CVS CAREMARK CORPORATION
A Delaware corporation
(the "**Company**")

Audit Committee Charter

Amended as of March 5, 2008

Purpose

The Audit Committee is created by the Board of Directors of the Company to:

- assist the Board in its oversight of
  - the integrity of the financial statements of the Company;
  - the qualifications, independence and performance of the Company's independent auditor;
  - the performance of the Company's internal audit function;
  - compliance with the Company Code of Conduct; and
  - compliance by the Company with legal and regulatory requirements; and
- prepare the Audit Committee report that the Securities and Exchange Commission rules require to be included in the Company's annual proxy statement.

Membership

The Audit Committee shall consist of at least three members, comprised solely of independent directors meeting the independence and experience requirements of the New York Stock Exchange. The Nominating and Corporate Governance Committee shall recommend nominees for appointment to the Audit Committee annually and as vacancies or newly created positions occur. Audit Committee members shall be appointed by the Board and may be removed by the Board at any time. The Nominating and Corporate Governance Committee shall recommend to the Board, and the Board shall designate, the Chairman of the Audit Committee.

Authority

To discharge its oversight responsibilities effectively, the Audit Committee will maintain open lines of communication with the Company's chief financial officer, chief internal auditor, and with the Company's independent auditors, each of whom will have free and direct access to the Audit Committee. Further, the Audit Committee is authorized (without seeking Board approval) to retain special legal, accounting or other advisors.

The Audit Committee shall have available appropriate funding from the Company as determined by the Audit Committee for payment of:

- compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- compensation to any advisers employed by the Audit Committee; and
- ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee may delegate its authority to subcommittees or the Chairman of the Audit Committee when it deems appropriate and in the best interests of the Company.

Procedures

The Audit Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter, but not less frequently than quarterly. The Chairman of the Audit Committee, in consultation with the other committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter.

The Audit Committee shall meet separately, periodically, with management, with internal auditors or other personnel responsible for the internal audit function and with the independent auditor.

Responsibilities

In addition to any other responsibilities that may be assigned from time to time by the Board, the Audit Committee is responsible for the following matters.

Independent Auditors

- The Audit Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (subject, if applicable, to shareholder ratification). Each such accounting firm shall report directly to the Audit Committee.
- The Audit Committee shall pre-approve the audit services and non-audit services to be provided by the Company's independent auditor pursuant to pre-approval policies and procedures established by the Audit Committee. The Audit Committee may delegate its authority to pre-approve services to one or more Audit Committee members, provided that such designees present any such approvals to the full Audit Committee at the next Audit Committee meeting.

- The Audit Committee shall review and approve the scope and staffing of the independent auditor's annual audit plan(s).
- The Audit Committee shall evaluate the independent auditor's qualifications, performance and independence, and shall present its conclusions with respect to the independent auditor to the full Board on at least an annual basis. As part of such evaluation, at least annually, the Audit Committee shall:
    - obtain and review a report or reports from the Company's independent auditor:
        - describing the independent auditor's internal quality-control procedures;
        - describing any material issues raised by (i) the most recent internal quality-control review, or peer review, of the auditing firm, or (ii) any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding one or more independent audits carried out by the auditing firm; and any steps taken to deal with any such issues;
        - describing all relationships between the independent auditor and the Company consistent with Independence Standards Board Standard No. 1; and
        - assuring that Section 10A of the Securities Exchange Act of 1934 has not been implicated;
    - review and evaluate the lead partner of the independent auditor;
    - consider whether the audit engagement team partners should be rotated more frequently than is required by law, so as to assure continuing auditor independence;
    - consider whether the independent auditor should be rotated, so as to assure continuing auditor independence; and
    - obtain the opinion of management and the internal auditors of the independent auditor's performance.
- The Audit Committee shall establish policies for the Company's hiring of current or former employees of the independent auditor.

Internal Auditors

- At least annually, the Audit Committee shall evaluate the performance, responsibilities, budget and staffing of the Company's internal audit function and review the internal audit plan. Such evaluation shall include a review of the

responsibilities, budget and staffing of the Company's internal audit function with the independent auditor.

- At least annually, the Audit Committee shall review the annual internal audit plan with the senior officer or officers responsible for the internal audit function of the Company. The review shall focus on the scope and effectiveness of internal audit activities and the department's capability to fulfill its objectives.

- At least annually, the Audit Committee shall review significant findings by the internal audit staff and management's responses to such findings and instances of remedial action not being taken by management within appropriate timeframes in response to any such findings, if any.

