

**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 4.2.3 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 4.2.3:

For each governmental, regulatory, corporate and/or contractual notices, filings, consents and/or approvals that are or reasonably may be required for or in connection with the Transaction, provide: The timing of the notices, filings, consents or approvals, together with citation to the statutory, regulatory or contractual provision requiring such notice, consent or approval.

RESPONSE:

Highmark certifies that to the best of its knowledge, information and belief for each governmental, regulatory, corporate and/or contractual notices, filings, consents and/or approvals that are or reasonably may be required for or in connection with the Transaction, set forth below are the timing of the notices, filings, consents or approvals, together with the citation to the statutory, regulatory or contractual provision requiring such notice, consent or approval.

1. Pennsylvania Insurance Department, Form A filing required under 40 P.S. 991.1402. The Form A was filed on February 18, 2014. Timing of the approval has yet to be determined.
2. United States Department of Justice/Federal Trade Commission, Hart Scott Rodino filing required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § 18A. Highmark submitted its filing on June 9, 2014. Timing for the expiration of the applicable waiting period is on or about July 10, 2014.
3. Pennsylvania Attorney General, the review is being conducted in accordance with the Attorney General’s Review Protocol for Fundamental Change Transactions for healthcare

organizations. The review has commenced and Highmark is providing full cooperation for to the Attorney General's office. Timing of receipt of non-objection letter has yet to be determined.

4. United States Patent and Trademark Office, filing of the assignment of any of BCNEPA's patents or trademarks to Highmark is required to assure that the Patent and Trademark Office has a list of the current owner of record of any intellectual property obtained by the surviving entity in a merger transaction under 37 C.F.R. § 3.11. The filing of the assignment will be made on the closing date of the Transaction.
5. Pennsylvania Department of State, filing of the Articles of Merger pursuant to 15 Pa.C.S. § 5926. Filing of the Articles of Merger will be made on the closing date of the Transaction.
6. Blue Cross Blue Shield Association, request consent to the assignment of BCNEPA's primary Blue Cross license, required by Section 12 thereof, and FPH and FPLIC controlled affiliate licenses, required by Section 4 thereof, to Highmark Health. The consent to assignments is expected to be received on or about June 19, 2014.
7. The Bank of New York of New York Mellon Trust Company, N.A., a notice is required stating that Highmark is the surviving entity of the Merger and that there are currently no events of default under the Indenture. The notice is required under Section 5.01 of the Indenture between Highmark and The Bank of New York Mellon Trust Company, N.A. as trustee, dated May 6, 2011. The notice will be sent on the closing date of the Transaction.

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