

**CHARTER OF  
THE FINANCE COMMITTEE  
OF THE BOARD OF DIRECTORS OF HEALTH NET, INC.**

**I. PURPOSE OF THE COMMITTEE**

The purposes of the Finance Committee (the "Committee") of the Board of Directors (the "Board") of Health Net, Inc. (the "Company") shall be to review the Company's investment policies and guidelines and in coordination with the Audit Committee of the Board of Directors, review the Company's financial structure, monitor performance of the Company's investment portfolio, advise and make recommendations to the Board with regard to Company's use of available capital, and monitoring the Company's major information technology capabilities, including any initiatives and activities and capital budgeting with respect thereto, in each case as more fully set forth in this Charter.

**II. COMPOSITION, MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall consist of three or more directors, all of whom shall be appointed by the Board after the Board's review of the Governance Committee's recommendations with respect thereto. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the "NYSE"), if applicable, and any additional requirements that the Board deems appropriate.

Each member of the Committee shall be appointed annually to a one-year term by majority vote of the Board, after the Board's review of the recommendations of the Governance Committee with respect thereto, at the first meeting of the Board following the annual meeting of stockholders. Vacancies on the Committee shall be filled by majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy. No member of the Committee shall be removed except by majority vote of the Board. On an annual basis, one member of the Committee shall be designated as Chairman of the Committee by the Board after the Board's review of the recommendations of the Governance Committee with respect thereto. No person may serve as Chairman of the Committee for more than three consecutive terms.

The Committee shall fix its own rules of procedure, which shall be consistent with applicable law, the certificate of incorporation and bylaws of the Company and this Charter. The Committee shall meet as often as it deems necessary to fulfill its responsibilities, but no less frequently than quarterly. Any member of the Committee may also call a special meeting of the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business at any meeting of the Committee, and the vote of a majority of the members thereof present at a meeting at which a quorum is present shall be the act of the Committee.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

### **III. RESPONSIBILITIES OF THE COMMITTEE**

The Committee shall have the following duties and responsibilities:

- (a) To review the Company's investment policies and guidelines.
- (b) To monitor performance of the Company's investment portfolio.
- (c) To review the Company's financial structure and operations in light of the Company's long-term objectives and to coordinate such review with the Audit Committee of the Board.
- (d) To review and recommend to the Board appropriate action on proposed acquisitions and divestitures.
- (e) To establish appropriate authority levels for various officials of the Company with respect to mergers and acquisitions, divestitures and capital expenditures.
- (f) To review and recommend appropriate action with respect to the Company's short-term and long-term debt structure.
- (g) To monitor the Company's major information technology capabilities, including any initiatives, activities, implementations and modifications and capital budgeting with respect thereto.
- (h) To review, at least annually, the investment options offered to participants in the Company's 401(k) Savings Plan and, in connection therewith, review the annual performance of such investment options.

#### **IV. EVALUATION OF THE COMMITTEE**

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

#### **V. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISORS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisors as it deems necessary.