

**BEFORE THE INSURANCE DEPARTMENT
OF THE
COMMONWEALTH OF PENNSYLVANIA**

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

**Hospital Service Association of Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern Pennsylvania;
First Priority Life Insurance Company, Inc.;;
HMO of Northeastern Pennsylvania, Inc.,
d/b/a First Priority Health**

By Highmark Inc.

**HIGHMARK INC. (“Highmark”) RESPONSE TO INFORMATION
REQUEST 2.5.1 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 2.5.1:

Other than the merger contemplated by the Merger Agreement, provide a full description of any plans of the Applicant or any Highmark Entity or and BCNEPA Entity to declare or cause to be declared any extraordinary dividend, liquidate any of the Domestic Insurers, sell, transfer, donate, assign or create any lien or encumbrance upon its assets or merge them with any Person or to make any other material change in their business operations, corporate structure or management. Do not cross reference to other information. Please list and describe each such plan.

RESPONSE:

Highmark certifies to the best of its knowledge, information and belief as follows:

Neither Highmark nor any Highmark Entity has any plan to declare or cause to be declared any extraordinary dividend, liquidate any of the Domestic Insurers, sell, transfer, donate, assign or create any lien or encumbrance upon its assets or merge them with any Person or to make any other material change in their business operations, corporate structure or management, other than as set forth in the Merger Agreement (including the Disclosure Letter) or the Form A filing (including the Forms DOI-135 included therein), and except for the integration of management of BCNEPA and/or the other BCNEPA Entities into the Highmark management structure which will occur because BCNEPA will no longer exist as a separate entity if the Transaction is completed. The precise

manner in which such integration will occur is the subject of the integration planning efforts referred to in Highmark's confidential response to Request 5.3.7.

**Highmark Inc.
Fifth Avenue Place
120 Fifth Avenue
Pittsburgh, PA 15222**