

OUR MISSION: *To be the highest quality provider of services in our community.*

Dear Associate,

In order to further the Mission of Sunlink Health Systems, Inc. , each of us must share an obligation to sustain the highest legal and ethical standards. These standards, many of which are embodied in our Core Values and Beliefs, must be the driving force behind our day-to-day behavior. The Core Values and Beliefs form the preamble to the Code of Conduct (the “Code”).

The Code, which follows, has been adopted as a measure to aid us in our daily interactions and activities with patients, customers, associates, physicians, vendors and others with whom we work. We ask that you please read the Code carefully. It is essential to our Company’s success that you understand and are fully dedicated to acting in accordance with the provisions of this Code and related compliance program.

The Code’s contents may seem like “common sense” to you. Your own personal code of ethics, responsive to the principles espoused by the Code, will be relied upon to maintain the Company’s Standards. In most cases the Code will serve as support to our perception of how we should perform our duties.

In this intricate professional environment, circumstances may arise that are confusing in nature and, as a result, you may, from time to time, have questions about ethical or legal issues. This Code, while containing information to help you resolve those issues, may not always address your specific situation. If you are faced with a circumstance that you perceive is not consistent with the Code, we urge you to consult immediately with your supervisor, another management team member at your location, our Compliance Officer or a member of our Compliance Committee. You also may call our Compliance Hotline at (866) 244-5952. We allow absolutely no retribution for any inquiry or for reporting a good faith belief of a possible violation of the Code.

You and all of our associates play an essential role in our Company’s future. We urge you to unite with us in embracing our Core Values and Beliefs and upholding our Code of Conduct. We know that working together, in an atmosphere of honesty and integrity, we can accomplish our Mission.

Code of Conduct

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Code of Conduct

Sunlink Health Systems, Inc.

PREAMBLE

Core Values and Beliefs

- 1. We believe that clarity in understanding our Mission, our goals and what we expect from each other is critical to our success.**
- 2. We respect and value every individual and believe that the highest contributions are made by people who are treated with courtesy and kindness and given responsibility and freedom to act.**
- 3. We believe that there should be no compromise for complete honesty, integrity and ethical behavior in everything we do.**
- 4. We make commitments with care, and then live up to them. In all things, we do what we say we will do.**
- 5. Work is an important part of life; it should be fun, but it requires commitment at all times and sacrifice at times.**
- 6. We are frugal. We guard and conserve the Company's resources with the same vigilance that we guard and conserve our own personal resources.**
- 7. We insist on giving our best effort in everything we undertake. We see a huge difference between "good mistakes" (best effort, bad result) and "bad mistakes" (sloppiness or lack of effort).**
- 8. We are customer driven. The experiences and expressed needs of our customers guide our definition of quality service.**
- 9. We feel a sense of urgency on matters related to our customers. We identify problems and we always are responsive.**
- 10. We are action oriented. We devote our energy to creating success by supporting the development of our people to their fullest potential.**
- 11. We work as a team to accomplish our goals, and communicate frequently with one another and with our customers.**
- 12. We encourage our customers, as well as everyone in the Company, to express opinions and offer suggestions for improvements.**

CODE OF CONDUCT

Sunlink Health Systems, Inc.

I. Purpose

The Code of Conduct for Sunlink Health Systems, Inc. (“SHS”, “we”, “us” “our” or the “Company”) contains Principles articulating the policy of the Company and Standards that are intended to provide additional guidance to persons functioning in managerial or administrative capacities. SHS expects its directors, officers, managers, employees, service providers, agents and independent contractors (collectively, “Covered Persons”) to abide by the Principles and Standards set forth herein and to conduct the business and affairs of SHS in a manner consistent with the general statement of the principles set forth herein. The Principles and Standards set forth in this Code of Conduct shall be distributed to all employees during the hiring process, upon engagement with any Service Provider or when a material revision of this Code of Conduct occurs. All Covered Persons are responsible for ensuring that their behavior and activity is consistent with this Code of Conduct.

