



GETWELL HEALTH SYSTEMS, INC.

BOARD CHARTER

I. Overview

This Board Charter (the "Charter") sets forth:

1. The duties and responsibilities of the Board of Directors (the "Board");
2. The position description for the Chairman of the Board;
3. The position description for the President;
4. The position description for the Directors;
5. The position description for the Independent Directors;
6. The position description for the Chairmen (each, a "Chairman") of the Board Committees (each, a "Committee"); and
7. The corporate governance practices and policies that apply to the Board.

II. Purpose of the Charter

This Getwell Health Systems Inc. (the "Company") Board Charter (the "Charter") was created by the Company to state the principles that will promote good corporate governance within the Company and protect the interests of its stakeholders.

This Charter shall complement the By-laws of the Corporation. The Board shall review this Charter and Committee Charter(s) annually, and may modify the same as the Board deems necessary. The Charter(s) will be kept in the office of the Corporate Secretary and will be available for inspection by the Directors and the stockholders during regular business hours.

III. Composition of Board

The Board shall consist of at least five (5) directors. Each Director shall possess the attributes set out in the Position Description for Directors and the necessary skills, competence and experience in terms of management capabilities, preferably in the field of insurance or insurance-related disciplines.

The Board must include at least one (1) Director who is not an employee of the Company whose direct or primary responsibility includes overseeing the business or operations of the Company ("Management"). The Board must also include at least two (2) Directors who are independent, as set out in IC Circular Letter 31-2005. The requirements in this paragraph may be satisfied by one person.

IV. Structure and Operations

A schedule of regular Board and Committee meetings will be circulated to the Directors prior to the commencement of a calendar year. Not later than two (2) weeks prior to a scheduled regular meeting, each Director shall receive written confirmation of the date, time and place thereof. A special meeting may be called at any time subject to the requirements set out in the Company's By-laws.

A majority of the Directors present at a meeting shall constitute a quorum unless otherwise stated in the Company's Articles of Incorporation.

At each regular meeting of Directors where external auditor representatives or internal audit personnel, or both, are present, an *in camera* meeting may be conducted. The said meeting may be between the non-Management Directors and the external auditor, and/or between the non-Management Directors and the internal audit personnel, unless the non-Management Directors and the external auditors or internal audit personnel, respectively, state that a meeting at that time is not required.

V. Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible for supervising the management of the business and affairs of the Company. The following overall stewardship responsibilities are performed by the Board, either directly or through a Committee:

A. Board of Directors

1. Determining the ideal Board size and composition, establishing a Committee and establishing Director compensation.
2. Maintaining a formal orientation program and an ongoing education program for Independent Directors.
3. Establishing corporate governance practices and policies.
4. Annually assessing Board effectiveness, the effectiveness of each Committee, the effectiveness of the Independent Directors and the effectiveness of individual Directors.

B. Senior Management

1. Selecting, evaluating and, if necessary, replacing, members of senior management including the President.
2. Delegating to management such authority as it may deem necessary to manage the Company.
3. Overseeing succession planning for senior management positions.
4. Reviewing the remuneration of senior management.
5. Advising and counselling the President.

C. Strategy

1. Annually reviewing the effectiveness of the strategic planning process and approving the business objectives and strategic plans for the coming year.
2. Continuous monitoring of the corporate performance against the business objectives and strategic plans for the current year.

D. *Risk Management, Capital Management, and Internal Controls*

1. Approving and reviewing compliance with policies and procedures for the management and control of risk, including capital management, and the internal control and management information systems that provide reasonable assurance on the reliability of the Company's financial information and the safeguarding of its assets.
2. Reviewing compliance with legislative and regulatory requirements.

E. *Material Transactions*

1. Reviewing and approving material investments, divestments, restructuring and other transactions.

F. *Financial Reporting*

1. Reviewing and approving the annual financial statements.
2. Reviewing and monitoring the quarterly financial results.
3. Establishing and overseeing the Company's accounting and financial management systems.

G. *Other*

1. Engaging any special advisors it deems necessary to provide independent advice, at the expense of the Company.
2. Performing such other functions as prescribed by law or as assigned to the Board in the Company's governing documents.

VI. Position Description for the Chairman

The Chairman leads the Board and guides the other Directors in performing their responsibilities to enhance the effectiveness and cohesion of the Board as a whole. The Chairman should encourage open discussion and debate at Board meetings and conduct frequent dialogues with other directors and senior management.

The Chairman works with senior management to set the Board agenda, chairs Board meetings, and ensures that there is adequate time at Board meetings for discussion of significant matters, taking into account all other relevant management processes and procedures.

The Chairman is responsible for ensuring that appropriate orientation and training programs, and an ongoing education program, for new Independent Directors are in place. He shall also, in consultation with the President and the Corporate Secretary, ensure that Independent Directors are appropriately compensated by the Company.

VII. Position Description for the President

The President is a Director that is responsible for the day-to-day management of the Company. He provides business direction and operation leadership, aimed at enhancing shareholder value and ensuring sound internal controls.

Duties and Responsibilities. The principal duties and responsibilities of the CEO include:

1. Leadership of the management of the Company.
2. Implementing and reporting to the Board on the Company's strategy.
3. Overseeing the achievement of the Company's objectives.
4. Providing timely information to the Board when necessary to enable the Board to effectively monitor the performance of management.

