

CURATIVE HEALTH SERVICES, INC.
CODE OF ETHICS
FOR CHIEF EXECUTIVE AND SENIOR FINANCIAL OFFICERS

The attitude and actions of the Chief Executive Officer (the “CEO”), Chief Financial Officer (the “CFO”) and Corporate Controller of Curative Health Services, Inc. (the “Company”) are crucial for maintaining the Company’s commitment to (i) honest and ethical conduct, (ii) full, fair, accurate, timely and understandable disclosure in the Company’s public reports and communications, and (iii) compliance with applicable governmental laws, rules and regulations. Accordingly, the Company’s Board of Directors has developed and adopted this Code of Ethics applicable to its CEO, CFO and Corporate Controller with the goal of promoting the highest moral, legal and ethical standards and conduct within the Company.

Honest and Ethical Conduct

While the Company expects honest and ethical conduct in all aspects of the Company’s business from all employees, the Company expects the highest possible honest and ethical conduct and integrity from the CEO, CFO and Corporate Controller. These officers must set an example for the Company’s employees and the Company expects these officers to foster a culture of transparency, integrity and honesty. Integrity requires adherence to both the form and the spirit of technical and ethical accounting standards and principles.

Conflicts of Interest

Service to the Company should never be subordinated to personal gain and advantage. If any of the CEO, CFO or Corporate Controller becomes aware that he or she is in a situation that presents an actual or apparent conflict of interest (*i.e.*, any situation where that individual’s private interest or personal gain interferes or appears to interfere with the interests of the Company), or is concerned that an actual or apparent conflict of interest might develop, he or she is required to discuss the matter with the Chairman of the Audit Committee for the purpose of developing a means for the ethical handling of that situation.

Disclosure

The CEO, CFO and Corporate Controller, among others, have a supervisory role with respect to the preparation of the Company’s reports and documents filed with or submitted to the Securities and Exchange Commission (the “SEC”) and the Company’s other public communications and are responsible for taking all steps reasonably necessary to cause the disclosure in these reports, documents and other communications to be full, fair, accurate, timely and understandable. Adequate supervision includes closely reviewing and critically analyzing the financial information to be disclosed, ensuring that proper accounting controls have been applied, that transactions are properly authorized and recorded, and that relevant records have been properly retained. Full, fair and accurate disclosure includes the full reporting of facts, professional judgments and opinions, whether favorable or unfavorable.

Each of the CEO, CFO and Corporate Controller shall promptly bring to the attention of the Audit Committee any information he or she may have concerning (i) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data, or (ii) any fraud, whether or not material, or any actual or apparent conflicts of interest between personal and professional relationships, involving any management or other employees who have a significant role in the Company's financial reporting, disclosure or internal controls.

In the performance of their duties, the CEO, CFO and Corporate Controller are prohibited from knowingly misrepresenting facts. The CEO, CFO or Corporate Controller will be considered to have knowingly misrepresented facts if he or she knowingly (i) makes, or permits or directs another to make, materially false or misleading entries in financial statements or records; (ii) fails to correct materially false and misleading financial statements or records; (iii) signs, or permits another to sign, a document containing materially false and misleading information; or (iv) falsely responds, or fails to respond, to specific inquiries of the Company's external auditors.

The CEO, CFO and Corporate Controller are prohibited from directly or indirectly taking any action to interfere with, fraudulently influence, coerce, manipulate or mislead the Company's independent public auditors in the course of any audit of the Company's financial statements or accounting books and records.

Compliance with Law

It is the Company's policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of the CEO, CFO and Corporate Controller to adhere to the standards and restrictions imposed by those laws, rules and regulations, and in particular, those relating to accounting and auditing matters. Each of the CEO, CFO and the Corporate Controller shall promptly bring to the attention of the General Counsel and to the Audit Committee any information he or she may have concerning evidence of a material violation of securities or other laws, rules or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof, or of a violation of the Company's Code of Business Practices or this Code of Ethics.

Accountability

The CEO, CFO and Corporate Controller shall each certify annually in writing to the Audit Committee that he or she has fully complied with this Code of Ethics.

The Board of Directors shall determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of violations of this Code of Ethics by the CEO, CFO or Corporate Controller with the goal of deterring wrongdoing and promoting accountability for adherence to this Code of Ethics. Actions may include written notice, censure, demotion or re-assignment, suspension with or without pay or benefits and termination of employment. Violations of this Code of Ethics may also constitute violations of law and may result in civil and criminal penalties for the violator, the violator's supervisors and the Company.