II. Violations of the Code of Conduct

Failure to abide by this Code of Conduct and by the guidelines for behavior that this Code of Conduct represents will lead to disciplinary action. For alleged violations of the Code of Conduct, we will weigh relevant facts and circumstances, including, but not limited to, the extent to which the behavior was contrary to the express language or general intent of the Code of Conduct, the egregiousness of the behavior, the Covered Person’s history with the Company and other factors which SHS deems relevant. Discipline for failure to abide by this Code of Conduct may, at the Company’s discretion, range from oral correction to termination.

Nothing in this Code of Conduct is intended to or shall be construed as providing any additional employment rights to Covered Persons. While SHS will generally attempt to communicate changes concurrent with or prior to the implementation of such changes, the Company reserves the right to modify, amend or alter the Code of Conduct without notice to any person or Covered Person.

III. Principles

Principle 1 – Legal Compliance

SHS will strive to ensure all activity by or on behalf of the Company complies with applicable laws.

The following Standards are intended to provide guidance to Covered Persons in their obligation to comply with applicable laws. These Standards are neither exclusive nor complete. Covered Persons are required to comply with all applicable laws, whether or not specifically addressed in these policies. If questions regarding the existence,

interpretation or application of any law arise, they should be directed to SHS's Compliance Officer.

Standard 1.1 – Antitrust Laws

All Covered Persons must comply with applicable antitrust and similar laws that regulate competition. Examples of conduct prohibited by the laws include (1) agreements to fix prices, bid rigging, market allocation and collusion (including price sharing) with competitors; (2) boycotts, certain exclusive dealing and price discrimination agreements; and (3) unfair trade practices, including bribery, misappropriation of trade secrets, deception, intimidation and similar unfair practices. If the Company's Compliance Officer is unable to provide guidance directly, the Compliance Officer will assist the leadership of SHS in directing any antitrust issues to our legal counsel for resolution.

Antitrust laws are vigorously enforced. Violations may result in severe penalties such as the forced sale of businesses and significant fines to an organization. There also may be sanctions against individual Covered Persons, including substantial fines and prison sentences. Covered Persons involved in dealings with competitors are expected to know that federal and state law may apply to their activities and consult with SHS's Compliance Officer prior to negotiating, or entering into, any agreement with a competitor.

Standard 1.2 – Health Care Regulatory Laws

SHS's expects its Covered Persons to refrain from conduct that may violate health care regulatory laws. These laws prohibit (1) the submission of false, fraudulent or misleading claims to any government entity or third party payor, including claims for services not rendered, claims for medically unnecessary services, claims which characterize the service differently than the service actually rendered, claims for medically unnecessary services or claims which do not otherwise comply with applicable program or contractual requirements; (2) direct, indirect or disguised payments in exchange for the referral of patients; (3) referrals to entities under certain circumstances where there exists an ownership or contractual relationship with such entity; and, (4) making false representations to any person or entity to gain or retain participation in a program or to obtain payment for any service.

Standard 1.3 – Third Party Payors

The Company will take great care to assure all billings to and collections from government payors, commercial insurance payors and patients are true and accurate and conform to all pertinent federal and state laws, rules and regulations. SHS prohibits any Covered Person from knowingly presenting or causing to be presented claims for payment or approval that are false, fictitious or fraudulent.

Standard 1.4 – Environmental Laws

It is the policy of SHS to manage and operate its business in a manner that complies with all laws and regulations respecting our environment and natural resources. Covered Persons will strive to utilize resources appropriately and efficiently, to recycle where possible, and otherwise dispose of all waste in accordance with applicable laws and regulations and to work cooperatively with the appropriate authorities to remedy any environmental contamination for which the Company may be legally responsible.