VIII. Position Description for the Directors

The Board of Directors, as a whole, is responsible for managing and supervising the business and affairs of the Company. Each Director participates in fulfilling this stewardship role by acting honestly and in good faith with a view for the best interests of the Company (fiduciary duty) and exercising the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances (duty of care).

Duties and Responsibilities. The principal duties and responsibilities of each Director include:

1. Acting in the highest ethical manner and with integrity in all personal, business and professional dealings.
2. Annually ensuring compliance with the Code of Business Conduct and maintaining the confidentiality of corporate information and Board deliberations.
3. Understanding the vision and strategic objectives of the Company.
4. Become knowledgeable of the Company's businesses and the sectors in which it operates within a reasonable time from membership in the Board.
5. Understanding the Company's current corporate governance policies and practices, the Charters of the Board and of each Committee.
6. Preparing thoroughly for each Board and Committee meeting by reviewing the materials sent to Directors prior to each meeting.
7. Attending Board meetings and meetings of Committees of which it is a member, and actively and objectively participating in deliberations and decisions. In case of his/her absence, he/she should take the initiative of informing himself or herself of significant matters dealt with during the same.
8. Disclosing any personal interest or conflict of interest in relation to any matter considered by the Board.

Director Attributes. Each Director should exhibit the following characteristics while executing his or her duties:

1. Integrity;
2. Accountability;

3. Independent and informed judgment;
4. Commitment;
5. Diligence;
6. Knowledge of business issues and financial matters; and
7. Ability to communicate and work effectively with fellow Directors and management.

IX. Position Description for the Independent Director

A Director is considered independent if the Director is independent of management and free of any business or other relationship that could materially interfere with, or influence the exercise of unfettered and independent judgment, or be otherwise perceived to be so.

Duties and Responsibilities. The principal duties and responsibilities of the Independent Director include:

1. Acting in the highest ethical manner and with integrity in all personal, business and professional dealings.
2. Be aware of the legal and regulatory obligations of an independent non-executive director of the Company and notifying the Board immediately upon the occurrence of, or upon becoming aware of, any matter which may affect his independence.
3. Committing to provide the service scope agreed upon, including but not limited to providing services with reasonable care and skill and to the best of his ability.
4. Committing to observe the confidentiality of information and materials of the Company provided him and agree to keep them under safe custody and possession.

X. Position Description for the Chairman of each Committee

The Chairman of a Committee must providing leadership within the same, to enhance effective and independent functioning of the Committee concerned, thereby facilitating the fulfilment of the Committee duties and responsibilities outlined in the Committee Charter.

Duties and Responsibilities. The principal duties and responsibilities of each Committee Chairman includes:

1. Reviewing and approving the agenda for each Committee meeting. The Committee Chair may consult or meet with the President, members of management or other advisors as part of its agenda and meeting preparation process.
2. Chairing Committee meetings, ensuring that time is sufficient for the discussion of relevant issues and for the Committee members to meet privately.
3. Reporting to the Board on the Committee's activities following each meeting and presenting recommendations to the Board of Directors on matters that require Board approval.
4. Leading an annual review of the adequacy of the Committee Charter.

5. Leading an annual evaluation of the effectiveness of the Committee.

XI. Corporate Governance Policies and Practices

A. Election of Directors and Term of Office

Under the By-Laws of the Company, Directors will be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected or qualified, *provided that* Independent Directors shall have a term limit of nine (9) years, subject to such maximum term limits that may be imposed by law or by the Insurance Commission.

B. Board Seat Limits

The non-executive Directors of the Corporation should concurrently serve as directors to no more than five (5) Insurance Commission Regulated Entities and Publicly Listed Companies

C. Director Retirement

Management Directors, and Directors who are otherwise employed by the Company or any of its affiliates, must tender their resignation from the Board, effective no later than the last day of their employment with the Company or the affiliate, as applicable.

D. Attendance at Board and Committee Meetings

Any Director who does not, in two (2) consecutive years, attend at least 75% of the regularly scheduled meetings of the Board and the Committee(s) to which he or she is assigned, must tender a written offer to resign to the Chairman of the Board, and, if the Director is an Independent Director, to the President, or if the Director is not independent, to the Corporate Secretary of the Company. The Corporate Secretary of the Company will, during the first quarter of each year, advise the Chairman of the Board of the each Directors attendance record.

E. Change of Occupation

Any Independent Director whose principal employment materially changes during his/her term (including retirement from his principal employment) must notify the Chairman of the Board and the President of the Company and tender a written offer to resign, if requested.

F. Orientation of New Directors

All Directors other than Independent Directors must have sufficient experience and knowledge of the business before they are nominated for membership to the Board. These Directors will be advised of their legal duties by the Corporate Secretary of the Corporation.

Independent Directors will be provided with appropriate education and training and be informed of the Company's internal policies and procedures as appropriate, including written materials such as those that outline the organization of the Board and its Committee(s), the powers and duties of

Directors, the required standards of performance for Directors, the Code of Business Conduct, and this Charter.

G. *Interaction with the Media*

It is the responsibility of Management, rather than members of the Board, to speak on behalf of the Company. From time to time, Directors may be requested by the media, or by institutional investors, shareholders, customers or policyholders, to discuss certain issues on behalf of the Company. Any Director to whom such a request is made should review the request with the President and ensure that any disclosure is done in accordance with applicable Company policies.

Getwell Health Systems, Inc.