

**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 PID INFORMATION
REQUEST 5.4.3.4 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.4.3.4:

Discuss and provide a full and complete copy of all new and/or amended employment agreements, retention bonuses, bonuses, severance packages or other forms of compensation related to or resulting from the Transaction. Explain why the proposed compensation arrangements are reasonable.

RESPONSE:

Highmark certifies that to the best of its knowledge, information and belief, there are no new and/or amended employment agreements, retention bonuses, bonuses, severance packages or other forms of compensation that have been entered into or that are payable to the directors or senior management of any current Highmark Entity that are related to or result from the Transaction. Highmark understands that BCNEPA will file a separate response to this Request with respect to BCNEPA’s compensation arrangements.

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