Standard 1.5 – Employment Laws

The Company believes the fair and equitable treatment of Covered Persons, patients and other persons is critical to fulfilling its vision and goals. It is a policy of SHS to treat patients without regard to the race, color, religion, sex, ethnic origin, age, disability or any other classification prohibited by law. It is our policy to recruit, hire, promote, assign, transfer, layoff, recall and terminate Covered Persons based on their own ability, achievement, experience and conduct without regard to race, color, religion, sex, ethnic origin, age, disability or any other classification prohibited by law. No form of harassment or discrimination against anyone based on race, color, religion, sex, ethnic origin, age, disability or any other classification prohibited by law will be tolerated. Each allegation of harassment or discrimination will be promptly investigated in accordance with human resource policies.

SHS maintains a drug free workplace and will not tolerate on its premises the manufacture, dispensing, possession, distribution, use or consumption by Covered Persons of illicit drugs or alcohol while on duty. We may allow the consumption of alcoholic beverages on Company premises in connection with celebrations, meals or events held at a SHS's facility or at another location with the prior written approval of the Chief Executive Officer or his/her designee. In order to ensure the safety of all SHS Covered Persons and patients, we have implemented a drug testing policy for applicants and Covered Persons and requires reporting by any Covered Person who has been directed by a physician to take a prescription drug that may adversely affect or impair performance on the job to his or her immediate supervisor, along with acceptable medical documentation.

Principle 2 – Business Ethics

In furtherance of our commitment to the highest standards of business ethics and integrity, Covered Persons will accurately and honestly represent SHS and will not engage in any activity or scheme intended to defraud anyone of money, property or services.

The Standards set forth below are designed to provide guidance to ensure that SHS's business activities reflect the highest standards of business ethics and integrity. The conduct of our Covered Person(s) not specifically addressed by these Standards must nevertheless be consistent with this Principle.

Standard 2.1 – Honest Communication

SHS requires candor and honesty from individuals at all times, including in the performance of their responsibilities and in communication with our attorneys and auditors. No Covered Person shall make false or misleading statements to any patient, person or entity doing business with us about other patients, Covered Persons, persons or entities doing business or competing with us or about the products or services of SHS or of its competitors.

Covered Persons shall maintain accurate and complete organizational and patient care records. No Covered Person shall misrepresent facts or falsify records. Falsifying records is illegal, will not be tolerated and will result in immediate disciplinary action.

Standard 2.2 – Misappropriation of Proprietary Information

Covered Persons shall not misappropriate confidential or proprietary information belonging to another person or entity nor utilize any publication, document, computer program, information, or product in violation of a third party's legal rights in such product. All Covered Persons are responsible to ensure that they do not copy for their own use documents or computer programs in violation of applicable copyright laws or licensing agreements. Covered Persons shall not utilize confidential business information obtained from competitors, including customer lists, price lists, contracts or other information, in violation of a valid covenant not to compete, prior employment agreements or other legal restrictions.

Standard 2.3 – Patient Care and Rights

Covered Persons will practice in a manner that is in the best interests of the patient and does not endanger the health, safety, or welfare of the patient. Each Covered Person is expected to exhibit conduct consistent with decency and respect for patients and clients and in compliance with applicable state and federal laws, rules and regulations.

Principle 3 – Confidentiality

Covered Persons shall strive to maintain the confidentiality of patient and other confidential information in accordance with applicable legal and ethical standards.

SHS and its Covered Persons are in possession of and have access to a broad variety of confidential, sensitive and proprietary information, the inappropriate release of which could be injurious to individuals, our business partners, individual Covered Persons and SHS itself. Every Covered Person has an obligation to protect and safeguard confidential, sensitive and proprietary information in a manner designed to prevent the unauthorized disclosure of such information.

Standard 3.1 – Patient Information

All Covered Persons have an obligation to conduct themselves in accordance with the principle of maintaining the confidentiality of patient information in accordance with all applicable laws and regulations. Covered Persons shall refrain from revealing any

personal or confidential information concerning patients unless supported by legitimate business or patient care purposes. If questions arise regarding an obligation to maintain the confidentiality of information or the appropriateness of releasing information, Covered Persons should seek guidance from SHS's Compliance Officer.

