

**Bybee, Cressinda**

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**From:** Farber, Tim <TFarber@lockelord.com>  
**Sent:** Tuesday, June 12, 2018 8:42 PM  
**To:** Bybee, Cressinda  
**Cc:** Rankin, Kimberly; Feather, Karen  
**Subject:** RE: Form A Filing of CVS  
**Attachments:** Form A Approvals.PDF

Hi Cris,

I wanted to provide you an update and let you know what Form A approvals have been obtained thus far in CVS Health's proposed acquisition of Aetna as well as provide you a copy of those approvals for your reference. Attached please find a copy of the Form A approvals referenced in the below list:

**Domestic Change of Control/Form A Approvals Obtained:**

- Florida Office of Insurance Regulation
- Illinois Department of Insurance
- Louisiana Department of Insurance
- Michigan Department of Insurance and Financial Services
- Minnesota Department of Commerce
- Nebraska Insurance Department
- Vermont Department of Financial Regulation, Insurance Division (Change of Control of Captive)
- Virginia Bureau of Insurance

Thank you again for your consideration in this matter. Please do not hesitate to let me know if you have any questions or need anything further at this time.

Best Regards,

Tim

Tim Farber  
 Locke Lord LLP  
 111 South Wacker Drive  
 Chicago, IL 60606  
 (312) 443-0532 Direct  
[tfarber@lockelord.com](mailto:tfarber@lockelord.com)

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**From:** Farber, Tim [mailto:TFarber@lockelord.com]  
**Sent:** Tuesday, February 06, 2018 10:04 AM  
**To:** Bybee, Cressinda <cbybee@pa.gov>  
**Subject:** Re: Form A Filing of CVS

Hi Cris,

Yes, I will send you the public documents on a flash drive. Thanks.

Tim

On Feb 6, 2018, at 8:58 AM, Bybee, Cressinda <cbybee@pa.gov> wrote:

Good morning - Could you please provide the **public** documents on diskette so that I am able to easily upload them to the Department's website. I will need a separate file for each document.

I am including a link to the page that was created in an earlier filing to give you an idea of what will be developed for the Form A filing made by CVS. (See: <http://www.insurance.pa.gov/Companies/IndustryActivity/CorporateTransactionsofPublicInterest/Aetna-Humana/Pages/default.aspx> )

Going forward, as the filing is supplemented with additional information, please provide public documents in hard copy and diskette.

Please do not hesitate to call with any questions.

Thank you,  
Cris

**Cressinda E. Bybee** | PIR | Chief, Company Licensing Division  
Insurance Department | Bureau of Company Licensing and Financial Analysis  
1345 Strawberry Square | Hbg, PA 17120  
Phone: 717.783.2144 | Fax: 717.787.8557  
[www.insurance.pa.gov](http://www.insurance.pa.gov)  
Twitter: [@PAInsuranceDept](https://twitter.com/PAInsuranceDept)  
Facebook: [Facebook.com/PAInsuranceDepartment](https://www.facebook.com/PAInsuranceDepartment)



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# Change of Control/Form A Approvals



OFFICE OF INSURANCE REGULATION

**FILED**

APR 18 2018

OFFICE OF  
INSURANCE REGULATION  
Docketed by:                     

DAVID ALTMAIER  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 224317-18-CO

Application for the Indirect Acquisition of  
AETNA HEALTH INC.,  
COVENTRY HEALTH CARE OF FLORIDA, INC.,  
and COVENTRY HEALTH PLAN OF FLORIDA, INC.  
by CVS HEALTH CORPORATION

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by CVS HEALTH CORPORATION (hereinafter referred to as "APPLICANT") with the FLORIDA OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE") of an application for the indirect acquisition of 100% of the issued and outstanding voting securities of AETNA HEALTH INC., COVENTRY HEALTH CARE OF FLORIDA, INC., and COVENTRY HEALTH PLAN OF FLORIDA, INC. (hereinafter referred to as "FLORIDA DOMESTICS") pursuant to Sections 628.461 and 641.255, Florida Statutes (hereinafter referred to as "Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE finds as follows:

1. The OFFICE has jurisdiction over the subject matter and of the parties to this proceeding.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the

conditions precedent to the granting of approval by the OFFICE of the proposed indirect acquisition of 100% of the issued and outstanding voting securities of FLORIDA DOMESTICS by APPLICANT, pursuant to the requirements of the Florida Insurance Code.

3. AETNA HEALTH INC. is a licensed Health Maintenance Organization domiciled in the state of Florida and subject to the jurisdiction and regulation of the OFFICE, pursuant to Part I of Chapter 641, Florida Statutes.

4. COVENTRY HEALTH CARE OF FLORIDA, INC. is a licensed Health Maintenance Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Part I of Chapter 641, Florida Statutes.

5. COVENTRY HEALTH PLAN OF FLORIDA, INC. is a licensed Health Maintenance Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Part I of Chapter 641, Florida Statutes.

6. FLORIDA DOMESTICS are ultimately owned 100% by AETNA INC. (hereinafter referred to as "AETNA"). The Application represents that no individual or entity owns 10% or more of AETNA's outstanding voting securities. Said representation is material to the issuance of this Consent Order.

7. APPLICANT is a Delaware domiciled for profit corporation formed August 22, 1996, and is publicly traded on the New York Stock Exchange under the symbol "CVS". The application represents that no individual or entity owns 10% or more of APPLICANT's outstanding voting securities. Said representation is material to the issuance of this Consent Order.

8. APPLICANT has provided with its Application a copy of the Agreement and Plan of Merger (hereinafter referred to as "Merger Agreement") dated December 3, 2017, between APPLICANT and AETNA. Pursuant to the terms of the Merger Agreement, in order to effectuate

the acquisition of FLORIDA DOMESTICS, Hudson Merger Sub Corp., an indirect, wholly-owned subsidiary of APPLICANT created exclusively for this transaction, will merge with and into AETNA, with AETNA surviving the merger and becoming an indirect subsidiary of APPLICANT.

9. The Application represents that following the transaction, FLORIDA DOMESTICS will remain 100% owned by AETNA, which will be 100% owned by CVS Pharmacy, Inc., which is 100% owned by APPLICANT, with no individual or entity owning 10% or more of APPLICANT's outstanding voting securities. Said representations are material to the issuance of this Consent Order.

10. Pursuant to the Merger Agreement, AETNA shareholders shall receive a cash payment and percentage of a share of APPLICANT's common stock in exchange for each share of AETNA common stock that they own. Following the transaction, AETNA shareholders shall own approximately 22% and APPLICANT shareholders will own approximately 78% of the combined company.

11. APPLICANT has also included in its Application copies of the various filings made with the U.S. Securities and Exchange Commission relating to the proposed acquisition, including documentation evidencing that on March 13, 2018, the shareholders of APPLICANT approved the issuance of the shares of APPLICANT's stock required for the merger and the shareholders of AETNA approved the adoption of the Merger Agreement.

12. APPLICANT submitted the following opinions in support of the Application:

(a) Fairness Opinion issued by Goldman Sachs & Co. LLC, dated December 3, 2017, which concluded that the consideration to be paid by the APPLICANT is fair, from a financial point of view, to the APPLICANT;

(b) Fairness Opinion issued by Centerview Partners LLC, dated December 3, 2017, which concluded that the consideration to be paid by the APPLICANT is fair, from a financial point of view, to the APPLICANT; and

(c) Fairness Opinion issued by Barclays Capital Inc., dated December 3, 2017, which concluded that the consideration to be paid by the APPLICANT is fair, from a financial point of view, to the APPLICANT.

13. APPLICANT has represented in its Application that certain efficiencies will be achieved as a result of the proposed transaction. As such, APPLICANT shall provide to the OFFICE annually, and for the first 3 years following the closing of the transaction, documentation detailing the progress of estimated efficiencies. Said documentation should be included as a separate exhibit in the annual financial statement filings of the FLORIDA DOMESTICS.

14. APPLICANT agrees that all Health Maintenance Organizations with a Certificate of Authority issued under Part I of Chapter 641, Florida Statutes, that qualify as an "affiliate" as defined in Section 641.19, Florida Statutes, will comply with the Risk Based Capital requirements described in Section 624.4085, Florida Statutes. Further, use of the term "control" or "controlled" in Section 641.19, Florida Statutes, shall have the same meaning as defined in Section 624.10(3), Florida Statutes.

