

## COVENTRY HEATH CARE, INC.

### RELATED PERSON TRANSACTIONS POLICY

#### Introduction

The Board of Directors (the “Board”) of Coventry Health Care, Inc. (the “Company”) recognizes that Related Person Transactions (as defined herein) involve issues regarding both conflicts of interest and disclosure, and therefore the Board has adopted this policy which shall be followed in connection with all Related Person Transactions involving the Company.

#### General Policy Statement

No Related Person Transaction may be entered into without the approval of the Nominating/Corporate Governance Committee in accordance with the procedures set forth herein.

#### Definitions

A “Related Person Transaction” is any financial transaction, arrangement or relationship or any series of similar transactions, arrangements or relationships in which the Company is a participant and in which any Related Person (as defined herein) will have a direct or indirect material interest other than:

1. financial transactions, arrangements or relationships, or any series thereof, available to all employees generally, including without limitation, employment relationships and investments; and
2. financial transactions, arrangements or relationships involving less than \$25,000 when aggregated with all similar financial transactions, arrangements or relationships.

A “Related Person” is:

1. any director or executive officer of the Company;
2. any nominee for director (if disclosure is provided in a proxy or information statement relating to the election of directors);
3. any stockholder owning in excess of five percent (5%) of the Company (or its controlled affiliates);
4. any immediate family member of the foregoing persons, which includes any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any person (other than a tenant or employee) sharing the household of such person;

5. any entity which is owned or controlled by any person listed in 1, 2, 3 or 4 above, or an entity in which someone listed in 1, 2, 3 or 4 above has a substantial ownership interest or control of such entity; or
6. any person or entity that proposes to enter into a financial transaction, arrangement or relationship with the Company if the Nominating/Corporate Governance Committee determines that such transaction would require disclosure under Item 404 of Regulation S-K.

### **Nominating/ Corporate Governance Committee Approval**

At each regularly scheduled Nominating/Corporate Governance Committee meeting, any proposed Related Person Transactions shall be brought before the Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee will undertake a full review of the proposed Related Person Transaction. The Nominating/ Corporate Governance Committee must be informed of (a) the Related Person's relationship or interest, including all conflicts of interest that may exist or otherwise arise on account of the Related Person Transaction, and (b) the material facts of the proposed Related Person Transaction. The Nominating/Corporate Governance Committee shall also periodically review and assess ongoing relationships with Related Persons to ensure compliance with the Nominating/Corporate Governance Committee's guidelines and directives and to ensure that such Related Person Transaction remains fair to the Company.

There is a general presumption that a Related Person Transaction with the Company will not be approved. However, a Related Person Transaction may be consummated if:

1. the Nominating/Corporate Governance Committee shall undertake a full review of the proposed Related Person Transaction and determine that the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party;
2. the disinterested members of the Nominating/Corporate Governance Committee shall approve such transaction;
3. the disinterested members of the Board shall approve such transaction; and
4. if the transaction involves compensation, the Compensation Committee shall approve the compensation.

### **Disclosure**

All Related Person Transactions are to be disclosed in the Company's applicable filings as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules.