

Continuicare Corporation
Compensation Committee Charter

A. *Organization*

This charter governs the operations of the compensation committee. The committee shall be members of, and appointed by, the board of directors and shall comprise at least three directors, each of whom are independent of management, as the board of directors shall from time to time determine. Members of the committee shall be considered independent if they meet the independence requirements of American Stock Exchange listing standards.

B. *Purpose*

The principal purposes of the compensation committee is to discharge the board of directors' responsibilities relating to compensation of the Company's executives and directors and to produce an annual report on executive compensation for inclusion in the Company's proxy statement in accordance with applicable rules and regulations.

C. *Meetings*

The committee shall meet as often as necessary to discharge its duties and responsibilities. A majority of the members constitute a quorum. If a quorum is present, a majority of the members present shall decide any matter brought before the committee. Any member of the committee may call a meeting of the committee upon due notice to each other member at least 48 hours prior to the meeting.

The Chief Executive Officer may not be present during any portion of any meeting of the committee during which matters relating to the Chief Executive Officer's performance on compensation is discussed, deliberated or voted upon.

The committee shall promptly inform the board of directors of the actions taken and matters discussed at its meetings. This will generally take place at the board meeting following a committee meeting.

D. *Duties and Responsibilities*

The compensation committee shall be primarily responsible for:

- Evaluating the chief executive officer's performance and setting the chief executive officer's compensation based on this evaluation.
- Reviewing and approving the compensation of officers and other key executives of the Company.

- Reviewing and approving incentive compensation plans and equity-based plans relating to officers and other key executives.
- Determining awards of stock or stock options pursuant to any of the Company's stock option or stock related plans now or in the future in effect and exercising such other power and authority as may be permitted or required under such plans.
- Producing an annual report on executive compensation for inclusion in the Company's proxy statement.
- Reviewing from time to time and making recommendations to the board of directors regarding the compensation of directors.

The compensation committee shall also review and assess this charter annually and submit any proposed amendments to the board of directors for approval.

E. *Advisors*

The compensation committee shall have the authority, at the expense of the Company, to retain such legal, accounting and other advisors and consultants as it shall deem appropriate without board or management approval.