15. APPLICANT agrees that APPLICANT and FLORIDA DOMESTICS will cooperate with financial and market conduct examinations conducted by the OFFICE and make their accounts, records, documents, files, information, assets, and matters in their possession or control freely available to the OFFICE, its examiners, or its investigators, in accordance with Sections 624.318, and 641.27, Florida Statutes.

16. APPLICANT has made material representations that, except as disclosed in the Application, none of the officers and directors of the APPLICANT, and none of the post-acquisition officers and directors of FLORIDA DOMESTICS, have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a minor traffic violation, without regard to whether a judgment or conviction was entered by the court.

17. APPLICANT and FLORIDA DOMESTICS have further represented that they have provided complete background information on all of the individuals described in paragraph 16 above. If said information has not been provided to the OFFICE, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph 16 above are inaccurate, any such individual shall be removed as officer or director of said company within 30 days of receipt of notification from the OFFICE and replaced with a person or persons acceptable to the OFFICE.

18. If upon receipt of such notification from the OFFICE pursuant to paragraph 17 above, APPLICANT or FLORIDA DOMESTICS do not timely take the required corrective action, APPLICANT and FLORIDA DOMESTICS agree that such failure to act would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificates of Authority of FLORIDA DOMESTICS without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

19. APPLICANT represents there are no present plans or proposals to make substantive changes to the Plans of Operation of FLORIDA DOMESTICS. Prior written approval must be secured from the OFFICE prior to any material deviation from said Plans of Operation.



20. APPLICANT represents that, except as described in the Application, there are no present plans or proposals to make any substantive changes to FLORIDA DOMESTICS, including liquidating them, selling any of their assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating them with any person or persons, or making any other major change in their business operations, management, or corporate structure. Said representation is material to the issuance of this Consent Order.

21. APPLICANT agrees to immediately notify the OFFICE of any amendments to the Merger Agreement and to file such amendments with the OFFICE within 10 days of the change. Further, should the U.S. Department of Justice impose any final written requirements upon the APPLICANT in regard to the proposed transaction, APPLICANT shall notify the OFFICE within 3 business days.

22. APPLICANT or FLORIDA DOMESTICS shall submit to the OFFICE a copy of any filings submitted to the U.S. Securities and Exchange Commission regarding any lawsuits relating to the transactions contemplated in the Merger Agreement, within 15 days of submission of the same to the U.S. Securities and Exchange Commission.

23. The parties to this Consent Order acknowledge that the consummation of the acquisition described herein is subject to obtaining appropriate regulatory approvals, including various state and federal agencies, in addition to satisfying other terms and conditions of the Merger Agreement. Accordingly, should such required approvals not be received, the provisions of this Consent Order shall terminate automatically and have no effect.

24. The U.S. Department of Justice and other state regulatory agencies continue to independently investigate the proposed transactions applicable to their respective reviews. Any approval granted by this Consent Order shall not be acted upon until the expiration or termination

of the applicable waiting periods under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended.

25. APPLICANT or FLORIDA DOMESTICS shall provide to the OFFICE final executed closing documents and final copies of all related agreements within 10 days of the closing of the acquisition. Should the closing not occur, APPLICANT shall notify the OFFICE within 3 business days of that determination.

26. FLORIDA DOMESTICS shall, no later than 15 days after the month in which the transaction occurs, file an update to their Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

27. FLORIDA DOMESTICS shall submit to the OFFICE, within 15 days of closing of the acquisition, the newly assigned National Association of Insurance Commissioners company group code.

28. APPLICANT agrees that it shall make all necessary funds available to maintain FLORIDA DOMESTICS in compliance with the surplus requirements of Sections 624.4085 and 641.225, Florida Statutes. APPLICANT and FLORIDA DOMESTICS agree that failure to maintain compliance at all times with the capital and surplus requirements would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificates of Authority of the FLORIDA DOMESTICS without further proceedings, pursuant to Section 120.569(2)(n) and 120.60(6), Florida Statutes.

29. APPLICANT shall cause the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all information necessary to evaluate the enterprise risks

of FLORIDA DOMESTICS, to be furnished to the OFFICE pursuant to Section 628.461(3)(f)-(g), Florida Statutes.

30. APPLICANT represents that there are no agreements, written or oral, related to the management of FLORIDA DOMESTICS that have not been provided to the OFFICE.

31. APPLICANT acknowledges that any amounts due to any of the FLORIDA DOMESTICS from a Management Service Organization as part of a risk sharing arrangement are considered as non-admitted assets when determining compliance with solvency requirements under the Florida Insurance Code.

32. APPLICANT and FLORIDA DOMESTICS shall not enter into any reinsurance or brokerage agreement, whether affiliated or not, that requires approval from the reinsurer or broker regarding any potential sale of one or more of FLORIDA DOMESTICS.

33. APPLICANT and FLORIDA DOMESTICS shall notify the OFFICE within 10 business days of any breach of, non-performance, or default under any servicing agreement with affiliates or third-party vendors providing services directly or indirectly to one or more of the FLORIDA DOMESTICS that could result in or cause a material adverse change in the financial condition, business, performance, operations, or property of one or more of FLORIDA DOMESTICS.

34. APPLICANT or FLORIDA DOMESTICS shall report to the OFFICE, Life & Health Financial Oversight, any time that one or more of them is named as a party defendant in a class action lawsuit within 15 days after the class is certified. APPLICANT or FLORIDA DOMESTICS so named shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

35. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. APPLICANT and FLORIDA DOMESTICS shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities, which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

36. APPLICANT and FLORIDA DOMESTICS affirm and represent that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with the Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of FLORIDA DOMESTICS. APPLICANT and FLORIDA DOMESTICS further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

37. Within 60 days from the date of the closing of the transaction, APPLICANT shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

38. The deadlines set forth in this Consent Order may be extended by written approval of the OFFICE. Approval of any deadline extension is subject to statutory or administrative

regulation limitations. Additionally, the reporting requirements and any other provision or requirement set forth in this Consent Order may be altered or terminated by written approval of the OFFICE.

39. Any prior orders, consent orders, or corrective action plans that FLORIDA DOMESTICS have entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for FLORIDA DOMESTICS, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

40. APPLICANT and FLORIDA DOMESTICS expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT and FLORIDA DOMESTICS hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

41. APPLICANT and FLORIDA DOMESTICS agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon one or more of the FLORIDA DOMESTICS' Certificates of Authority in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

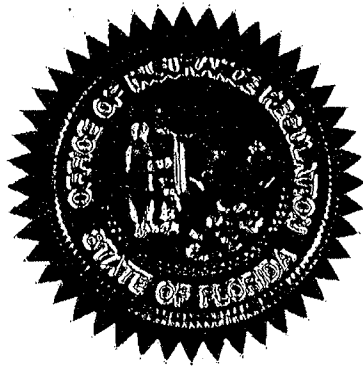
42. Each party to this action shall bear its own costs and fees.

43. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signatures of the authorized representatives of APPLICANT and FLORIDA DOMESTICS, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT and FLORIDA DOMESTICS agree that the signatures of their authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, subject to the terms and conditions set forth above, the Application by CVS HEALTH CORPORATION to indirectly acquire 100% of the issued and outstanding voting securities of AETNA HEALTH INC., COVENTRY HEALTH CARE OF FLORIDA, INC., and COVENTRY HEALTH PLAN OF FLORIDA, INC., pursuant to Sections 628.461 and 641.255, Florida Statutes, is hereby APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 13 day of April, 2018.



*David Altmaier*  
David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, CVS HEALTH CORPORATION consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind CVS HEALTH CORPORATION to the terms and conditions of this Consent Order.

CVS HEALTH CORPORATION

By: Colleen M. McIntosh

Print Name: Colleen M. McIntosh

[Corporate Seal]

Title: Senior VPA President

Date: 4.11.2018

STATE OF Rhode Island

COUNTY OF Providence

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of April 2018,

by Colleen McIntosh as Senior Vice President  
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)

for CVS Health Corporation  
(company name)

Jovi Angell  
(Signature of the Notary)

[Notary Seal]

**Jovi L. Angell**  
Notary Public  
State of Rhode Island  
My Commission Expires 02/16/2020  
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires 2/16/2020

By execution hereof, AETNA HEALTH INC. consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind AETNA HEALTH INC. to the terms and conditions of this Consent Order.



