

NUTRITION 21, INC.

CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines have been adopted by the Board of Directors (the "Board") of Nutrition 21, Inc. (the "Company") to assist the Board in the exercise of its responsibilities and to promote the effective functioning of the Board and its committees. These Corporate Governance Guidelines are not intended to change or interpret any applicable law or regulation. The Board will review and amend these Guidelines as it deems necessary and appropriate.

I. Board Composition

1. Size of Board. The Board's optimum size is between 5 and 10 members.
2. Majority of Independent Directors. The Board will have a majority of directors who meet the criteria for independence required by the NASDAQ Marketplace Rules. Audit Committee members will satisfy additional independence requirements pursuant to Securities and Exchange Commission ("SEC") and NASDAQ Marketplace Rules.

The Board relationships that each director has with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) are considered. Only those directors who have no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) will be considered independent directors, subject to additional qualifications prescribed under the NASDAQ Marketplace Rules or under applicable law.

In the event that a director becomes aware of any change in circumstances that may result in such director no longer being considered independent under the NASDAQ Marketplace Rules or under applicable law, the director shall promptly inform the Chairman of the Board. The Board will consider the appropriateness of the continuation of such individual's membership on the Board. In some cases, it may be appropriate for such director to be replaced as a member of one or more of the committees on which he or she serves but be retained as a director.

3. Board Membership Criteria.

(a) Background. The Board seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. This assessment

will include an individual's independence, as well as consideration of diversity, age, skills and experience in the context of the needs of the Board.

(b) Simultaneous Service. Directors should advise the Chairman of the Board in advance of accepting an invitation to serve on another public company board.

(c) Financial Literacy. Directors should know how to read and understand fundamental financial statements and understand the use of financial ratios and information in evaluating the financial performance of the Company.

(d) Character. Directors should be persons of good character and thus should generally possess the following personal characteristics:

- *Integrity*: Directors should demonstrate high ethical standards and integrity in their personal and professional dealings;
- *Accountability*: Directors should be willing to be accountable for their decisions as directors;
- *Judgment*: Directors should possess the ability to provide wise and thoughtful counsel on a broad range of issues;
- *Responsibility*: Directors should interact with each other in a manner which encourages responsible, open, challenging and inspired discussion;
- *High Performance Standards*: Directors should have a history of achievements which reflects high standards for themselves and others;
- *Commitment and Enthusiasm*: Directors should be committed to, and enthusiastic about, their performance for the Company as directors, both in absolute terms and relative to their peers; and
- *Courage*: Directors should possess the courage to express views openly, even in the face of opposition.

(e) Expectations. Each director will be expected to:

- dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties;

- comply with the duties and responsibilities set forth herein and in the By-laws of the Company;
- comply with all duties of care, loyalty and confidentiality applicable to directors of publicly traded corporations organized in our jurisdiction of incorporation; and
- adhere to the Company's Standards of Business Conduct, including, but not limited to, the policies on conflicts of interest expressed therein.

4. New Directors. The Company does not have a standing Nominating Committee or a Nominating Committee Charter. Due to the size of the Company and the resulting efficiency of a Board of Directors that is also limited in size, as well as the lack of turnover in the Company's Board of Directors, the Board of Directors has determined that it is not necessary or appropriate at this time to establish a separate Nominating Committee. Potential candidates are discussed by the entire Board of Directors, and director nominees are selected by Board of Director resolution subject to the recommendation of a majority of the independent directors. In considering candidates submitted by shareholders, the Board will take into consideration the needs of the Board and the qualifications of the candidate. The Board may establish procedures, from time to time, regarding shareholder submission of candidates.

5. Retirement.

(a) Term Limits. The Board does not favor term limits for directors, but believes that it is important to monitor overall Board performance. Therefore, the Board shall review each director's continuation on the Board at the time of the director's re-nomination to the Board. This will also allow each director the opportunity to confirm his or her desire to continue as a member of the Board.

(b) Retirement Policy. The Board does not have a mandatory retirement age.

(c) Resignation Policy – Management Directors. Management directors shall offer to resign from the Board upon their resignation, removal or retirement as an employee of the Company.

(d) Directors Changing Their Present Job Responsibilities. The Board expects directors to inform the Board of a change in their business position including, without limitation, retirement from the position on which their original nomination was based, in order to provide an opportunity for the Board to review the continued appropriateness of Board membership under the circumstances.

