

Audit Committee Charter

Purpose

The Audit Committee shall represent and assist the Board of Directors with the oversight of:

- (a) the integrity of the Company's financial statements and internal controls,
- (b) the Company's compliance with legal and regulatory requirements,
- (c) the independent auditor's qualifications and independence; and
- (d) the performance of the Company's internal audit function and the independent auditor.

The Audit Committee shall also prepare the report that Securities and Exchange Commission rules require be included in the Company's annual Proxy Statement. Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board of Directors as a whole.

Composition

The Audit Committee shall consist of three or more directors all of whom in the judgment of the Board of Directors shall be independent in accordance with New York Stock Exchange listing standards. Each member shall in the judgment of the Board of Directors have the ability to read and understand the Company's basic financial statements or shall at the time of appointment undertake training for that purpose. At least one member of the Audit Committee shall in the judgment of the Board of Directors be an audit committee financial expert in accordance with the rules and regulations of the Securities and Exchange Commission and at least one member (who may also serve as the audit committee financial expert) shall in the judgment of the Board of Directors have accounting or related financial management expertise in accordance with New York Stock Exchange listing standards. The Chairman of the Audit Committee shall be elected by the Board out of those members appointed to the Committee. The Chairman shall preside at meetings of the Committee.

Responsibilities

The Audit Committee shall:

1. Have direct responsibility for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.
2. Instruct the independent auditors that they are ultimately accountable to the Audit Committee and that the Audit Committee is responsible for the selection, oversight, evaluation and termination of the independent auditors.
3. Pre-approve all permitted non-audit services to be performed by the independent auditor and establish policies and procedures for the engagement of the independent auditor to provide permitted non-audit services.
4. Receive and review: (a) a report by the independent auditor describing the independent auditor's internal quality-control procedures and any material issues raised by the most recent internal quality control review, or peer review, of the independent auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years,

respecting one or more independent audits carried out by the firm and any steps taken to deal with any such issues; and (b) other required reports from the independent auditor.

5. At least annually, consider the independence of the independent auditor, including whether the provision by the independent auditor of permitted non-audit services is compatible with independence, and obtain and review a report from the independent auditor describing all relationships between the auditor and the Company.
6. Review with the independent auditor: (a) the scope and results of the audit; (b) any problems or difficulties that the auditor encountered in the course of the audit work, and management's response; and (c) any questions, comments or suggestions the auditor may have relating to the internal controls, and accounting practices and procedures, of the Company or its subsidiaries.
7. Evaluate the independent auditor's qualifications, performance and independence and present its conclusions to the full Board of Directors.
8. Review, at least annually, the scope, funding, and results of the Company's internal audit program, including then current and future programs of the Company's Internal Audit Department, procedures for implementing accepted recommendations made by the internal and independent auditor, and any significant matters contained in reports from the Internal Audit Department.
9. Review, at least annually, the scope, funding and results of the Company's Enterprise Risk Management program and compliance program, including the current and future structure of each program, Receive at least quarterly, updates from the Chief Risk Office and Compliance Department regarding any significant matters regarding the Company's risk management and compliance with regulatory requirements and contracts with government entities, respectively.
10. Review, at least annually, the adequacy and effectiveness of the Company's information technology (IT) general controls, and overall assessment and plan to address IT specific risks, scope and funding related to cyber security, business continuity and disaster recovery initiatives.
11. Review and consult with management in management's appointment, compensation, replacement, reassignment and dismissal of the Chief Risk Officer (CRO), Chief Audit Officer (CAO), Chief Compliance Officer (CCO), and Chief Medicare Compliance Officer (CMCO).
12. Meet separately, periodically, with the independent auditor, the Company's Internal Audit Department, the Company's Chief Risk Officer, Chief Compliance Officer and management to review and discuss: (a) the adequacy and effectiveness of the systems of internal controls (including any significant deficiencies and significant changes in internal controls reported to the Audit Committee by the independent auditor or management), accounting practices, enterprise risk management practices, compliance practices, and disclosure controls and procedures (and management reports thereon), of the Company and its subsidiaries; and (b) current accounting trends and developments, and take such action with respect thereto as may be deemed appropriate.
13. Review with management and the independent auditor the annual and quarterly financial statements of the Company, including: (a) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations"; (b) any material changes in accounting principles or practices used in preparing the financial statements prior to the filing of a report on Form 10-K or 10-Q with the Securities and Exchange Commission; and (c) the items required by Statement of Auditing Standards No. 61 as in effect at that time in the case of the annual statements and Statement of Auditing Standards No. 71 as in effect at that time in the case of the quarterly statements.

