retire or change their principal occupation or business association are expected to notify the Board of such change. The Board does not believe that a director, in this circumstance, should necessarily be required to leave the Board. However, the Board, acting through the Nominating and Corporate Governance Committee, to review the appropriateness of continued Board membership in light of these new circumstances.

1.8 Term Limits; Retirement

The Board believes that placing term limits for service on the Board and its committees ensures fresh ideas will be brought to the Board. Therefore, no member of the Board who is intended to be independent as defined in the Exchange Requirements shall stand for re-election at the annual meeting of shareholders or consent to appointment by the Board to fill any vacancy, if such director shall have provided sixteen (16) years or more of service on the Board. The Board does not believe in a mandatory retirement age for its directors.

1.9 Limits on Board Memberships

Serving on the Company's Board requires significant time and attention, and directors are expected to devote the time needed and to prepare for and meet as often as necessary to discharge their duties. Directors should advise the Chairman of the Board and the Chairman of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board or committee of another company. The Board recommends that directors serve on no more than two (2) other boards of public companies. Service on boards of other companies should be consistent with the Company's conflict-of-interest policies.

2. ROLE OF THE BOARD OF DIRECTORS

The Board is selected by the shareholders to provide oversight of, and strategic guidance to, senior management. The core responsibility of a Board member is to fulfill his or her fiduciary duties of care and loyalty and otherwise to exercise his or her business judgment in the best interests of the Company and its shareholders. In fulfilling that responsibility, the directors should be able to rely on the honesty and integrity of the Company's senior management and legal, accounting, financial and other advisors.

Service on the Board requires significant time and attention on the part of directors. More specifically, the Board has responsibilities to review, approve and monitor fundamental financial and business strategies and major corporate actions, assess major risks facing the Company and consider ways to address those risks, select and oversee management and

determine its composition and oversee the establishment and maintenance of processes and conditions to maintain the integrity of the Company. Directors are expected to prepare for, attend and participate in Board and committee meetings, and periodically engage in discussions with management. Directors are expected to maintain an attitude of constructive involvement and oversight; they are expected to ask relevant, incisive and probing questions and require honest and accurate answers. Directors must act with integrity and are expected to demonstrate a commitment to the company, its values and its business and to long-term shareholder value.

The Board believes that management speaks for the Company. Individual Board members may occasionally meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Board members would do this with the knowledge of, and in most instances at the request of, management. Inquiries from institutional investors, analysts, the press or customers should be referred to the Chief Executive Officer or his or her designee.

Directors are encouraged to attend the Company's annual meeting of shareholders, either in person or telephonically.

3. DIRECTOR ORIENTATION AND EDUCATION

The Company's management shall provide new directors with materials, briefings and additional education to permit them to become familiar with Quest and to enable them to better perform their duties upon joining the Board. Board members are encouraged to visit Company facilities and meet with Company employees throughout their tenure on the Board. Board members shall also attend continuing education classes or seminars from time to time and are encouraged to attend at accredited or nationally known director education programs.

4. DIRECTOR COMPENSATION

The Company's management directors shall not receive additional compensation for service as directors. The form and amount of director compensation for Board and committee service for non-management directors shall be determined by the Nominating and Corporate Governance Committee in accordance with the principles set forth in its charter and applicable legal and regulatory guidelines. The amount of compensation for non-management directors and committee members should be consistent with market practices of similarly situated companies and should encourage increased ownership of the Company's stock through the payment of a portion of director compensation in options to purchase the Company's stock. In determining compensation, the Nominating and Corporate Governance Committee will consider the impact of such compensation on the director's independence and objectivity.

5. BOARD MEETINGS

5.1 Number of Meetings; Attendance.

The Board expects to have at least four regular meetings each year, generally in January, April, July and October. Board members are encouraged to attend all meetings of the Board and committees on which they serve. Directors should promptly notify the Chairman of circumstances preventing attendance at a meeting.

5.2 Preparation and Commitment.

An agenda for each Board meeting, along with information and data that is important to the Board's understanding of the business to be conducted, should be distributed to the directors in advance of each Board meeting, so that Board meeting time may be focused on questions the directors may have about the materials and appropriate deliberations. Directors are expected to prepare for, attend, and participate in all Board and in meetings of the committee(s) on which they serve. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as director.

5.3 Agenda.

The Chairman will establish an agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda at any time. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

5.4 Executive Session.

The independent directors of the Board will meet periodically in regularly scheduled executive session without the presence of management. In general, time is reserved following each regularly scheduled Board meeting should the outside directors wish to meet in executive session. Executive session discussions may include such topics as the independent directors determine. The directors generally shall not take formal action at these sessions, but may make recommendations for consideration by the full Board. The independent directors will determine who, among them, will preside at these meetings. The Company's independent auditors, finance staff and other employees may be invited to attend these meetings.

