

iPASS INC.

CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “**Board**”) of **iPASS INC.** (the “**Company**”) has established the following guidelines (“**Governance Guidelines**”) for the conduct and operation of the Board.

1. BOARD OF DIRECTORS

1.1 Role of the Board

The Board is elected by the stockholders 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 long-term interests of the Company and its stockholders. The Board is the ultimate decision making body of the Company, except for those matters reserved to the stockholders.

1.2 Composition of the Board of Directors

The number of directors shall be established by the Board in accordance with the Bylaws of the Company. The Board periodically reviews the appropriate size of the Board, which may vary to accommodate the availability of suitable candidates and the needs of the Company. Directors who are standing for election will be elected for a one year term at each annual meeting of stockholders.

1.3 Independence of Directors

It is the policy of the Company that the Board be composed of not less than a majority of independent directors, subject to any exceptions permitted by The Nasdaq Stock Market (“Nasdaq”) listing standards. In determining independence, the Board will consider the definition of independence set forth in the Nasdaq listing standards, as well as other factors that will contribute to effective oversight and decision-making by the Board.

1.4 Management Directors

The Board anticipates that the Company’s Chief Executive Officer will be nominated to serve on the Board. 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, subject to Section 1.3 above.

1.5 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 stockholders. It is the policy of the Company to assure that there is independent board leadership either by separating the positions of Chief Executive Officer and Chairman and having these positions held by different individuals, or by appointing an Independent Lead Director.

1.6 Selection of Directors

The Board will be responsible for Company nominations of members for election to the Board by the Company's stockholders at the annual meeting of stockholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of stockholders. The Corporate Governance and Nominating 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 set by the Board in Section 1.7 below. The invitation to join the Board should be extended by the Chairman, if that person is not also the Chief Executive Officer, or by the Independent Lead Director.

1.7 Board Membership Criteria

The Board will determine the appropriate characteristics, skills and experience for the Board as a whole and for its individual members. The Board considers recommendations for nominees from the Corporate Governance and Nominating Committee which has the primary responsibility for establishing criteria for Board membership and identifying, evaluating, reviewing and recommending qualified candidates to serve on the Board, including consideration of any potential conflicts of interest as well as applicable independence and experience requirements. In selecting candidates and existing directors for service on the Board, the minimum general criteria set forth below will be considered: relevant expertise upon which to be able to offer advice and guidance to management; sufficient time to devote to the affairs of the Company; demonstrated excellence in his or her field; ability to exercise sound business judgment; and commitment to rigorously represent the long-term interests of the Company's stockholders. 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 stockholders. In conducting this assessment, the Board considers diversity, age, skills, and such other factors as it deems appropriate given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability.

1.8 Process by Which the Board Will Determine Whether or Not to Accept A Director Resignation Upon Failure to Receive More "For" Votes Than "Withheld" Votes

Pursuant to the iPass Bylaws, "The Board of Directors (or any committee thereof) shall nominate for re-election as director only those candidates who have tendered an irrevocable resignation as a director, which resignation shall be conditioned upon both (A) such director failing to have received more "for" votes than "withheld" votes in an election and (B) acceptance by the Board of Directors of such resignation."

If, in an election, an incumbent director fails to receive the required vote for re-election as set forth in the iPass' Bylaws, then the Corporate Governance and Nominating Committee will act to determine whether to accept the director's conditional resignation and will submit such recommendation for prompt consideration by the Board, and the Board will act on the Corporate Governance and Nominating Committee's recommendation within 90 days following certification of the stockholder vote. The Corporate Governance and Nominating Committee and

the Board shall accept such conditional resignation absent compelling circumstances to the contrary.

A director shall not participate in the Corporate Governance and Nominating Committee recommendation or Board action regarding whether to accept the conditional resignation of such director. If directors constituting a majority of the members of the Corporate Governance and Nominating Committee fail to receive the required vote in favor of his or her election in the same election, then the independent directors, excluding the directors who failed to receive the required vote, shall appoint a committee amongst themselves to consider the conditional resignations and recommend to the Board whether to accept them. If the directors, excluding the directors who failed to receive the required vote, shall be of an insufficient number to comprise a quorum of the Board, then all directors may participate in the action regarding whether to accept the conditional resignations.

If the Board shall determine not to accept the resignation of a director, the Board will promptly disclose its decision-making process and decision to reject the conditional resignation in a Form 8-K furnished to the Securities and Exchange Commission.

1.9 Term Limits

The Board does not believe it should limit the number of terms for which an individual may serve as a director. Directors who have served on the Board for an extended period of time are able to provide continuity and valuable insight into the Company, its operations and prospects based on their experience with, and understanding of, the Company's history, policies and objectives. The Board believes that, as an alternative to term limits, it can ensure that the Board continues to evolve and adopt new ideas and viewpoints through the director nomination process described in these Governance Guidelines.