AETNA HEALTH INC.

By: \_\_\_\_\_

Print Name: Edward C. Lee

Title: Vice President and Secretary

Date: April 11, 2018

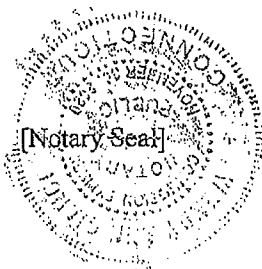
STATE OF Connecticut

COUNTY OF Hartford

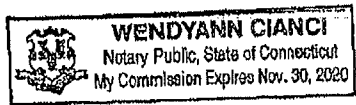
The foregoing instrument was acknowledged before me this 11th day of April 2018,

by Edward C. Lee as Vice President and Secretary  
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)

for Aetna Health Inc.  
(company name)



Wendyann Cianci  
(Signature of the Notary)



\_\_\_\_\_  
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires \_\_\_\_\_



By execution hereof, COVENTRY HEALTH CARE OF FLORIDA, INC. consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind COVENTRY HEALTH CARE OF FLORIDA, INC. to the terms and conditions of this Consent Order.

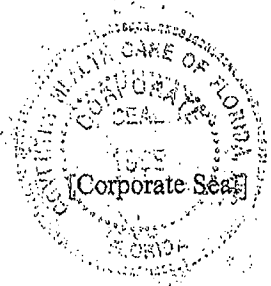
COVENTRY HEALTH CARE OF FLORIDA, INC.

By: [Signature]

Print Name: Edward C. Lee

Title: Vice President and Secretary

Date: April 11, 2018



STATE OF Connecticut

COUNTY OF Hartford

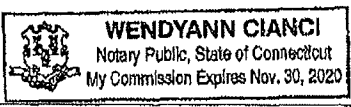
The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of April 2018,

by Edward C. Lee as Vice President and Secretary  
(name of person) (type of authority; e.g., officer, trustee, attorney in fact)

for COVENTRY HEALTH CARE OF FLORIDA, INC.  
(company name)



[Signature]  
(Signature of the Notary)



WENDYANN CIANCI  
(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires \_\_\_\_\_

By execution hereof, COVENTRY HEALTH PLAN OF FLORIDA, INC. consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind COVENTRY HEALTH PLAN OF FLORIDA, INC. to the terms and conditions of this Consent Order.

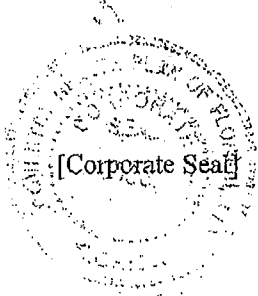
COVENTRY HEALTH PLAN OF FLORIDA, INC.

By: \_\_\_\_\_

Print Name: Edward C. Lee

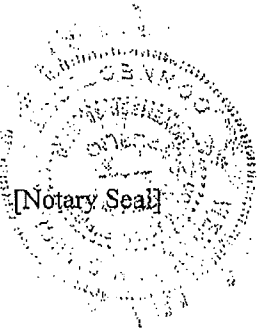
Title: Vice President and Secretary

Date: April 11, 2018



STATE OF Connecticut  
COUNTY OF Hartford

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of April 2018,  
by Edward C. Lee as Vice President and Secretary  
(name of person) (type of authority, e.g., officer, trustee, attorney in fact)  
for COVENTRY HEALTH PLAN OF FLORIDA, INC.  
(company name)



Wendyann Cianci  
(Signature of the Notary)



(Print, Type, or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires \_\_\_\_\_

COPIES FURNISHED TO:

TIM FARBER  
Locke Lord LLP  
111 South Wacker Drive  
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E-Mail: [tfarber@lockelord.com](mailto:tfarber@lockelord.com)

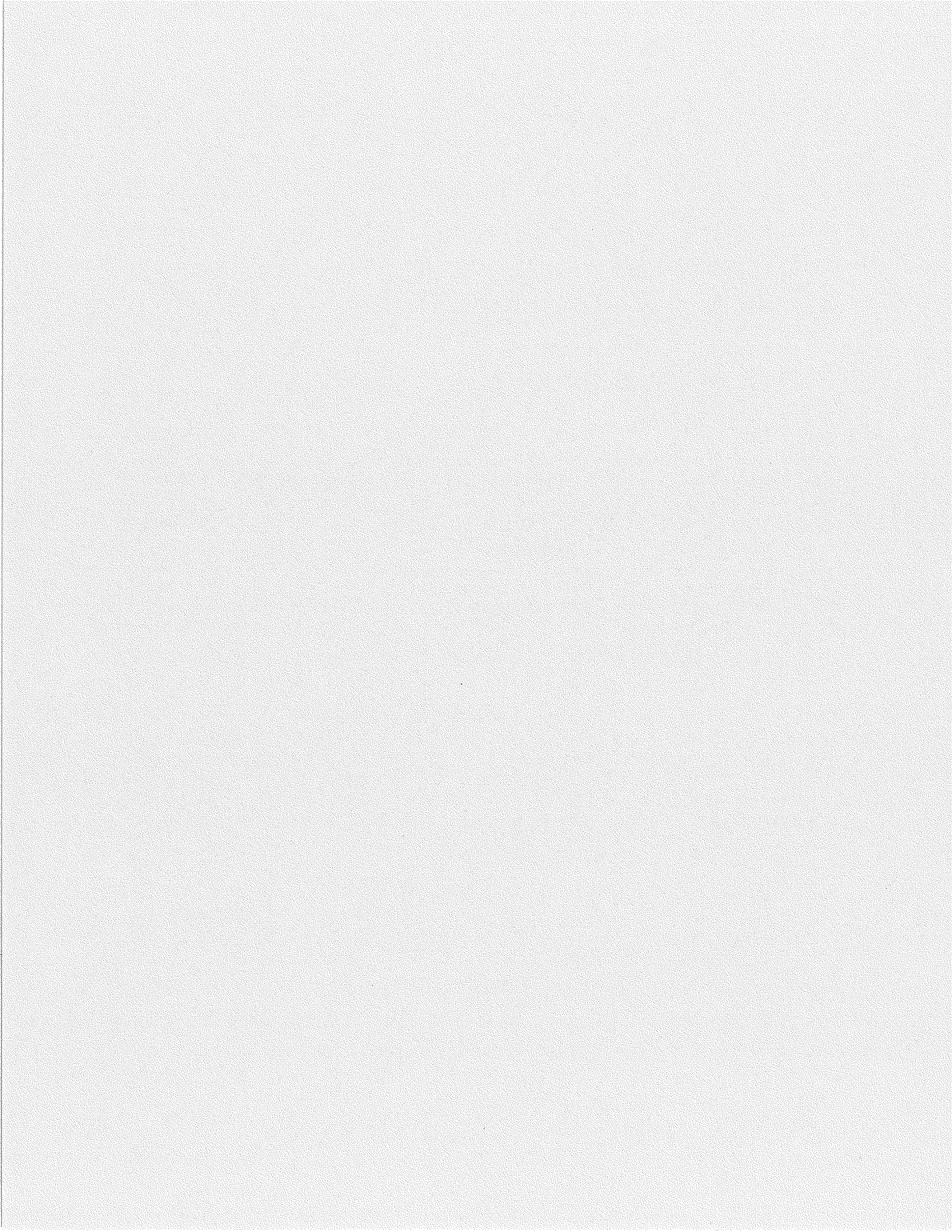
LARRY J. MERLO, PRESIDENT & CEO  
CVS Health Corporation  
One CVS Drive  
Woonsocket, Rhode Island 02895  
E-Mail: [Larry.Merlo@cvshealth.com](mailto:Larry.Merlo@cvshealth.com)

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CHRISTOPHER A. CIANO, PRESIDENT & CEO  
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E-Mail: [cciano@aetna.com](mailto:cciano@aetna.com)

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# Illinois Department of Insurance

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**BRUCE RAUNER**  
Governor

**JENNIFER HAMMER**  
Director

May 11, 2018

Tim Farber, Locke Lord LLP  
111 South Wacker Drive  
Chicago, IL 60606

Re: Form A for the Acquisition of: Aetna Inc. by CVS Health Corporation.  
Aetna Inc. Illinois Domestic: Aetna Better HealthCare of Illinois Inc. and Coventry Health Care of Illinois.

