

**CHARTER OF THE NOMINATING & CORPORATE GOVERNANCE COMMITTEE**  
**KRATOS DEFENSE & SECURITY SOLUTIONS, INC.**

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**REVIEWED AND UPDATED FEBRUARY 27, 2008**  
**REVISED MAY 11, 2010**  
**REVISED MARCH 14, 2013**

**I. AUTHORITY AND PURPOSE**

The Nominating & Corporate Governance Committee of Kratos Defense & Security Solutions, Inc. (the “*Corporation*”) is appointed by the Corporation’s Board of Directors (the “*Board*”) to assist the Board in selecting nominees for election to the Board, to monitor the composition of the Board and to ensure best corporate practices of the Board and the Corporation. The Nominating & Corporate Governance Committee (the “*Committee*”) shall undertake those specific duties and responsibilities listed below and such other duties as the Board shall from time to time prescribe.

The purpose of the Committee shall be to assess the performance of the Board and to make recommendations to the Board from time to time, or whenever it shall be called upon to do so, regarding nominees for the Board. All powers of the Committee are subject to the restrictions designated in the Corporation’s Bylaws and by applicable law. The Committee shall be empowered, without the approval of the Board or management, to engage independent legal, accounting and other advisors (including search firms), as it determines necessary to carry out its duties. Compensation paid to such parties and related expenses will be borne by the Corporation and the Corporation will make appropriate funding available to the Committee for such purposes

**II. ORGANIZATION AND COMMITTEE MEMBERSHIP REQUIREMENTS**

The Committee members (the “*Members*”) shall be appointed by the Board and will serve at the discretion of the Board. The Committee will consist of at least two (2) members of the Board, each of whom shall be “independent” in accordance with independence requirements of the Nasdaq Stock Market (“Nasdaq”) and the standards established by the Board from time to time.

Unless otherwise directed by the Board, each Member shall serve until such Member ceases to serve as a member of the Board, or until his or her successor has been duly appointed by the Board. Unless a chairman is elected by the full Board, the members of the Committee may designate a chairman by majority vote of the full Committee membership. The Chair shall preside at all regular meetings of the

Committee and set the agenda for each Committee meeting. The Committee may, from time to time, delegate duties or responsibilities to one or more subcommittees or to one member of the Committee.

### **III. DUTIES AND RESPONSIBILITIES**

The duties of the Committee shall include, without limitation, the following:

#### **A. Nominating Functions**

- (1) Monitoring the size and composition of the Board, and making recommendations to the Board with respect to the size and composition of the Board.
- (2) Identifying, considering and making recommendations to the Board with respect to the nominations or elections of directors of the Corporation in accordance with the criteria established in the Corporate Governance Guidelines, including an annual recommendation with respect to those individuals to be nominated for election at the Corporation's annual meeting of stockholders.
- (3) Consider any nominations of director candidates validly made by the Corporation's stockholders.
- (4) Recommend to the Board directors for appointment to its committees and, as appropriate, recommend removal of directors from Board committees.
- (5) Recommend to the Board committee chairpersons and, as appropriate, recommend changes of such chairperson.
- (6) Affirmatively determine, at least annually, that the requisite number of directors serving on a committee of the Board, including this Committee, meet the independence requirements of NASDAQ and the other requirements set forth in the respective committee charters.

#### **B. Corporate Governance Functions**

- (1) Monitor the Corporate Governance of the Corporation including ensuring compliance with the Corporate Governance Guidelines approved by the Committee and the Board, and, at least annually, review and update such Corporate Governance Guidelines as may be required by generally accepted best practices.
- (2) Review, at least annually, the Corporation's compliance with the Nasdaq corporate governance listing requirements, and report to the Board regarding the same.

- (3) Assist the Board in developing criteria for the evaluation of Board and committee performance.
- (4) If requested by the Board, assist the Board in its evaluation of the performance of the Board and each committee of the Board.
- (5) Review and recommend to the Board changes to the Company's bylaws as needed.
- (6) Develop orientation materials for new directors and corporate governance-related continuing education for all Board members.

The Committee shall periodically, but at least annually, review and reassess the adequacy of this Charter and propose any changes to the Board for approval.

#### **IV. CONDUCT OF BUSINESS AND MEETINGS**

The Committee shall conduct its business in accordance with this Charter and any direction by the whole Board. The Committee shall report, at least annually, to the Board.

The Committee will meet at such times as it deems appropriate to discharge its duties hereunder. The Committee may establish its own schedule which it will provide to the Board in advance. The Committee may meet with management or individual directors at such time as it deems appropriate to discuss any matters before the Committee. The Committee may request that any employee of the Corporation attend any of its meetings or meet with any Committee member or consultant.

A majority of the members shall represent a quorum of the Committee and, if a quorum is present, any action approved by at least a majority of the members present (in person or by telephone conference call) shall represent the valid action of the Committee. The Committee may also take action by unanimous written consent without a meeting.

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.