14. Recommend to the Board of Directors, based on the review described immediately above, whether the financial statements should be included in the annual report on Form 10-K.
15. Discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. The Audit Committee's responsibilities to discuss these matters may be done so generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made). The Audit Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.
16. Discuss Company policies with respect to risk assessment and risk management, and review contingent liabilities and risks that may be material to the Company and major legislative and regulatory developments which could materially impact the Company's contingent liabilities and risks.
17. Review: (a) the status of compliance with laws, regulations, and internal procedures; and (b) the scope and status of systems designed to promote Company compliance with laws, regulations and internal procedures, through receiving reports from, the Compliance Department, Internal Audit Department, management, legal counsel and third parties as determined by the Audit Committee.
18. Establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding compliance, accounting, internal controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable compliance, accounting or auditing matters.
19. Establish policies for the hiring of employees and former employees of the independent auditor.
20. Conduct an annual performance evaluation of the Audit Committee and annually evaluate the adequacy of its charter.
21. Maintain free and open means of communication between the Directors, the independent auditors, the internal auditors, the compliance staff, and the financial management of the Company.
22. Discuss with management the Company's compliance with applicable legal requirements, the Company's Related Persons Transactions Policy and the Company's Principles of Business Ethics with regard to related person transactions and conflicts of interest. The Audit Committee shall specifically assess the appropriateness of any Related Persons Transactions involving an executive officer of the Company, consistent with the Related Persons Transactions Policy.

Manner of Acting

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. A majority of the members of the Audit Committee present (in person or by telephone) at any duly authorized meeting of the Audit Committee shall constitute a quorum, and approval by a majority of the quorum is necessary for Audit Committee action. Minutes shall be recorded of each meeting held. When appropriate, action may be taken by written consent in lieu of a meeting of the Committee.

Delegation

The Audit Committee may delegate any of its responsibilities and duties to one or more members of the Audit Committee, except to the extent that such delegation would be inconsistent with the requirements of

the rules and regulations of the Securities and Exchange Commission or the listing rules of the New York Stock Exchange.

Communication with Internal Audit, Chief Risk Office, and Compliance Departments

The Chief Compliance Officer, the Chief Risk Officer, and Chief Audit Officer are each authorized to communicate promptly, directly and personally to the Audit Committee on all matters he or she deems appropriate, including without limitation, any significant governance, risk, control or compliance matters that are not adequately addressed by management.

Outside Advisors

In carrying out its duties and responsibilities, to the extent it deems necessary or appropriate, the Audit Committee may conduct or authorize investigations into any matter within the scope of its authority and may retain legal counsel, accountants and other advisors to assist it in the conduct of its responsibilities. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to any advisors employed by the Audit Committee and for ordinary expenses of the Audit Committee.

Reports

The chairman of the Audit Committee (or in his or her absence such other Committee members as the Committee may select) shall report on behalf of the Committee to the full Board at each regularly scheduled meeting with respect to any action taken by the Committee if any meetings of the Committee have been held (or action otherwise taken) since the date of the previous Board meeting. The minutes of meetings held or other record of action taken may be submitted to the Board of Directors for review in lieu of any such report.