Dear Mr. Farber:

The Department has completed its review of the above document pursuant to Article VIII ½ of the Illinois Insurance Code (215 ILCS 5/131.1 to 5/131.28).

The information filed in the Form A statement adequately demonstrates that the statutory conditions of Section 5/131.8 of the Illinois Insurance Code have either been met or will not be violated.

Therefore, approval of the acquisition of control of Aetna Better HealthCare of Illinois Inc. and Coventry Health Care of Illinois is hereby granted under the following conditions:

1. Prior to the closing of the transactions contemplated by this Form A statement, any material changes to any documents submitted as part of this matter shall require the prior approval of the Director.
2. The acquisition must be completed within three (3) months from the date when all State and Federal regulatory approvals are received by the Acquiring Party.


Approval of the Form A does not constitute approval or acceptance of any transactions or agreements by Aetna Better HealthCare of Illinois Inc. and Coventry Health Care of Illinois which are either implicitly or explicitly disclosed in the Form A.

The following items must be submitted to the Department and directed to the attention of Daniel (Danny) Hughes:

1. Immediately following the closing, written notice that the acquisition has been completed.
2. Within fifteen (15) days after the end of the month in which the acquisition occurs, an amendment to the Form B (holding company registration statement) pursuant to Section 5/131.16 of the Illinois Insurance Code (215 ILCS 5/131.16).

If you have any questions, please contact Daniel (Danny) Hughes, LAH Financial Analysis Unit at [daniel.hughes@illinois.gov](mailto:daniel.hughes@illinois.gov) or (217) 524-6687.

Sincerely,



Jennifer Hammer  
Director of Insurance

JH: DEH



**BEFORE THE COMMISSIONER OF INSURANCE  
LOUISIANA DEPARTMENT OF INSURANCE  
STATE OF LOUISIANA**

**IN THE MATTER OF THE  
ACQUISITION OF CONTROL OF AETNA BETTER HEALTH, INC. AND AETNA  
HEALTH INC., BY CVS HEALTH CORPORATION**

**CONSENT ORDER**

**WHEREAS** CVS Health Corporation, a Delaware corporation, ("Applicant"), filed with the Commissioner of Insurance ("Commissioner") and the Louisiana Department of Insurance ("Department") an Application or Form A for Acquisition of Control or Merger ("Application") concerning its proposal to acquire and control Aetna Better Health, Inc. and Aetna Health Inc. ("Insurers"), both a domestic health maintenance organization whose principal place of business is in Louisiana. Both Aetna Better Health, Inc. and Aetna Health Inc. are each an indirect, wholly owned subsidiary of, and controlled by Aetna Inc. Aetna Inc. is a publicly traded Pennsylvania holding company for various insurance companies, health maintenance and dental maintenance organizations and related organizations. CVS Health Corporation pursuant to an Agreement and Plan of Merger is acquiring control of Aetna Inc., with Aetna Inc. becoming an indirect, wholly owned subsidiary of CVS Health Corporation and a direct, wholly owned subsidiary of



CVS Pharmacy, Inc., a Rhode Island corporation that is a direct, wholly owned subsidiary of CVS Health Corporation. Specifically the transaction contemplates that Hudson Merger Sub Corp., a Pennsylvania corporation and indirect, wholly owned subsidiary of CVS Health Corporation and direct subsidiary of CVS Pharmacy, Inc. established for this transaction will merge with and into Aetna Inc. As a result of the merger, Aetna Inc. (the surviving entity of the merger) will become the indirect, wholly owned subsidiary of CVS Health Corporation.

**WHEREAS** the undersigned was appointed by the Commissioner and the Department to serve as the Hearing Officer on this matter, and upon conclusion of the public hearing to make a report and recommendation to the Commissioner and the Department in this matter;

**WHEREAS** a written Notice of Public Hearing was issued to the Applicant and duly advertised in newspapers of general circulation in Louisiana, and stated that a public hearing in this matter would be conducted on March 21, 2018, at 9:00 a.m. in the Poydras Hearing Room, Louisiana Department of Insurance, 1702 North Third Street, Baton Rouge, Louisiana 70802, which was introduced as Exhibit E. Such Notice of Public Hearing was issued in compliance with La. R.S. 22:691.4(E) (2);

**WHEREAS** the Commissioner and the Department did not receive any written or oral comments from the public;

**WHEREAS** on the date of the public hearing, designated representatives of the Applicant, Insurers, and Department were present and available to participate in the public hearing;

**WHEREAS** at the public hearing, Steven T. Whitmer, attorney representing the applicant introduced as Exhibit A the Form A application and as Exhibit B the Form E application submitted to the Department. Additionally, Mr. Whitmer introduced the written statement and affidavit of Florence A. Crisp, Senior Legal Counsel for CVS Health Corporation as Exhibit C. Ms. Crisp's testimony and affidavit averred that the proposed acquisition was in compliance with Louisiana statutory and regulatory requirements, specifically La R.S. 22:691.4 and would not have an impact on the market competition as evidenced by a year-end 2016 Share Analysis report obtained from SNL Financial, which obtained the data directly from the National Association of Insurance Commissioners (NAIC). Furthermore, Ms. Crisp testified that CVS Health Corporation has agreed to provide the Department the following: status reports and notice of any corrective actions pertaining to litigation as identified in Exhibit F; notification of any updates to their filing with the United States Department of Justice in accordance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976; and notification to the Department of any changes to the information filed and accepted in support of this application. Additionally, Mr. Whitmer introduced the written statement and affidavit of Gregory S. Martino, Assistant Vice President, State Government Relations of Aetna and its affiliates as Exhibit D. Mr. Martino's testimony and affidavit averred that the proposed acquisition was in compliance with all Louisiana statutory and regulatory requirements, specifically La. R.S. 22:22:691.4 and would not have an impact on market competition;

**WHEREAS** at the public hearing, Mike Boutwell, Assistant Commissioner of the Office of Licensing of the Department, testified that he had received the approval of all the respective divisions or offices within the Department. The Office of Licensing had

also recommended approval of the proposed acquisition. Mr. Boutwell also testified that the Department and CVS Health Corporation had agreed to make the approval of the acquisition contingent upon the favorable finding or non-action by the United States Department of Justice.

**WHEREAS** at the public hearing, Stewart Guerin, Chief Financial Examiner for the Office of Financial Solvency, testified that the Applicant has satisfied all of the financial regulatory requirements regarding the proposed acquisition and that the combined market share would not significantly change the competitiveness in the market. Mr. Guerin recommended approval of the Application;

**WHEREAS** in connection with the testimony of Stewart Guerin, the memorandum recommending approval of the Application by the Office of Financial Solvency, was introduced as Exhibit G;

**WHEREAS** at the public hearing, Zata Ard, staff attorney from the Division of Legal Services, provided testimony as to the review completed by her and recommended that CVS Health Corporation provide to the Department a status report and notice of any corrective action taken by CVS Health Corporation in regards to the litigation submitted in the application. The "Supplements to Interrogatories" that provided the listing of litigation was introduced as Exhibit F;

**WHEREAS** at the public hearing, Barry Scheuermann, examiner from the Division of Insurance Fraud, testified that the Division of Insurance Fraud had granted their approval of the acquisition but requested that CVS Health Corporation be required to submit outstanding fingerprint results of some officers and directors and;

**WHEREAS** the hearing officer has recommended that CVS Health Corporation be required to provide the Department the following:

(1) status reports and any notice of corrective action pertaining to litigation as identified in Exhibit F;

(2) provide notification of any updates to their filing with the United States Department of Justice in accordance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and has agreed to provide the Department within fifteen days of the issuance of a final notice by the United States Department of Justice, a copy of such final notice of either the approval or the non-action thereby causing the expiration or termination of the United States Department of Justice review process pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976;

(3) CVS Health Corporation shall provide the Department, if such should arise, within fifteen days of issuance any injunctions or similar actions filed by the Federal Trade Commission or United States Department of Justice;

(4) CVS Health Corporation has agreed to provide notification to the Department of any changes to the information filed and accepted in support of this application;  
and

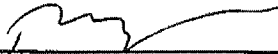
**WHEREAS** approval of this acquisition shall not be construed as an issuance of a no objection letter for any officers and directors as may be required for purposes of Regulation 66(LAC 37:XIII.Chapter 51).