II. **Board Activities**

1. Directors' Duties. The Board is elected by stockholders to provide oversight and strategic guidance to senior management. The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's officers, employees, outside advisors and independent auditors. The Board selects and oversees the members of senior management, to whom the Board delegates the authority and responsibility for the conduct of the day-to-day operations of the business.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to review meeting materials prior to Board and committee meetings and, when possible, should communicate in advance of meetings any questions or concerns that they wish to discuss so that management will be prepared to address the same. Each director's attendance at, and preparation for, Board meetings and meetings of committees on which they serve, shall be considered by the Board when recommending director nominees. Directors are expected to attend the Company's annual meeting of shareholders. A director who is unable to attend the Company's annual meeting of shareholders (which it is understood will occur on occasion) is expected to notify the Chairman of the Board.

2. Board Meetings.

(a) Selection of Agenda Items and Executive Sessions. The Chairman and Chief Executive Officer should establish the agenda for Board meetings. Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The independent directors will meet at least quarterly in executive session without any non-independent directors or members of the Company's management present. The Chairman is the presiding director at all executive sessions. The annual proxy statement shall disclose that the Chairman presides at all executive sessions and shall also disclose how interested persons may communicate with any such person or the directors who meet in executive session as a group.

(b) Distribution of Materials. The Company shall distribute, to the extent practicable and sufficiently in advance of meetings to permit meaningful review, written materials for use at Board meetings.

(c) Attendance of Non-Directors. The Board believes that attendance of key executive officers augments the meeting process, and such attendance should be encouraged except where prohibited by regulatory requirements or when the Board meets in executive session.

(d) Number of Meetings. The Board should meet as frequently as needed for directors to discharge their responsibilities. Without limiting the foregoing, the Board should endeavor to hold a minimum of four regular meetings per year, and special meetings as required.

3. Conflicts of Interest. Directors shall avoid any action, position or interest that conflicts with an interest of the Company, or gives the appearance of a conflict. The Company annually solicits information from directors in order to monitor potential conflicts of interest and directors are expected to be mindful of their fiduciary obligations to the Company.
4. Share Ownership by Directors. The Board believes that the number of shares of the Company's stock owned by each director is a personal decision, and encourages but does not require stock ownership.
5. Director Compensation. A director who is also an officer of the Company or of an affiliate of the Company will not receive additional compensation for such service as a director. The form and amount of non-employee director compensation will be determined by the Board upon the recommendation of the Compensation Committee. The Board is aware that questions as to directors' independence may be raised when directors' fees and emoluments exceed what is customary. Similar concerns may be raised when the Company makes substantial charitable contributions to organizations in which a director is affiliated, or enters into consulting contracts with (or provides other indirect forms of compensation to) a director. The Board will critically evaluate each of these matters when determining the form and amount of director compensation and will ensure that such payments do not violate the applicable independence requirements of the NASDAQ.
6. Orientation and Continuing Director Education. The Company will provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of ethics, and corporate governance guidelines. In addition, from time to time on a continuing basis, all members of the Board shall receive additional materials, briefings and educational opportunities to enable them to remain current with matters within their purview.

7. Access to Officers and Employees. Board members have complete and open access to the Company's Chief Executive Officer and Chief Financial Officer. Board members who wish to have access to other members of management may coordinate such access through one of the foregoing or may contact such members of management directly.
8. Interaction with Third Parties. The Board believes that management should speak for the Company and that the Chairman should speak for the Board. In order to ensure compliance with applicable securities laws and to avoid the potential detriment to the interests of the Company and its stockholders and other constituencies that could result from inconsistent communications, the members of the Board will refer inquiries from institutional investors, analysts, the press, customers or clients to the Chief Executive Officer or the Chief Financial Officer.
9. Board Authority. The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.
10. Confidentiality. The Board believes maintaining confidentiality of information and deliberations is an imperative. Information learned during the course of service on the Board is to be held confidential and used solely in furtherance of the Company's business.

III. Board Committees

1. Board Committees. The Board will have at all times an Audit Committee and a Compensation Committee. Each of these Committees shall consist solely of independent directors. Committee members will be appointed by the Board with consideration of the desires of individual directors.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

2. Committee Charters. The Audit Committee shall have its own charter. The charter will set forth the purposes, goals and responsibilities of the committee as well as qualifications for committee membership, procedures for committee member appointment and removal, and committee structure. The charter will also provide that the committee will annually evaluate its own performance. Other committees may have a charter, as determined by the Board.
3. Frequency and Length of Committee Meetings. The chair of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter.

Adopted May 31, 2007