

February 19, 2008

Barry Lockhart
Chief Executive Officer
Muskoka Algonquin Healthcare
100 Frank Miller Drive
Huntsville, ON P1H 1H7

Michael O'Keefe
Acting Executive Officer
Orillia Soldiers' Memorial Hospital
170 Colborne Street West
Orillia, ON L3V 2Z3

RE: Integrated Position – Vice-President of Human Resources

Dear Mr. Lockhart and Mr. O'Keefe:

We are pleased to advise that, having reviewed the documentation associated with the proposed voluntary integration, the North Simcoe Muskoka Board of Directors passed the following motion at their February 11th meeting:

“That the North Simcoe Muskoka LHIN Board of Directors supports the voluntary integration initiative between Orillia Soldiers' Memorial Hospital and Muskoka Algonquin Healthcare related to the Integrated Vice-President, Human Resources and Organization Development position, and allows the initiative to proceed.”

We understand the intent is to implement a shared senior management position which will provide strategic and operational support in human resources and organizational development to both organizations.

We will be interested in the results of your analysis of the integration benefits within the next 6-8 months, and look forward to having more discussion with you.

Sincerely,



Jean Trimnell
Chief Executive Officer

c. Ruben Rosen, Chair