**THEREFORE** having reviewed the Hearing Officer's recommendation for approval with contingencies for the acquisition of the Insurers by the Applicant, this acquisition is hereby **APPROVED contingent upon the following:**

- 1) The approval of the proposed transaction by the United States Department of Justice or no action taken by the United States Department of Justice thereby causing the expiration or termination of the applicable waiting periods under the Hart-Scott-Rodino Act.**
- 2) The Guarantor Agreement originally issued on October 1, 2002 between Coventry Health Care of Louisiana, Inc. (now known as Aetna Health, Inc.) and Coventry Health Care, Inc. and which Aetna Health Holdings, LLC assumed as guarantor in association with the merger of Coventry Health Care, Inc. into and with Aetna Health Holdings, LLC on or about January 1, 2014 shall remain in effect until such time as the parties seek and are granted approval to terminate the agreement by the Commissioner of Insurance.**
- 3) That CVS Health Corporation shall continue their best efforts to provide to the Louisiana State Police all information needed to complete the criminal background checks and have the results of those checks provided to the Commissioner. Furthermore, the Commissioner must find that there are no adverse findings which would bring into question the experience and integrity of the officers of CVS Health Corporation.**

The individuals signing below hereby represent and warrant that they are duly authorized to execute and deliver this Consent Order on behalf of the respective parties.

Signature of CVS Health Corporation Representative:

  
\_\_\_\_\_

Printed Name of CVS Health Corporation Representative:

Troyen A. Brennan, M.D.

Title of CVS Health Corporation Representative:

EVP and Chief Medical Officer

Date:

March 29, 2018

Signature of LDI Representative:

\_\_\_\_\_

Printed Name of LDI Representative:

\_\_\_\_\_

Title of Department Representative:

\_\_\_\_\_

Date:

\_\_\_\_\_

The individuals signing below hereby represent and warrant that they are duly authorized to execute and deliver this Consent Order on behalf of the respective parties.

Signature of CVS Health Corporation Representative:

\_\_\_\_\_

Printed Name of CVS Health Corporation Representative:

\_\_\_\_\_

Title of CVS Health Corporation Representative:

\_\_\_\_\_

Date:

\_\_\_\_\_

Signature of LDI Representative:



Printed Name of LDI Representative:

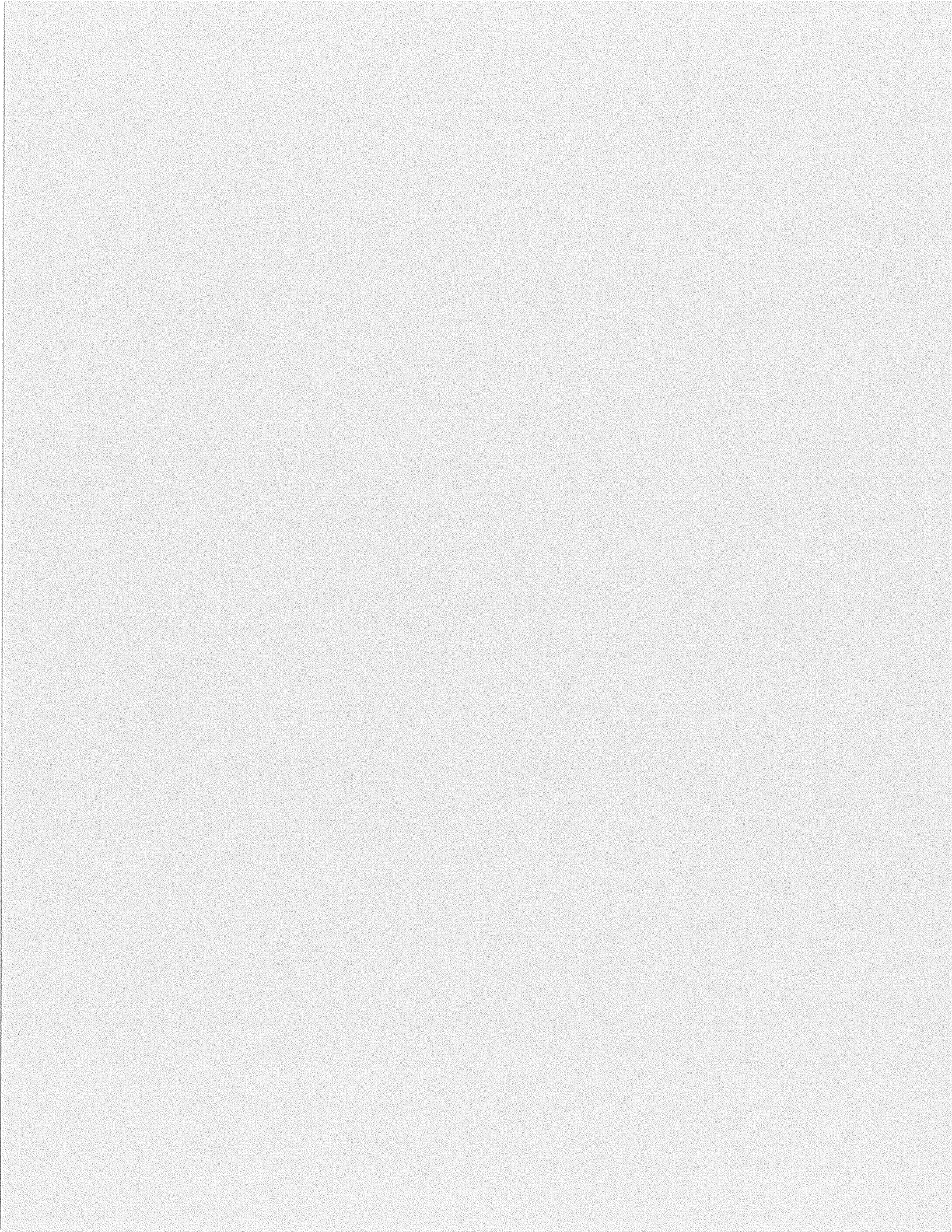
Barry C. Wood

Title of Department Representative:

Deputy Commissioner Licensing

Date:

3/29/2018







STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES  
LANSING

RICK SNYDER  
GOVERNOR

PATRICK M. MCPHARLIN  
DIRECTOR

May 10, 2018

Tim Farber  
Locke Lord LLP  
111 South Wacker Dr.  
Chicago, IL 60606

RE: CVS Health Corporation's acquisition of Aetna Health Inc. and Aetna Better Health of Michigan Inc.

Dear Mr. Farber:

Enclosed is the Order Approving Acquisition in the captioned matter.

The Office of Insurance Evaluation has reviewed the application and finds no reason for disapproval. If you have any questions, please call Jennifer Schulze at (517) 284-8770.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick M. McPharlin".

Patrick M. McPharlin  
Director

Enclosure

**STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**Before the Director of the Department of Insurance and Financial Services**

**In the matter of the acquisition of control of  
Aetna Health Inc. and Aetna Better Health  
of Michigan Inc. by CVS Health Corporation**

**Order No. 2018-11-M**

**Issued and entered  
this 10<sup>th</sup> day of May, 2018  
by Patrick M. McPharlin  
Director**

**ORDER APPROVING ACQUISITION**

On January 10, 2018, a Form A Statement was filed by Tim Farber of Locke Lord LLP on behalf of CVS Health Corporation ("CVS Health" or the "Applicant") seeking approval for the acquisition of control of Aetna Health Inc. and Aetna Better Health of Michigan Inc. (collectively the "Domestic Insurers"). The Domestic Insurers are Michigan domestic health maintenance organizations. The Domestic Insurers are ultimately owned by Aetna Inc., a publicly traded Pennsylvania holding company. The Applicant will acquire control of the Domestic Insurers in connection with its acquisition of Aetna Inc. CVS Health intends to fund the cash portion of the transaction through a combination of cash on hand and debt financing. CVS Health has entered into a Commitment Letter and Term Loan Agreement to finance \$49 billion of the total purchase price. The total dollar value of the acquisition will be approximately \$77 billion, including the assumption of Aetna Inc. debt.