5.5 Committee Reports.

At each regular Board meeting, each committee that held a meeting subsequent to the last Board meeting and prior to the current Board meeting should present a brief summary of its committee meeting to the Board, including the principal subjects discussed and the conclusions and actions of the committee. In general, the Chairman of the appropriate committee will present such report.

5.6 Confidential Information.

Board members can expect that they may periodically be in possession of material non-public information relating to the business, operations, financial condition, plans or prospects of the Company. All such information must be held in strictest confidence. If a director has any doubt or question as to whether Company information is to be treated as confidential, he or she should consult with the Company's Chief Executive Officer or General Counsel prior to disclosing such information to any third party.

5.7 Conflicts of Interest.

With respect to any matter under discussion by the Board, directors must disclose to the Board any actual or potential conflicts of interest they have and, if appropriate, refrain from

voting on a matter in which they may have a conflict or a material financial interest. Transactions involving related persons will be monitored by the Audit Committee or another appropriate committee of directors without an interest in the matter or transaction in accordance with the requirements of Nasdaq and any policies or procedures that may be adopted by the Board or Audit Committee from time to time that are consistent with such requirements.

6. BOARD COMMITTEES

6.1 Number of Committees; Independence of Members.

The committee structure of the Board will consist of at least (a) an Audit Committee, (b) a Compensation Committee, and (c) a Nominating and Corporate Governance Committee, each of which shall be composed entirely of independent directors satisfying applicable legal, regulatory and other requirements necessary for an assignment to and service on any such committee. From time to time the Board may establish new committees, or disband an existing committee, as it deems necessary or appropriate.

6.2 Committee Charters.

All standing committees will operate pursuant to a written charter, which sets forth the responsibilities of the committee and procedures that the committee will follow. Unless otherwise directed by the Board, new committees formed by the Board will develop a written charter delineating its responsibilities. The charters of all committees will be subject to periodic review and assessment by each committee and each committee shall recommend any proposed charter changes to the Board.

6.3 Board Committee Membership.

The Nominating and Corporate Governance Committee, after due consideration of the interests, independence and experience of the individual directors and the independence and experience requirements of Nasdaq, the rules and regulations of the Securities and Exchange Commission and applicable law, recommends to the Board annually the chairmanship and membership of each committee. The Board does not believe that a formal policy requiring rotation of committee members is necessary, however, at least one member of the Audit Committee may not also serve at the same time on the Compensation Committee and vice versa.

6.4 Committee Meetings and Agenda.

The committee Chairman, in consultation with committee members, will determine the frequency and length of the meetings of the committee, consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda.

7. ACCESS TO MANAGEMENT; MANAGEMENT PARTICIPATION IN BOARD MEETINGS

The Company recognizes that a director may desire to meet or otherwise communicate directly with officers or other employees of the Company concerning Quest's business and operations, and the Board or its committees may specify procedures and policies to ensure that

Board members have sufficient access to management, and that management have sufficient access to Board members. The Company also believes that such access, unless conducted in an orderly and organized manner, can be disruptive to the Company's operations and personnel, and therefore adverse to the interests of the Company. Therefore, Board members shall have access to the Company's management and, as appropriate, to the Company's outside advisors, with access coordinated through the Chief Executive Officer or the President. The foregoing does not apply to meetings or communications between directors and the Chief Executive Officer, the President, the Chief Financial Officer, Senior Vice Presidents or the General Counsel of the Company, nor shall the foregoing in any way limit the members of the Audit Committee from meeting or communicating with officers or other employees of the Company in connection with the performance of their duties as Audit Committee members. The Board encourages the Chief Executive Officer to bring members of senior management from time to time into Board meetings

8. USE OF OUTSIDE ADVISORS

The Board and each committee shall have the power to hire at the expense of the Company, independent legal, financial or other advisors as they may deem necessary and appropriate to fulfill their responsibilities, without consulting or obtaining the approval of any officer of the Company in advance.

9. SUCCESSION PLANNING

The Nominating and Corporate Governance Committee should periodically review with the Chief Executive Officer the Company's plan for succession to the offices of the Company's executive officers and make recommendations to the Board with respect to the selection of appropriate individuals to succeed to these positions. The Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

10. BOARD ASSESSMENT

The Board, led by the Nominating and Corporate Governance Committee, will conduct a self-evaluation at least annually to determine whether the Board and its committees are functioning effectively. The full Board will discuss the evaluation to determine what actions, if any, could improve Board and committee performance.

11. REVIEW OF GOVERNANCE GUIDELINES

The Nominating and Corporate Governance Committee will review and assess the adequacy of these Governance Guidelines at least annually and recommend any proposed changes to the Board for approval.

12. COMMUNICATIONS WITH THE BOARD

Shareholders may communicate with the Board or any of the directors by sending written communications addressed to the Board or any of the directors, c/o Corporate Secretary, Quest

Software, Inc, 5 Polaris Way, Aliso Viejo, California 92656. All communications are compiled by the Corporate Secretary and forwarded to the Board or the individual director(s) accordingly.