

**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.

**BCNEPA RESPONSE TO INFORMATION REQUEST 5.6.4 FROM THE
PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.6.4:

**Provide detail concerning how employees (and number of jobs and offices) will be
affected by the Transaction.**

RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief that Sections 6.2 and 6.3(b) of the Merger Agreement, Tab B, of the Form A filing with the Pennsylvania Insurance Department, includes covenants concerning Highmark's obligations to retain and compensate BCNEPA employees post-transaction and Highmark's commitment to maintain a presence in the BCNEPA service area. BCNEPA anticipates that Highmark will provide additional information in response to this Request.

**Hospital Service Association of
Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern
Pennsylvania ("BCNEPA")
19 North Main Street
Wilkes-Barre, PA 18711**