CVS Health has indicated there are no plans or proposals to cause the Domestic Insurers to declare an extraordinary dividend, liquidate, sell the assets of, merge, or make any other material change in the business operations or corporate structure of the Domestic Insurers after the closing of the transaction. The transaction is conditional upon the approval of the Merger Agreement by Aetna Inc's shareholders, approval by CVS Health's stockholders, expiration or early termination of the waiting period required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and receipt of specified regulatory approvals, including Michigan.

After review of the Form A filing, the Director of the Department of Insurance and Financial Services FINDS and CONCLUDES as follows:

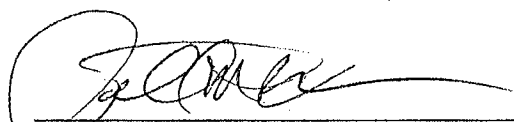
1. The proposed acquisition constitutes a change of control, and is subject to prior approval of the Director pursuant to the provisions of MCL 500.1311 to 1319. Control is defined in MCL 500.115.
2. The Form A Statement as supplemented, meets the filing requirements of MCL 500.1312 applicable to this proposed acquisition.
3. MCL 500.1315 requires the Director to approve any merger or other acquisition of control of a domestic insurer, unless the Director determines on the basis of information furnished to the Director that one or more of the conditions enumerated under MCL 500.1315(1) exists.

4. None of the conditions specified in Section 1315(1) exists.

Therefore, based upon the representations made by CVS Health and the above Findings of Fact and Conclusions of Law, it is hereby ORDERED that:

The acquisition of control of Aetna Health Inc. and Aetna Better Health of Michigan Inc. by CVS Health Corporation in accordance with the statement of acquisition is approved subject to the following conditions:

1. Receipt of approval of all involved state insurance departments.
2. The expiration or termination of the applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.
3. Aetna Better Health of Michigan Inc. and Aetna Health Inc. agreeing to remove any officer and/or director who is considered inappropriate based on fingerprint results.



---

Patrick M. McPharlin  
Director



May 7, 2018

Mr. Tim Farber  
Locke Lord LLP  
111 South Wacker Dr.  
Chicago, IL 60606

RE: **Change of Control of Allina Health and Aetna Insurance Company**  
Original filing dated January 17, 2018, as amended

Dear Mr. Farber:

Enclosed is an executed copy of the Order approving the acquisition of control of Allina Health and Aetna Insurance Company ("AH-AIC"), a Minnesota domestic health insurer, by CVS Health Corporation.

Once the transaction is complete, please file an amended Insurance Holding Company System Registration Statement (Form B) no later than 15 days following the month of closing.

If you have any questions relating to this letter, please contact Constance Peterson, Senior Analyst, at (651) 539-1767 or by e-mail at [Constance.Peterson@state.mn.us](mailto:Constance.Peterson@state.mn.us).

Sincerely,



Kathleen J. Orth  
Chief Examiner and Solvency Manager  
KJO:cp

Encl.

16194-5484

STATE OF MINNESOTA  
DEPARTMENT OF COMMERCE

Regarding the Acquisition of Control of  
Allina Health and Aetna Insurance Company,  
a Minnesota domestic health insurer, by  
CVS Health Corporation (the "Applicant")

**ORDER APPROVING  
ACQUISITION OF CONTROL**

The Minnesota Commissioner of Commerce (hereinafter "Commissioner") has determined the following:

1. The Applicant has filed a Form A (the "Form A") and supplementary information pursuant to Minnesota Statutes § 60D.17 (2016) and Minnesota Rules Part 2720 (2017).
2. Allina Health and Aetna Insurance Company ("AHAIC") is a domestic stock health insurance company incorporated in the state of Minnesota on July 6, 2017. AHAIC received its Certificate of Authority effective August 24, 2017.
3. AHAIC is a wholly owned subsidiary of Allina Health and Aetna Insurance Holding Company, LLC, a Delaware limited liability company. The holding company is ultimately 50% owned by Aetna, Inc. ("Aetna"), a Pennsylvania corporation, and 50% by Allina Health System, a Minnesota non-profit corporation.
4. Pursuant to an Agreement and Plan of Merger dated as of December 3, 2017, the Applicant proposed to acquire control of Aetna, with Aetna becoming an indirect wholly-owned subsidiary of the Applicant and a direct wholly-owned subsidiary of CVS Pharmacy, Inc.
5. The Form A discloses that the Applicant does not intend to change the business plan of the domestic insurer following the change of control.
6. Based on the information and representations contained in the Application and in reliance upon the representations made by the Applicants, the Commissioner makes the following order:

**IT IS HEREBY ORDERED**, pursuant to Minnesota Statutes § 60D.17, Subd. 4 (2016), that the acquisition of control of Allina Health and Aetna Insurance Company by CVS Health Corporation be approved.

**IT IS FURTHER ORDERED**, that with this approval:

- A. The Applicant and Allina Health and Aetna Insurance Company shall file an amended Insurance Holding Company System Registration Statement pursuant to Minnesota Statutes § 60D.19, Subd. 1 (2016) and Minnesota Rules Part 2720.1700 (2017) no later than the 15<sup>th</sup> day following the month of closing.

B. For purposes of holding company filings, including, without limitation, related to Forms B, C, F and ORSA, that CVS Health Corporation and Allina Health System will both be designated as the "ultimate controlling persons" of Allina Health and Aetna Insurance Company, the Minnesota domestic insurer.

This Order is effective immediately and valid for one (1) year, provided no material changes are made to the transaction prior to consummation.

Dated: May 7, 2018

*Jessica Looman*  
Commissioner of Commerce

By: *Anne O'Connor*  
Anne O'Connor  
Deputy Commissioner/Chief of Staff





MAY 24 2018

BEFORE THE DEPARTMENT OF INSURANCE  
STATE OF NEBRASKA

FILED

IN THE MATTER OF THE	)	FINDINGS OF FACT, CONCLUSIONS
ACQUISITION OF CONTROL OF	)	OF LAW, AND ORDER
COVENTRY HEALTH CARE OF	)	
NEBRASKA, INC.	)	CAUSE NO.: C-2392

On January 3, 2018, CVS Health Corporation (“Applicant”) filed an application (“Form A”) seeking approval to acquire control of Coventry Health Care of Nebraska, Inc. (“Coventry of Nebraska”), a Nebraska domestic insurer. The application was filed pursuant to the Insurance Holding Company System Act, Neb. Rev. Stat. §§ 44-2120 to 44-2153. The filing was subsequently supplemented as necessary throughout the review process. A Notice of Public Hearing was issued on April 24, 2018.

On May 16, 2018, a public hearing was held at the Nebraska Department of Insurance (“Department”). Director of the Nebraska Department of Insurance, Bruce R. Range, presided over the hearing. Brandis Bauer, a licensed Notary Public, was present and recorded the hearing. Matt Holman, General Counsel, and Justin Schrader, Chief Financial Examiner, represented the Department.

Applicant was present and represented by Steven Whitmer, Partner, Locke Lord LLP. Applicant presented testimony in favor of the acquisition through Gregory Martino, Assistant Vice President, State Government Relations, for Aetna; and Florence Crisp, Senior Legal Counsel for Applicant. Exhibits were offered by Applicant and by the Department, and received into the record. Applicant provided Coventry of Nebraska with timely notice of the hearing. No testimony or documentary evidence was offered in opposition to the proposed acquisition.

On the basis of the filings, correspondence and information provided to the Department, the Director approves the application and finds, concludes, and recommends as follows:

FINDINGS OF FACT

1. On January 3, 2018, the Department received a verified Form A from the Applicant for approval to acquire control of Coventry of Nebraska through an Agreement and Plan of Merger. The application and subsequent amendments were filed pursuant to the Insurance Holding Company System Act, Neb. Rev. Stat. §§ 44-2120 to 44-2153, specifically § 44-2126. The Agreement and Plan of Merger will result in Applicant gaining control of Coventry of Nebraska as control is defined in the Act.