Standard 3.2 – Proprietary and Insider Information

Information, ideas and intellectual property assets of the Company are important to organizational success. Information pertaining to our competitive position or business strategies, payment and reimbursement information and information relating to negotiations with Covered Persons, or third parties should be protected and should only be shared with Covered Persons having a need to know such information in order to perform their job responsibilities. Covered Persons should exercise care to ensure that intellectual property rights, including patents, trademarks, copyrights and licenses, are carefully maintained and managed to preserve and protect their value.

If a Covered Person is in possession of, has access to or will have difficulty explaining why he or she was in possession of material non-public information relating to the Company, it is SHS policy that neither that person, that person's immediate family members nor others living in the same household with that person may buy or sell securities of the Company or engage in any other action to take advantage of, or pass on to others, that information. This policy also applies to information relating to any other company, including our customers or suppliers, obtained in the course of employment. Transactions that may seem necessary or justifiable for independent reasons (such as the need to raise money for any emergency expenditure) are no exception. Even the appearance of an improper transaction should be avoided. If you have any questions, you should advise your supervisor, who may seek the advice of the Company's legal counsel, before incurring any obligations in specific transactions.

Standard 3.3 – Personal Actions and Decisions

Salary, benefits and other personal information relating to Covered Persons shall be treated as confidential. Personnel files, payroll information, disciplinary matters and similar information shall be maintained in a manner designed to protect confidentiality in accordance with applicable laws. Covered Persons will exercise due care to prevent the release or sharing of information beyond those persons who may need such information to fulfill their job functions.

Principle 4 – Conflicts of Interest

Covered Persons owe a duty of undivided and unqualified loyalty to the Company. Covered Persons may not use their positions to profit personally or to assist others in profiting in any way at the expense of the Company.

All Covered Persons are expected to regulate their activities so as to avoid actual impropriety and/or the appearance of impropriety that might arise from the influence of those activities on business decisions of SHS, or from disclosure or private use of business affairs or plans of the Company.

Standard 4.1 – Outside Financial Interests

While not all-inclusive, the following will serve as a guide to the types of activities by a Covered Person, or household member of such Covered Person, which might cause a conflict of interest:

a. Ownership in or employment by any outside concern that does business with us. This does not apply to stock or other investments held in a publicly held corporation; provided, however, the value of the stock or other investments does not exceed five percent (5%) of the corporation's stock. Following a review of the relevant facts, SHS may permit ownership interests that exceed these amounts if management concludes such ownership interests will not adversely impact the Company's business interest or the judgment of the Covered Person.

b. Conducting business, not on behalf of SHS, with any of our vendors (vendors may be referred to herein individually as the "Vendor" and collectively as the "Vendors"), supplier, contractor, agency or any of their officers or service providers where fees are substantially less than customary prices.

c. Representation of SHS by any Covered Person in any transaction in which he or she, or a household member, has substantial personal interest.

d. Disclosure or use of confidential, special or inside information of or about the Company, particularly for personal profit or advantage of the Covered Person or a household member.

e. Competition with SHS by a Covered Person, directly or indirectly, in the purchase, sale or ownership of property, property rights or interests or business investment opportunities.

Standard 4.2 – Services for Competitors and Vendors

No Covered Person shall perform work or render services for any competitor of SHS or for any organization with which we do business, or which seeks to do business with us, outside the normal course of his or her employment with us, without the prior written approval of the Chief Executive Officer. No Covered Person shall be a director, officer or consultant of any such organization, nor permit his or her name to be used in any fashion that would tend to indicate a business connection with any such organization without the prior written approval of SHS's Chief Executive Officer.

Standard 4.3 – Participation on Board of Directors/Trustees

a. A Covered Person must obtain the written approval of SHS’s Chief Executive Officer prior to serving as a member of the Board of Directors/Trustees of any organization whose interests may conflict with ours.

b. Annually, a Covered Person must disclose all Board of Directors/Trustees activities in the Conflict-of-Interest Disclosure Statement attached to this Code of Conduct.

c. SHS retains the right to prohibit membership on any Board of Directors/Trustees where it believes such membership might conflict with our best interests.

d. Questions regarding whether or not Board participation might present a conflict of interest should be discussed with SHS’s Compliance Officer.