1.10 Limits on Board Memberships

The Board does not believe that its members should be prohibited from serving on an appropriate number of public company boards or committees and boards of other companies, as long as time commitments do not compromise the member's ability to devote sufficient time to the Company's Board responsibilities. As such, the maximum number of public company boards, including the Company's Board, on which a non-employee Director should serve is four. However, the maximum number of public company boards, including the Company's Board, on which a non-employee Director, who is currently serving as a CEO of a public company, should serve is three. The maximum number of public company boards, including the Company's Board, on which an employee Director should serve is two. Depending on the extent of a Director's professional activities, this number may be reduced by the Board for an individual Director. Directors shall advise the Chairman and the Chairman of the Corporate Governance and Nominating Committee in advance of accepting an invitation to serve on the board or board committee of another company. The Board and the Corporate Governance and Nominating Committee will take into account the nature and time involved in a directors' service on other boards in evaluating the suitability of directors. Service on boards and board committees of other companies should be consistent with the Company's conflict-of-interest policies.

1.11 Retirement Age

The Board does not believe that a fixed retirement age for directors is appropriate.

2. DIRECTOR ORIENTATION AND EDUCATION

The Corporate Governance and Nominating Committee will ensure that an orientation process for directors is conducted and such process will include background material on the Company's policies and procedures, meetings with senior management and visits to Company facilities. The Company may, from time to time, offer continuing education programs to assist the directors in maintaining the level of expertise to perform his or her duties as a director. Individual directors may also attend programs in corporate governance and subject matter relevant to committee activities as offered by educational organizations or the NACD.

3. DIRECTOR COMPENSATION AND STOCK OWNERSHIP

3.1 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 reviewed by the Compensation Committee in accordance with the principles set forth in its charter and applicable legal and regulatory guidelines and shall be recommended to the Board for approval. The amount of compensation for non-management directors and committee members should be consistent with market practices of similarly situated companies. In determining compensation, the Board will consider the impact on the director's independence and objectivity.

3.2 Director Stock Ownership

The Board believes that, in order to align the interests of directors and stockholders, directors should have a financial stake in the Company. Each director who has served on the Board for at least three years should own a minimum of 30,000 shares of common stock of the Company.

4. BOARD MEETINGS

4.1 Number of Meetings

The Board expects to have at least four regular meetings each year, generally with one meeting held during each calendar quarter.

4.2 Attendance

Board members are expected to attend all meetings of the Board and committees on which they serve. Directors must notify the Chairman of circumstances preventing attendance at a meeting.

4.3 Preparation and Commitment

The Company will provide directors with appropriate preparatory materials in advance of a meeting, but in any event not later than one day prior to the meeting, except in unusual circumstances. Directors are expected to rigorously prepare for, attend, and participate in all Board and committee meetings. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as director.

4.4 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. If the Chairman is also the Chief Executive Officer, agendas must be approved in advance by the Independent Lead Director.

4.5 Executive Session

The independent directors of the Board will meet periodically in executive session generally in connection with all board meetings, but no less than two times per year or such greater number as required by the Nasdaq listing standards. 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. Executive sessions will be chaired by the Chairman of the Board, if that individual is not the Chief Executive Officer or by the Independent Lead Director.

4.6 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 will 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.

4.7 Operating Plan

Every year the Board will review and approve an operating plan for the Company.

5. BOARD COMMITTEES

5.1 Number of Committees; Independence of Members

The Board has established three standing committees (a) an Audit Committee, (b) a Compensation Committee and (c) a Corporate Governance and Nominating Committee. The Board may form, merge or dissolve additional committees, as it deems appropriate, from time to time. The Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee shall be composed entirely of independent directors.

5.2 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. The charters of all standing committees will be subject to periodic review and assessment by each standing committee and each standing committee shall recommend any proposed charter changes to the Board. All standing committee charters shall be posted on the Company's website.

5.3 Board Committee Membership

The Corporate Governance and Nominating 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.

5.4 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.

6. BOARD ACCESS TO MANAGEMENT; USE OF OUTSIDE ADVISORS

Board members have complete and open access to the Company's management. It is assumed that Board members will use judgment to ensure that this contact is not distracting to the operations of the Company or to the managers' duties and responsibilities and that such contact, to the extent reasonably practical or appropriate, will be coordinated with the Chief Executive Officer. Written communications to management should, whenever appropriate, be copied to the Chief Executive Officer.

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, without consulting or obtaining the approval of any officer of the Company in advance.

7. CHIEF EXECUTIVE OFFICER EVALUATION; SUCCESSION PLANNING

The Board should conduct an annual evaluation of the Chief Executive Officer's performance. The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives and the development of management. The Compensation Committee shall utilize this evaluation among other factors when considering the compensation of the Chief Executive Officer.

The Compensation 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.

8. BOARD ASSESSMENT

The Corporate Governance and Nominating Committee will conduct a periodic self-evaluation to determine whether the Board and its committees are functioning effectively. The Corporate Governance and Nominating Committee will receive feedback from all directors and report to the Board with the assessment. The assessment should include an evaluation of (a) the Board's and each committee's contribution as a whole and effectiveness in serving the best interests of the Company and its stockholders, (b) specific areas in which the Board believe that the performance of the Board and its committees could be improved, (c) and overall Board composition and makeup. The results of these evaluations should be provided to the Board for further discussion as appropriate.

9. REVIEW OF GOVERNANCE GUIDELINES

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