2. Coventry of Nebraska is a domestic insurer organized under and governed by the laws of the State of Nebraska. Coventry of Nebraska obtained its Certificate of Authority to transact the business of a Health Maintenance Organization in this state on October 19, 1987. Coventry of Nebraska is currently a wholly-owned indirect subsidiary of Aetna Inc. (“Aetna”), a publicly traded Pennsylvania holding company for various insurance companies, health maintenance and dental maintenance organizations, and related organizations.

3. Applicant is a publicly traded pharmacy health care company domiciled in Delaware. Applicant maintains retail pharmacies, walk-in health care clinics, specialty pharmacies, infusing services, and long-term care pharmacies. CVS Pharmacy, Inc., a Rhode Island corporation, is a direct wholly-owned subsidiary of Applicant. Hudson Merger Sub Corp., a Pennsylvania corporation is an indirect subsidiary of Applicant and

a wholly-owned direct subsidiary of CVS Pharmacy, Inc., which was formed for the purpose of this transaction. Under the terms of the proposed acquisition, Hudson Merger Sub Corp. will merge with and into Aetna, resulting in Aetna becoming an indirect wholly-owned subsidiary of Applicant and a direct wholly-owned subsidiary of CVS Pharmacy, Inc. Applicant would be the ultimate controlling company of Coventry of Nebraska.

4. On December 3, 2017, Applicant and Aetna executed an Agreement and Plan of Merger. The Agreement and Plan of Merger provides for the transaction to close following, among other things, the approval of Aetna's stockholders and the proper regulatory approval of each state where approval is necessary.

5. In consideration for the proposed merger, each outstanding share of Aetna common stock held immediately prior to the transaction will be converted into the right to receive .8378 shares of Applicant's common stock and \$145.00 in cash, without interest. Including the assumption of Aetna's debt, the total value of the transaction is \$77 billion. Upon closing of the transaction, Aetna shareholders will own approximately 22% of the combined company and Applicant shareholders will own approximately 78%. The cash portion of the transaction will be financed through a combination of cash on hand and debt financing.

6. Applicant has no current plans to (1) declare an extraordinary dividend; (2) to liquidate Coventry of Nebraska; (3) to sell or merge it with any person or persons; or (4) to make any other material change in Coventry of Nebraska's current business operations.

7. The proposed closing date for this transaction is three business days after the date all conditions precedent in the Agreement and Plan of Merger have been satisfied, including the acquisition of all necessary regulatory approvals.

8. Applicant has filed all the documents and information required by law and requested by the Department.

#### CONCLUSIONS OF LAW

1. The Department and Director have jurisdiction over the subject matter of this proceeding.

2. On the basis of the materials filed, correspondence received and evidence presented at the hearing, the Director concludes as follows:

a. After the acquisition, Coventry of Nebraska will satisfy the requirements for a Certificate of Authority to conduct the business of insurance in the State of Nebraska and write the lines of insurance for which it is presently licensed.

b. The effect of the acquisition will not substantially lessen the competition in insurance in the State of Nebraska nor tend to create a monopoly therein nor violate the laws of the State of Nebraska.

c. The financial condition of Applicant is such that it would not jeopardize the financial stability of Coventry of Nebraska or prejudice the interest of the policyholders of Coventry of Nebraska.

d. The Applicant has no plans or proposals to liquidate Coventry of Nebraska, to sell the assets of Coventry of Nebraska without the approval of the Department, to consolidate or merge Coventry of Nebraska with any person or persons without approval of the Department, or to make any other material change in the business operations or corporate structures of management which would be unfair and unreasonable to policyholders of Coventry of Nebraska and not in the public interest.

e. The competence, experience and integrity of those persons who would control the operation of Coventry of Nebraska are such that it would be in the interest of the policyholders of Coventry of Nebraska and the public to allow the acquisition.

f. Applicant is not subject to the provisions of Neb. Rev. Stat. § 44-6115 under the Demutualization Act; and

g. The acquisition is not likely to be hazardous or prejudicial to the public.

#### ORDER

IT IS THEREFORE ORDERED that Applicant is approved to acquire control of Coventry of Nebraska.

Neb. Rev. Stat. § 44-2127(2) requires the Director to make a determination within the sixty-day period preceding the effective date of the proposed transaction. Because the proposed effective date of the transaction is not date-certain, this Order shall be deemed to satisfy the requirements of Neb. Rev. Stat. § 44-2127(2) even if the transaction does not close within the sixty-day period following the date of this Order. Should there be any material changes in the Form A application, including the Agreement and Plan of Merger, proposed business plans, or the financial statements of either the Applicant or Coventry of Nebraska, this approval shall be rescinded and an updated application should be filed with the Director.

Within fifteen (15) days after closing, Applicant shall file with the Department an Insurance Holding Company System Registration Statement, and any other filings required, in accordance with Neb. Rev. Stat. §44-2132, et seq.

Dated this 24 day of May, 2018.

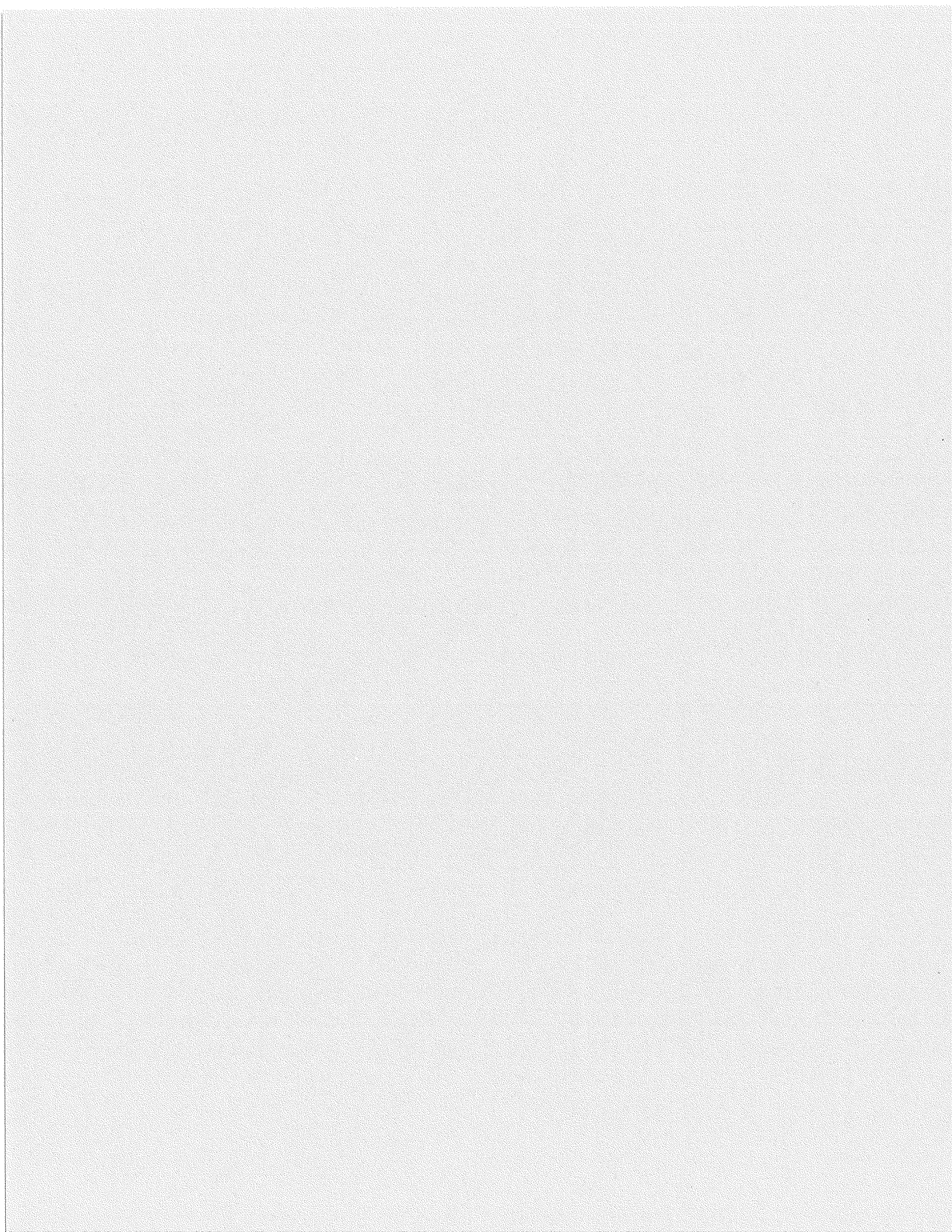
STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

  
\_\_\_\_\_  
BRUCE RAMGE  
Director of Insurance

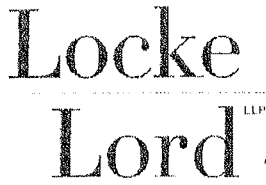
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Order was sent to Tim Farber, Locke Lord LLP, 111 South Wacker Drive, Chicago, IL 60606 by U.S. Mail, postage prepaid, on this 24 day of May, 2018.

