BEFORE THE INSURANCE DEPARTMENT
OF THE
COMMONWEALTH OF PENNSYLVANIA

Statement Regarding the Acquisition of Control of or Merger with
Domestic Insurers:

Highmark Inc.; First Priority Life Insurance Company, Inc.;
Gateway Health Plan, Inc.; Highmark Casualty Insurance Company;
Highmark Senior Resources Inc.; HM Casualty Insurance Company;
HM Health Insurance Company, d/b/a Highmark Health Insurance Company;
HM Life Insurance Company; HMO of Northern Pennsylvania, Inc.,
d/b/a First Priority Health; Inter-County Health Plan, Inc.;
Inter-County Hospitalization Plan, Inc.; Keystone Health Plan West, Inc.;
United Concordia Companies, Inc.; United Concordia Dental Plans of Pennsylvania, Inc.;
United Concordia Life and Health Insurance Company

By UPE, a Pennsylvania nonprofit corporation

RESPONSE TO PID INFORMATION REQUEST 4.3.10 FROM THE
PENNSYLVANIA INSURANCE DEPARTMENT

REQUEST 4.3.10:

Provide a full and complete copy of all grant and loan agreements for all financial commitments made from Highmark and/or Highmark Affiliates to WPAHS and/or WPAHS Affiliates.

RESPONSE:

The only documents evidencing grant and loan agreements for financial commitments made from Highmark and/or Highmark Affiliates to WPAHS and/or WPAHS Affiliates are the following:

(i) The Term Sheet entered into between Highmark and WPAHS dated as of June 28, 2011 (copy previously provided to PID), which evidences the $50M Initial Funding Commitment which was paid in the form of an unrestricted payment by Highmark to WPAHS; and

(ii) The Affiliation Agreement (including the Term Sheet for Loan Agreements attached as confidential Exhibit H thereto), entered into between and among UPE, UPE Provider Sub, Highmark, WPAHS and various affiliates of such parties dated as of October 31, 2011 (copy previously provided to PID), which evidences certain commitments and obligations pertaining to the $100M Second Funding Commitment, $50M of which was paid in the form of an unsecured loan and $50M of which was paid in the form of an unrestricted payment and not a loan; and

(iii) The Promissory Note signed by WPAHS, as borrower, and Highmark, as lender, dated as of October 31, 2011 (a confidential copy was previously provided to PID), pursuant to which WPAHS agreed to repay Highmark $50M plus interest thereon, which amount represented that portion of the Second Funding Commitment that was paid in the form of an unsecured loan.

UPE
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