

**UNIVERSAL AMERICAN CORP.  
COMPENSATION COMMITTEE CHARTER**

**I. Purpose**

The Compensation Committee shall have direct responsibility for the compensation of the Company's officers. For this purpose, compensation shall include:

- annual base salary;
- annual incentive opportunity;
- stock option or other equity participation plans;
- profit-sharing plans;
- long-term incentive opportunity;
- the terms of employment agreements, severance arrangements, and change in control agreements, in each case as, when and if appropriate;
- any special or supplemental benefits; and
- any other payments that are deemed compensation under applicable SEC rules.

**II. Organization**

The Compensation Committee shall consist of two or more directors, each of whom shall satisfy the applicable independence requirements of the New York Stock Exchange and any other regulatory requirements. At least one member of the Compensation Committee shall have experience in matters relating to executive compensation either as a professional or as a business executive.

The members of the Compensation Committee shall be appointed by the Board. Members of the Compensation Committee may be removed at any time by action of the Board. The Compensation Committee's chairperson shall be designated by the Board. The Compensation Committee may form and delegate authority to subcommittees when appropriate.

**III. Meetings and Procedures**

The Chairman of the Compensation Committee (or in his or her absence, a member designated by the Chairman of the Compensation Committee) shall preside at each meeting of the Compensation Committee. The Compensation Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Compensation Committee. The Compensation Committee shall meet at least four times per year on a quarterly basis and more frequently as the Committee deems desirable or as the Chief Executive Officer of the Company may request.

#### **IV. Authority and Responsibilities**

To fulfill its responsibilities, the Compensation Committee shall:

1. Subject to applicable laws, review and approve on an annual basis corporate goals and objectives relevant to the compensation of the Chief Executive Officer (“CEO”), evaluate the performance of the CEO in light of those goals and objectives, determine and approve the CEO’s compensation level based on this evaluation, and present its recommendation to the Board for approval.
2. Subject to applicable laws, review and approve on an annual basis corporate goals and objectives relevant to the compensation of the other Tier I and II officers, evaluate the performance of the other Tier I and II officers in light of those goals and objectives, determine and approve the Tier I and II officers’ compensation levels based on this evaluation, and present its recommendation to the Board for approval.
3. In determining the long-term incentive component of the CEO and Tier I and II officers’ compensation, the Compensation Committee will also consider, among such other factors as it may deem relevant, the Company’s performance, shareholder returns, the value of similar incentive awards to executive officers at comparable companies and the awards given to the CEO and Tier I and II officers in past years. The CEO shall not be present during voting or deliberations relating to the CEO’s compensation.
4. Make recommendations to the Board with respect to the Company’s incentive compensation plans and equity-based plans.
5. Produce the reports required by the Securities and Exchange Commission to be included in the Company’s annual proxy statement, or, if the Company does not file a proxy statement, in the Company’s Annual Report filed on Form 10-K with the Securities and Exchange Commission.
6. Review and reassess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Compensation Committee.
7. Evaluate the Committee’s performance annually.
8. Periodically report to the Board regarding its findings and actions.
9. Periodically conduct a review of the components and amount of executive and Board compensation in relation to other similarly situated companies.
10. Assess the results of the Company’s most recent advisory vote on executive compensation.
11. Perform any other activities consistent with this Charter, the Company’s by-laws and governing law, as the Compensation Committee or the Board deems necessary or appropriate.

Nothing in this Charter shall preclude the Board from discussing CEO or non-CEO compensation generally or any other subject.

#### **V. Resources and Retention of Advisors**

Subject to the rules of the New York Stock Exchange (or other relevant exchange):

1. The Compensation Committee shall have the right, in its sole discretion, to retain or obtain the advice of compensation consultants, independent legal counsel and other advisers (collectively, "Consultants"). The Compensation Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Consultant, retained by the Compensation Committee. Such responsibility shall include the sole authority to retain or terminate, and to determine the terms of engagement and the extent of funding necessary for payment of compensation to, any Consultants retained to assist the Compensation Committee in the evaluation of director, CEO or senior executive compensation or otherwise to advise the Compensation Committee.
2. In selecting a Consultant, the Compensation Committee shall take into consideration all factors relevant to such person's independence from management, including the following:
  - (a) the provision of other services to the Company by the Consultant;
  - (b) the amount of fees received from the Company by the Consultant, as a percentage of the total revenue of the Consultant;
  - (c) the policies and procedures of the Consultant that are designed to prevent conflicts of interest;
  - (d) any business or personal relationship of the Consultant with any member of the Compensation Committee or any executive officer of the Company; and
  - (e) any stock of the Company owned by the Consultant.

#### **VI. Disclosure of Charter**

This Charter shall be made available on the Company's website at [www.universalamerican.com](http://www.universalamerican.com) (or such other website used by the Company) and to any stockholder who otherwise requests a copy, and the Company's proxy statement shall state the foregoing.