  
\_\_\_\_\_







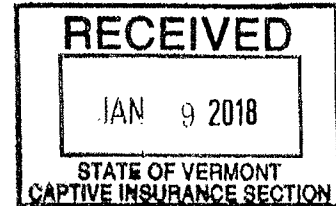
Attorneys & Counselors

111 South Wacker Drive  
Chicago, IL 60606  
Telephone 312-443-0700  
Fax 312-443-0316  
www.lockelord.com

Tim Farber  
Direct Telephone: 312-443-0532  
ifarber@lockelord.com

VERMONT DEPARTMENT OF  
FINANCIAL REGULATION -  
CAPTIVE INSURANCE DIVISION  
**APPROVED**  
BY Christy Brown  
ASSISTANT DIRECTOR  
11:07 am, Jan 10, 2018

January 8, 2018



**VIA FED EX**

Mr. David F. Provost, CFE  
Deputy Commissioner  
Captive Insurance Division  
Vermont Department of Financial Regulation  
89 Main Street  
Montpelier, Vermont 05620-3101

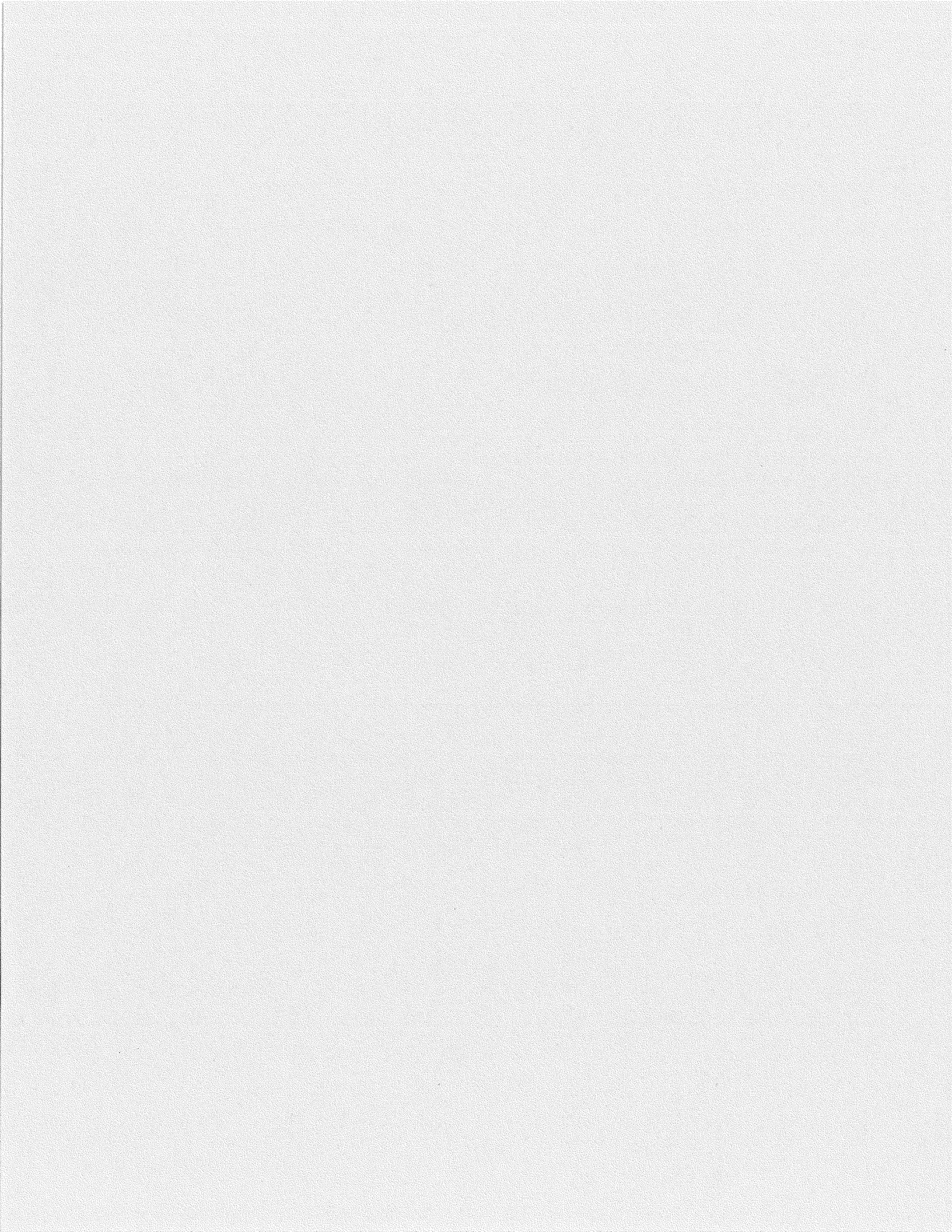
Re: Change of Ultimate Control Filing by CVS Health Corporation Regarding  
Proposed Acquisition of Control of Health Re, Inc., a Vermont domiciled Captive  
Insurance Company and Direct Wholly Owned Subsidiary of Aetna Inc.

Dear Mr. Provost:

On behalf of CVS Health Corporation ("CVS Health" or the "Applicant"), we are requesting approval for the change of control of Health Re, Inc., a Vermont captive insurance company and direct wholly-owned subsidiary of Aetna Inc. ("Aetna"). Aetna is a publicly traded Pennsylvania holding company for various insurance companies, health maintenance and dental maintenance organizations and related organizations. CVS Health requests approval from the Vermont Department of Financial Regulation for the ultimate change of control of Health Re, Inc., a Vermont captive insurance company, pursuant to VT Insurance Regulation C-81-2 § 15.

**I. Method Of Acquisition**

Pursuant to an Agreement and Plan of Merger dated as of December 3, 2017 (the "Merger Agreement") (attached as Exhibit 1), CVS Health would acquire control of Aetna, with Aetna becoming an indirect wholly-owned subsidiary of CVS Health and a direct wholly-owned subsidiary of CVS Pharmacy, Inc. ("CVS Pharmacy"), a Rhode Island corporation which is a direct wholly-owned subsidiary of the Applicant (the "Transaction"). Specifically, the Transaction contemplates that Hudson Merger Sub Corp., a Pennsylvania corporation and indirect wholly-owned subsidiary of CVS Health and direct subsidiary of CVS Pharmacy established specifically for the Transaction ("Merger Sub"), will merge with and into Aetna (the "Merger"). As a result of the Merger, Aetna (the surviving entity of the Merger) will become an indirect wholly-owned subsidiary of CVS Health. The terms and conditions governing the Transaction are further described in CVS Health's Current Reports on Form 8-K filed with the Securities and Exchange



# COMMONWEALTH OF VIRGINIA



SCOTT A. WHITE  
COMMISSIONER OF INSURANCE  
STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE

P.O. BOX 1157  
RICHMOND, VIRGINIA 23218  
1300 E. MAIN STREET  
RICHMOND, VIRGINIA 23219  
TELEPHONE: (804) 371-9741  
[www.scc.virginia.gov/boi](http://www.scc.virginia.gov/boi)

June 7, 2018

Mr. Tim Farber  
Locke Lord LLP  
111 South Wacker Drive  
Chicago, IL 60606

Dear Mr. Farber:

Upon review and recommendation by the staff of the Financial Regulation Division of the Bureau of Insurance, I hereby tentatively approve the application of CVS Health Corporation to acquire control of Aetna, Inc. pursuant to the authority granted me by the Commission under Section 38.2-1326 of the Code of Virginia. This approval is conditioned upon approval of the CVS Health Corporation and Aetna, Inc. filings made with the Department of Justice and Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott A. White". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Scott A. White  
Commissioner of Insurance