

METROPOLITAN HEALTH NETWORKS, INC.

Audit Committee Charter

As Amended Effective December 5, 2006

Pursuant to Section 607.0825 of the Florida Statutes and Article III, Section 10 the Amended and Restated Bylaws of Metropolitan Health Networks, Inc., incorporated under the laws of the State of Florida (the "Corporation"), the following shall constitute the charter of the Audit & Finance Committee of the Board of Directors of the Corporation (the "Charter"):

ORGANIZATION

There shall be constituted a standing committee of the Board of Directors of the Corporation (the "Board") to be known as the Audit & Finance Committee (the "Audit Committee").

COMPOSITION AND SELECTION

The Audit Committee shall be comprised of at least three members of the Board who shall meet the independence requirements of the applicable provisions of the Securities and Exchange Act of 1934, the rules promulgated thereunder and the applicable rules of the American Stock Exchange, as may be modified or supplemented.

Each member of the Audit Committee shall be financially literate, as determined by the Board in its business judgment. At least one member of the Audit Committee shall have accounting or related financial management expertise, as determined by the Board in its business judgment.

The members of the Audit Committee shall be appointed by a majority of the Board. Each member of the Audit Committee shall be subject to annual reconfirmation and may be removed by the Board at any time. Unless a Chairperson is appointed by the Board, the members of the Audit Committee shall designate a Chairperson by majority vote of the Audit Committee.

The duties and responsibilities of Audit Committee members contained herein shall be in addition to those duties otherwise required for members of the Board

STATEMENT OF PURPOSE

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities relating to (i) the quality and integrity of the Corporation's financial statements and corporate accounting practices, (ii) the Corporation's compliance with legal and regulatory requirements, (iii) the independent auditor's qualifications and independence and (iv) the performance of the Corporation's internal audit function and independent auditors. The independent auditor is ultimately accountable to the Audit Committee and the Board. The Audit

Committee shall be directly responsible for the appointment, compensation, retention and oversight of the independent auditor (or the nomination of the independent auditor to be proposed for shareholder approval in any proxy statement.) The Audit Committee will fulfill these responsibilities by carrying out the activities enumerated in this Charter.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The following functions shall be common recurring activities of the Committee in carrying out its oversight function. These functions are set forth as a guide with the understanding that the Audit Committee may diverge from this guide as deemed appropriate and necessary under the circumstances.

1. Meet on at least a quarterly basis or more frequently as circumstances require. The Audit Committee may ask members of the Corporation's management ("Management") or others to attend meetings and provide pertinent information as necessary.
2. Confirm and assure the independence of the independent auditor. With respect to the independence of the independent auditor, the Audit Committee must:
 - (a) Ensure that the independent auditor submits on a periodic basis to the Audit Committee a formal written statement delineating all relationships between the independent auditor and the Corporation complying with Independence Standards Board Standard No. 1, as may be modified or supplemented;
 - (b) Actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor; and
 - (c) Recommend that the Board take appropriate action in response to the independent auditor's report to oversee the independent auditor's independence.
3. Inquire of Management and the independent auditor about significant risks or exposures and assess the steps that Management has taken to minimize such risk of the Corporation.
4. Consider and revise with the independent auditor:
 - (a) The adequacy of the Corporation's internal controls including computerized information system controls and security; and
 - (b) Related findings and recommendations of the independent auditor together with Management's responses.
5. Consider and review with Management and the independent auditor:

- (a) Significant findings during the year, including the status of previous audit recommendations;
 - (b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
- 6. Meet at least once a year with the independent auditor and Management in separate executive sessions to discuss any matters that the Audit Committee or these groups believe should be discussed privately with the Audit Committee.
- 7. Review and approve all transactions between the Company and any related person that are required to be disclosed pursuant to Securities and Exchange Commission Regulation S-K, Item 404 (“Item 404”). ‘Related person’ and ‘transaction’ shall have the meanings given to such terms in Item 404, as amended from time to time.
- 8. Advise the Board with respect to financings, budgets and financial reports.
- 9. Ensure that members of the Corporation’s financial management team and the independent auditor discuss with the Audit Committee their qualitative judgments about the appropriateness, not just the acceptability, of accounting principles and financial disclosure practices used or proposed to be adopted by Management.
- 10. Inquire as to the independent auditor’s independent qualitative judgments about the appropriateness, not just the acceptability, of the accounting principles, the consistency of the Corporation’s accounting policies, and the clarity and completeness of the Corporation’s financial statements and related disclosure practices used or proposed to be adopted by Management in connection with the independent auditors review of interim and audit of annual financial statements prior to filing its Form 10-Q and 10-K respectively. Involve, as appropriate, members of Management including the President and CEO, the Chief Financial Officer and General Counsel and Secretary in the quarterly discussions.
- 11. Determine, with regard to new transactions or events, the independent auditor’s reasoning for the appropriateness of the accounting principles and disclosure practices adopted by Management.
- 12. Select the independent auditor, determine the compensation of the independent auditor and review and approve the discharge of the independent auditor.
- 13. Consider, in consultation with the independent auditor, the audit scope and plan of the independent auditor.
- 14. Review with Corporation’s management and the independent auditor the results of annual audits and related comments in consultation with other committees as deemed appropriate including:

- (a) The Corporation's audited annual financial statements and related footnotes;
 - (b) The independent auditor's audit of, and report on the financial statements;
 - (c) Any significant changes required in the independent auditor's audit plans; and
 - (d) Any difficulties or disputes with Corporation's management encountered during the course of the audit; and other matters related to the conduct of the audit which are to be communicated to the Audit Committee under Generally Accepted Auditing Standards.
15. Review annual filings with the SEC and other published documents containing the Corporation's financial statements and consider whether to recommend to the Board of Directors that the audited financial statements be included in the Corporation's Annual Report on Form 10-K filing with the SEC.
16. Review the interim financial reports with Management and the independent auditor before those interim reports are released to the public or filed with the SEC or other regulators.
17. Disclose in the Corporation's annual proxy statement whether all members of the Audit Committee are independent. Also disclose that the Audit Committee is governed by a written charter and include a copy of the charter in the proxy at least once every three (3) years.
18. Include a report in the Corporation's annual proxy statement stating whether:
- (a) The Audit Committee reviewed and discussed the audited financial statements with Management;
 - (b) The Audit Committee has discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards 61, Communications with Audit Committees and Statement on Auditing Standards 90, Audit Committee Communication, an amendment to Statement on Auditing Standards 61, as may be modified or supplemented;
 - (c) The Audit Committee has received and reviewed the written disclosures and the letter from the independent auditor required by Independence Standards Board Standard No. 1, as may be modified or supplemented, and has discussed with the independent auditor the independent auditor's independence; and
 - (d) Based on the review and discussions referred to in paragraphs (a) through (c) above, Audit Committee has recommended to the Board that the audited financial statements be included in the Corporation's Annual Report on Form 10-K for the last fiscal year for filing with the SEC.

19. Arrange for the independent auditor to be available to the Board at least annually at their request to help provide a basis for the Board's approval of the selection of the independent auditor.
20. Enforce the Company's policies with respect to pre-approval of audit services, audit-related services, tax services, and all other services to be performed by the independent auditor for the Corporation as set forth in the Company's Audit and Non-Audit Services Pre-Approval Policy, attached hereto as Annex A.
21. Conduct or authorize investigations, when deemed necessary, into any matters within the Audit Committee's scope of responsibilities. The Audit Committee shall be empowered to retain independent counsel and other advisors, as it determines necessary to assist in the conduct of any investigation or in carrying out its duties. The Audit Committee shall determine the compensation of those advisors.
22. Ensure the rotation of the lead independent audit partner every five years and other partners every seven years, and consider whether there should be regular rotation of the audit firm itself.
23. Set clear hiring policies for employees or former employees of the independent auditor.
24. Review the effectiveness for monitoring compliance with laws and regulations and the results of Management's investigation and follow-up (including disciplinary action) or any instances of noncompliance.
25. Establish procedures for: (i) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
26. Review the process for communicating the Corporation's system of internal controls over financial reporting to the Corporation personnel, and for monitoring compliance therewith.
27. Perform any other activities consistent with this Charter, the Corporation's Articles of Incorporation or Bylaws, and governing law, as the Audit Committee or the Board deems necessary or appropriate.
28. Review the final, signed copy of each independent auditor's audit report prior to its filing with the SEC as part of any report or registration statement.
29. Determine funding needed for ordinary administrative expenses of the Audit Committee that are necessary and appropriate in carrying out its duties.

30. Set guidelines of Audit Committee education and orientation to assure understanding of the business and the environment in which the Corporation operates through the review of and receipt of accounting, legal, tax and other developments of major significance of the Corporation.
31. Report periodically to the Board on significant results of the foregoing activities.
32. Review and reassess the adequacy of the Audit Committee Charter annually.
33. Assess the performance of the Audit Committee on an annual basis.
34. Perform such other functions as the Board may request.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles in the United States of America. This is the responsibility of Management and the independent auditor. Nor is the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any between Management and the independent auditor or to assure compliance with laws and regulations.

MEETINGS

The Audit Committee will meet at least on a quarterly basis, with authority to convene additional meetings, as circumstances require. All Audit Committee members are expected to attend each meeting, in person or via teleconference. The Audit Committee will invite members of Management, auditors or others to attend meetings and provide pertinent information, as necessary. The Audit Committee will meet separately, periodically, with Management, with internal auditors and with the Corporation's independent auditors. The Audit Committee will also meet periodically in executive session. All determinations or recommendations of the Audit Committee shall require a majority vote.

CONSISTENCY WITH ARTICLES OF INCORPORATION AND BYLAWS

To the extent that any provision or section of this Charter may be inconsistent with any article, provision or section of the Articles of Incorporation or the Bylaws of the Corporation, the Articles of Incorporation or the Bylaws, as appropriate, shall fully control.