

## Insider Trading

Effective Date: 01/01/2018

### Policy

- A. This policy explains certain responsibilities individuals, as a Company (or subsidiary) Officer, Director, Committee Member, Subcommittee Member, Employee, or Involved Person, face in trading stock of the Company's parents, Universal American Corp (NYSE: UAM) and WellCare. As used herein, "Company" refers to UAM, WellCare and any majority-owned subsidiary such as Collaborative Health Systems (CHS).
- B. **Simply put, it is illegal for individuals to buy or sell equity securities while they possess material non-public information, or to pass such information to others who then buy or sell stock.**
- C. In some cases, Company Policy may go beyond the minimum requirements of the law to avoid any appearance of impropriety.

### Applicability

- A. Every Officer, Director, Committee Member, Subcommittee Member, Employee, and Involved Person is covered by this Policy. The Policy also covers each subsidiary of the Company, and includes all persons living in the household of any covered person.
- B. Everyone subject to the Policy who supervises other employees is responsible for ensuring that all employees who may report to him or her understand the Policy and assume responsibility for ensuring that members of their household are aware of the restrictions of the Policy. This includes secretarial and clerical employees and others who might only remotely come into possession of material non-public information.

### Procedure

- A. **Prohibitions**
  1. Individuals may not purchase or sell equity securities while they possess material non-public information. This prohibition applies whether or not the decision to purchase or sell is, in fact, influenced by the non-public information.
  2. In addition, it is illegal for individuals to pass material non-public information on to others who then trade in stock. Accordingly, they must **not:**
    - a. provide material non-public information to family members, business acquaintances, or friends;
    - b. Recommend to anyone while they possess material non-public information, that they buy or sell stock, even if they do not disclose the specific information to that person; or,

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- c. Disclose material non-public information to any employee who does not need to know the information to do his or her job.
3. If individuals provide a “tip” to someone who then buys or sells stock, regardless of whether the individual trades, they both can be convicted of insider trading and be subject to the penalties described above. For these same reasons, individuals should never discuss material non-public information in public areas.
4. Please remember that the Company maintains separate rules with respect to transactions with related parties, which continue to apply.

### B. When Individuals May Trade

1. **TRADING AT ANY TIME WHILE IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION IS NEVER PERMISSIBLE.**
2. The guidelines in this Section apply to trading equity securities of the Company when individuals do not have material non-public information.
  - a. If the individual is not an Officer, Director, Employee or Involved Person:
    - i. If the individual is not an Officer, Director, Employee, or Involved Person, and does **not** have material non-public information, he or she may trade in the Company’s equity securities at any time.
    - ii. If the individual does have material non-public information, he or she may not trade the Company’s equity securities, even if he or she is not an Officer, Director, Employee or Involved Person.
    - iii. If individuals feel or have a reason to believe they possess non-public information, they must use their own judgment to determine whether the non-public information they possess is indeed material. The mere perception by friends or business colleagues that individuals traded on material non-public information could damage the Company and their reputation as well as expose them to potentially serious consequences.
    - iv. To avoid the perception of insider trading and to avoid second-guessing of individuals’ trading by others who may have the benefit of hindsight, individuals should be very cautious when deciding whether they possess material non-public information. If you are unsure whether or not a particular transaction is prohibited under this Policy, you should consult with a designated representative within WellCare’s Legal Services Area at 813-206-1393 or with WellCare’s General Counsel, prior to engaging in, or entering into an agreement, understanding or arrangement to engage in, such transaction.
  - b. If an individual is an Officer, Director, Employee or Involved Person.