Standard 4.4 – Honoraria

The acceptance of faculty and speaker positions at educational programs and functions shall be approved in writing and in advance by the Chief Executive Officer, and the treatment of any honoraria received in connection therewith shall comply with the policies of SHS currently in effect or as such policies may change from time to time.

Principle 5 – Business Relationships

Business transactions with current or prospective referral sources, vendors, pharmaceutical companies, other providers, contractors, third party payors, governmental entities and other similar third parties shall be transacted free from offers or solicitation of gifts and favors or other improper inducements in exchange for influence or assistance in a transaction.

The Standards set forth below are intended to guide Covered Persons in determining the appropriateness of the listed activities or behaviors within the context of our business relationships, including relationships with current or prospective referral sources, vendors, pharmaceutical companies, other providers, contractors, third party payors, governmental entities and other similar third parties. It is the intent of SHS that this policy be construed broadly to avoid even the appearance of improper activity. If there is any doubt or concern about whether specific conduct or activities are ethical or otherwise appropriate, you should contact SHS’s Compliance Officer.

Standard 5.1 – Gifts and Gratuities

It is our desire at all times to preserve and protect our reputation and to avoid the appearance of impropriety.

a. Gifts from Patients. Covered Persons are prohibited from soliciting tips, personal gratuities, or gifts from patients and from accepting monetary tips or gratuities. Covered Persons may accept unsolicited non-monetary gifts of a nominal value from patients. If a patient or other individual wishes to present a monetary gift, he or she should be referred to the Compliance Officer.

b. Gifts Influencing Decision-Making. Covered Persons shall not accept gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting the Company might be influenced. The analysis should be based on the view of a disinterested third party and whether such third party would believe the thing of value would induce the referral of business. Similarly, Covered Persons shall not offer or give money, services or other things of value with the expectation of influencing the judgment or decision-making process of any purchaser, supplier, customer, government official or other person. Any such conduct must be reported immediately to SHS's Compliance Officer.

c. Gifts from Existing Vendors. Covered Persons may retain gifts from Vendors that are of a nominal value. We expect our Covered Persons to exercise good judgment and discretion in accepting gifts. If a Covered Person has any concern whether a gift should be accepted, the Covered Person should consult with SHS's Compliance Officer. Covered Persons shall not accept excessive gifts, meals, expensive entertainment or other offers of goods or services that have more than a nominal value, nor may they solicit gifts from vendors, suppliers, contractors or other persons.

d. Gifts to Vendors. Covered Persons may provide gifts, entertainment and meals to Vendors, customers, current and prospective business partners and other persons and sponsor certain select forms of entertainment, with the prior written approval from the Chief Executive Officer, when such activities have a legitimate business purpose and are reasonable and consistent with all applicable laws.

e. Vendor-Sponsored Entertainment. At a vendor's invitation, an individual may accept meals or refreshment at the Vendor's expense. Occasional attendance at a local theater or sporting event, or similar entertainment of modest value at Vendor expense may also be accepted. Overnight entertainment, all-expense-paid vacations and frequent entertainment at Vendor expense may not be accepted. Furthermore, in most circumstances, a regular business representative of the Vendor should attend with the Covered Person.

Standard 5.2 – Workshops, Seminars and Training Sessions

Attendance at local, Vendor-sponsored workshops, seminars and training sessions is permitted. Attendance, at Vendor expense, at out-of-town seminars, workshops and training sessions is not permitted without the prior written approval of the Company's Chief Executive Officer.

Standard 5.3 – Contracting

Covered Persons may not utilize “insider” information for any business activity conducted by or on behalf of Us. All business relations with contractors must be conducted at arms' length, both in fact and in appearance, and in compliance with SHS's policies and procedures. Covered Persons must disclose personal relationships and business activities with contractor personnel that may be construed by an impartial observer as influencing the Covered Person's performance, decisions or duties.

Standard 5.4 – Business Inducements

Covered Persons shall not seek to gain any advantage through the improper use of payments, business courtesies or other inducements. Offering, giving, soliciting, or receiving any form of bribe or other improper payment is prohibited.

Covered Persons have a responsibility to obtain clarification from our Compliance Officer on questionable issues that may arise and to comply, where applicable, with the Company's conflict of interest policies.

Standard 5.5 – Contracting with Ineligible Companies or Persons

The Company prohibits execution of contracts with companies or individuals that have been convicted recently of a criminal offense related to health care or that are listed by a federal agency as debarred, excluded or otherwise ineligible for participation in federal health care programs.

Principle 6 – Protection of Assets

All Covered Persons will strive to preserve and protect the Company's assets by making prudent and effective use of SHS's resources and properly and accurately reporting the financial condition thereof.

The Standards set forth below are intended to guide key Covered Persons by articulating our expectations as they relate to activities or behaviors that may impact SHS's financial health.

Standard 6.1 – Internal Controls

We have established control standards and procedures to ensure that assets are protected and properly used, and that financial records and reports are accurate and reliable. All Covered Persons share the responsibility for maintaining and complying with required internal controls of the Company.

Standard 6.2 – Financial Reporting

All financial reports, accounting records, research reports, expense accounts, timesheets and other documents must represent accurately and clearly the relevant facts or the true nature of a transaction. In addition to the potential violation of applicable laws and regulations, improper or fraudulent accounting, documentation or financial reporting is contrary to the policies of and is prohibited by Us.

Standard 6.3 – Travel and Entertainment

Travel and entertainment expenses should be consistent with each Covered Person's job responsibility and SHS's needs and resources. It is our policy that a Covered Person should neither suffer a financial loss nor obtain a financial gain because of business travel and entertainment. Covered Persons are expected to exercise reasonable and prudent judgment in the use of our assets and in a manner consistent with the care with which they would use their own. Covered Persons also must comply with SHS's policies relating to travel and entertainment expenses.

Standard 6.4 – Personal Use of Corporate Assets

All Covered Persons are expected to refrain from converting assets of the Company to personal use. All property and business of the Company shall be conducted in the manner designed to further our interests rather than the personal interests of a Covered Person. Covered Persons are prohibited from the unauthorized use or taking of any equipment, supplies, materials or services. Except as otherwise specifically addressed and approved in other policies and procedures of the Company, prior to engaging in any activity on Company time that would result in remuneration to a Covered Person or the use of equipment, supplies, materials or services for personal or non-work-related purposes, a Covered Person shall obtain the written approval of SHS's Chief Executive Officer.

NOTE: HOTLINE # 1-866-244-5952 (TOLL FREE)

Sunlink Health Systems, Inc.

**REPORTING INSTRUCTIONS
FOR COMPLIANCE PROGRAM**

The Board of Directors of Sunlink Health Systems, Inc. wants you immediately to report any violation of the Code of Conduct. Reading these Reporting Instructions does not eliminate the need to read the entire Code of Conduct.

If you are comfortable reporting a matter to your supervisor or to SHS's Chief Executive Officer, Director of Human Resources or Compliance Officer, please feel free to do so. They should be familiar with the terms of the Code of Conduct and Compliance Plan and will know the appropriate process to follow. If you are not comfortable reporting a violation or prohibited conduct to someone directly, these instructions should assist you in directing your information to the proper individual.

If you wish to report Medicare or Medicaid fraud or abuse, please call the **TOLL-FREE HOTLINE NUMBER 1-866-244-5952** and leave a recorded message. All other matters may be reported by leaving a detailed message on the **HOTLINE** or by contacting our Compliance Officer. If you wish to report anything by mail, mark it "**CONFIDENTIAL**" and send it to Compliance Department, 1002 East Madison, Houston, MS 38851.