- At least annually, the Audit Committee shall evaluate the performance of the senior officer or officers responsible for the internal audit function of the Company, and make recommendations to the Board and management regarding the responsibilities, retention or termination of such officer or officers.

- At least annually, the Audit Committee shall review the annual report from the internal auditors covering the internal auditor's review of the officers' and directors' travel and entertainment expenses.

Financial Statements; Disclosure and Other Risk Management and Compliance Matters

- As appropriate, the Audit Committee shall meet to review and discuss with management, the internal auditors and the independent auditor, in separate meetings if the Audit Committee deems it necessary:

    - the annual audited financial statements, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", prior to the filing of the Company's Form 10-K;

    - the quarterly financial statements, including the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", prior to the filing of the Company's Form 10-Q;

    - any analyses or other written communications prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;

    - the critical accounting policies and practices of the Company;

    - off-balance sheet transactions and structures;

- any major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles;
- estimates made by management having a material impact on the financial statements;
- significant variations in financial information between reporting periods; and
- the effect of regulatory and accounting initiatives or actions applicable to the Company (including any SEC investigations or proceedings).

- The Audit Committee shall review, in conjunction with management, the Company's policies generally with respect to the Company's earnings press releases and with respect to financial information and earnings guidance provided to analysts and rating agencies, including in each case the type of information to be disclosed and type of presentation to be made and paying particular attention to the use of non-GAAP financial information.
- The Chairman of the Audit Committee may review any of the Company's financial information and earnings guidance provided to analysts and ratings agencies and any of the Company's other financial disclosure, such as earnings press releases, as the Chairman deems appropriate.
- The Audit Committee shall, in conjunction with the CEO and CFO of the Company, review the Company's disclosure controls and procedures and internal control over financial reporting. The review of internal control over financial reporting shall include whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to affect the Company's ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting.
- The Audit Committee shall review potential conflicts of interest involving directors and shall determine whether such director or directors may vote on any issue as to which there may be a conflict.
- The Audit Committee shall review all related party transactions and determine whether such transactions are appropriate for the Company to undertake. If so, the Audit Committee is authorized to approve such transactions in accordance with the Company's Related Person Transaction Policy.
- The Committee shall oversee compliance with the Company's Code of Conduct and report on such compliance to the Board. The Committee shall

also review and consider any requests for waivers of the Company's Code of Conduct for the Company's directors, executive officers and other senior financial officers, and shall make a recommendation to the Board with respect to such request for a waiver.

- The Audit Committee shall review annually management's plan for determining compliance with the Company Code of Conduct.
- Review the Company's Information Security Plan.
- Review significant cases of employee conflict of interest, misconduct, or fraud.
- The Audit Committee shall review and discuss with the independent auditor any audit problems or difficulties and management's response thereto, including those matters required to be discussed with the Audit Committee by the auditor pursuant to Statement on Auditing Standards No. 61, as amended, such as:
    - any restrictions on the scope of the independent auditor's activities or on access to requested information;
    - any accounting adjustments that were noted or proposed by the auditor but were "passed" (as immaterial or otherwise);
    - any communications between the audit team and the audit firm's national office regarding auditing or accounting issues presented by the engagement;
    - any management or internal control letter issued, or proposed to be issued, by the auditor; and
    - any significant disagreements between management and the independent auditor.
- In connection with its oversight responsibilities, the Audit Committee shall be directly responsible for the resolution of disagreements between management and any auditor regarding the Company's financial reporting.
- The Audit Committee shall review the Company's policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major financial risk exposures and the steps that have been taken to monitor and control such exposures.
- The Audit Committee shall establish procedures for:
    - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and

- the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

- The Audit Committee shall review any complaints regarding accounting, internal accounting controls or auditing matters received pursuant to such procedures.

- The Audit Committee shall prepare the Audit Committee report that the Securities and Exchange Commission rules require to be included in the Company's annual proxy statement.

Reporting to the Board

- The Audit Committee shall report to the Board periodically. This report shall include a review of any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the independence and performance of the Company's independent auditor, the performance of the internal audit function and any other matters that the Audit Committee deems appropriate or is requested to be included by the Board.

- At least annually, the Audit Committee shall evaluate its own performance and report to the Board on such evaluation.

- The Audit Committee shall periodically review and assess the adequacy of this charter and recommend any proposed changes to the Board.

Limitations Inherent in the Audit Committee's Role

It is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with GAAP and applicable rules and regulations. This is the responsibility of management and the independent auditor. Furthermore, while the Audit Committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and management, it is the responsibility of the CEO and senior management to determine the appropriate level of the Company's exposure to risk.