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- i. If the individual does not possess material non-public information, the safest time to trade is during a “window” period.
  - a. One “window” period opens on the third business day after the Company announces its earnings and the period ends on the last business day in the middle of each calendar quarter. For example, if the company announces its earnings on Wednesday, January 20, a “window” period opens on Monday, January 25, and closes on February 28. **HOWEVER, REMEMBER THAT EVEN DURING A “WINDOW” PERIOD, INDIVIDUALS CANNOT TRADE IF THEY POSSESS MATERIAL NON-PUBLIC INFORMATION.**
  - b. If they possess material non-public information, before that becomes known to the investing public, a window opens on the third business day after the date the information has been publicly released and then they may buy or sell, subject only to the window closing under the preceding paragraph or any “black out” period as below described.
- ii. Before any trade, Officers, Directors, Employees and Involved Persons should first consult with the Company’s Chief Financial Officer.
  - a. No trading is permissible during the “black out” periods which shall occur four (4) weeks immediately preceding the scheduled release of the Company’s quarterly earnings, and extending until the third business day following the actual release of such earnings.
  - b. No trading is permissible during any special “black out” periods that the Chief Financial Officer advises, in his or her discretion, is in force pending Company developments.
- iii. Exercise of stock options granted by the Company is not covered by this Policy, but the sales of shares received on the exercise are covered.
- iv. Bona fide gifts (such as charitable donations or gifts to family members) are not covered under this Policy.

### C. Exceptions

There are no valid excuses for insider trading. There are no financial hardship exemptions. There is no exception for small trades. If individuals have material non-public information, they may not trade. Always assume that an individual’s trading or advice to others will be scrutinized with 20/20 hindsight and presume the worst outcome.

### D. Prohibitions On Trading In Securities Of Suppliers Or Others Doing Business With The Company

If individuals obtain material non-public information concerning a Supplier or other corporation doing business with the Company, the law considers such individuals as insiders of that supplier or corporation and, therefore, such individuals may not purchase or sell securities of the supplier

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or corporation, or make trading recommendations to others. If they do, individuals may be subject to all the penalties for insider trading described above. They must always remember also that information which may not be material to the Company may nevertheless be material to a supplier or other corporation.

### E. Section 16 Short Swing Profits

1. Section 16(b) of the Securities Exchange Act of 1934 penalizes “Short Swing” sales of the Company’s equity securities by Officers, Directors and beneficial owners of more than ten (10%) percent of the outstanding shares. The word “Officers” is narrowly treated to include the President, Chief Financial Officer, and Vice Presidents in charge of principal business units, divisions, or functions, and all persons who perform policy- making functions. This scope is a more limited but more automatic “insider” class penalty than covered above in dealing with material non-public information.
2. Short Swing profits arise from selling or purchasing a Company’s equity security within six (6) months before or after a purchase or sale of the same type of security, regardless of whether the purchase or the sale occurs first. This activity within the six (6) months is the “Short Swing.” The purchase of a “call” option is regarded as a purchase of the underlying shares; the purchase of “put” option is regarded as a sale of the underlying shares.
3. Any profit realized as a result of the purchase and sale, or the sale and purchase, of common stock of the Company during the six (6) month period, must be paid over to the Company by the insider. The rules are rigid, and good faith is not a defense.
4. Short Swing sales liability can become very complicated in different kinds of situations, including problems arising with respect to stock acquired under tax qualified plans, such as Incentive Stock Options and 401(k) plans. All Officers, Directors, and 10% stockholders should discuss any questions with the Chief Financial Officer who may consult Company counsel.

### F. Short Sales

Under 16(b), Officers, Directors and 10% stockholders are prohibited from selling the Company’s stock short that is selling shares they do not own.

- G. Violation of this Policy may result in punishment up to, and including, loss of employment, imprisonment for up to ten (10) years, fines of up to one million dollars, and forfeiture of up to three times the profits gained or losses avoided.

## Reporting

- A. **IF IN DOUBT, INDIVIDUALS ARE URGED TO CONSULT WITH WELLCARE LEGAL SERVICES BEFORE MAKING ANY TRADE.**

WellCare Legal Services  
813-206-1393

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### Related Documentation

A. N/A