SHS does not permit, and the law does not allow any retaliation for good faith reporting of violations or prohibited conduct. Executive and supervisory personnel contacted in the course of an investigation of any reported matter will be bound by this prohibition and will be obligated to maintain confidentiality as to the reported matter, except as necessary to carry out such investigation. If the reporting party specifically requests confidentiality of his or her identity as the reporting party, we will attempt to keep his or her identity confidential, unless the individual's identity is reasonably necessary to the investigation of the matter reported or is legally required to be reported to governmental authorities.

Note: Anonymous complaints, especially complaints regarding harassment, are very difficult to verify and, lacking specifics, may prevent an effective investigation.

The following is a list of the most common areas where reportable events occur. However, **we desire that you report any violation or prohibited conduct regardless of the subject area.** No one is expected to be an expert in these areas; therefore, reporting events or items, even if you aren't sure or only think they might be violations, is acceptable and encouraged. For an explanation of any of the areas listed, please consult the Code of Conduct documents or the Compliance Officer.

NOTE: HOTLINE # 1-866-244-5952 (TOLL FREE)

Sunlink Health Systems, Inc.

REPORTING INSTRUCTIONS

(Continued)

Financial Reporting and Other Business Records. This would include failure to follow generally accepted accounting principles (GAAP), inappropriate or incorrect coding of transactions to general ledger accounts, inaccurate reporting to governmental entities and falsifying, back-dating, intentionally destroying or tampering with records (including medical records).

Improper Payments – Bribes and Kickbacks. This would include gifts or an offer of a gift to or from a person or entity that controls or influences referrals to our business, vendors or government representatives. Also, payments not made pursuant to a written contract (lacking adequate back-up documentation) are improper.

Health Care Fraud and Abuse. This would include upcoding, failing to comply with government billing requirements or failing to follow consent orders (falsified records, including prescriptions; incomplete CMNs; billing an order without the prescribing physician's signature). Any payments for referrals, to induce referrals or to induce the purchase, lease or ordering of items reimbursed under any government program is prohibited.

Conflicts of Interest. This would include actions by a Covered Person for personal gain or in a manner adverse to the best interests of the Company. Providing a competitor with confidential or proprietary information is improper. Also, it is improper to own an interest in a Vendor, borrow money from a Vendor or accept gifts of more than nominal value from a Vendor, unless disclosed to and approved in advance and in writing by SHS's Chief Executive Officer.

Antitrust. This would include Covered Persons having input concerning salary and wage decisions or pricing policies discussing pay, shift differentials, purchase costs or any other benefit of employment with a competitor. It is inappropriate to discuss splitting the market for services either geographically or by service offered (e.g., agreeing to eliminate certain specified services if a competitor agrees to eliminate certain specified services).

Insider Trading and Confidentiality. This would include the use by a Covered Person of insider information (material information not known to the general public) for personal gain or sharing insider information with any individuals.

Health, Safety and Environmental Requirements. This would include, among others, violations by Covered Persons of OSHA rules and regulations, Clean Water Act and Fair Labor Standards Act. Failure to comply with governmental health, safety and environmental rules should be reported immediately.

NOTE: HOTLINE # 1-866-244-5952 (TOLL FREE)

Sunlink Health Systems, Inc.

REPORTING INSTRUCTIONS

(Continued)

Employment. SHS desires that all Covered Persons have a drug-free, alcohol-free work environment. It is a violation for any Covered Person to be at work under the influence of drugs or alcohol. Physical, sexual, or other types of harassment will not be tolerated in the workplace. These and any other similar items should be reported immediately.

Sunlink Health Systems, Inc.

ATTESTATION OF TRAINING

I, _____, am an employee of Sunlink Health Systems, Inc. . My signature below acknowledges that I have been provided a copy of the Code of Conduct for Sunlink Health Systems, Inc. and of other job-specific policies and procedures:

I hereby certify that I have received, read and understand the information contained in the Code of Conduct and in the other job-specific policies and procedures presented to me. I agree to abide by the information contained within therein and I am aware that if I do not, I may be subject to disciplinary action.

Signature

Print Name

Date of Certification