Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). John Robert Baum

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Professor of Entrepreneurship, Director of Entrepreneurship Research

4. Affiant's business address. University of Maryland, Robert H. Smith School of Business, College Park, MD 20742

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Lehigh University	Bethlehem, PA	09/1960 – 06/1964	B.S. in Industrial Eng.

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Northwestern University	Evanston, IL	07/1966 – 06/1967	MBA

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
University of Maryland	College Park, MD	09/1988 – 12/1994	Ph.D.

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Academy of Management		P.O. Box 3020 Briar Cliff Manor, NY 10510	914-923-2607
U.S. Assoc. for Small Business & Entrepreneurship	[redacted]	975 University Avenue #3260 Madison, WI 53706	608-262-9982

7. Present or proposed position with the applicant entity. Chairman of the Board, Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 09/1998 - Present Employer's Name Robert H. Smith School of Business

Address University of Maryland City College Park State/Province Maryland

Country USA Postal Code 20742 Phone [redacted] Offices/Positions Held Professor of Entrepreneurship, Director of Entrepreneurship Research

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 10/1979 - 04/1998 Employer's Name Ivan C. Dutterer, Inc.

Address 115 Ann Street City Hanover State/Province Pennsylvania

Country USA Postal Code 17331 Phone 717-637-8977 Offices/Positions Held President/CEO

Supervisor / Contact Contact Human Resources Department

Beginning/Ending Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Please see attachment for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License Virginia Dept. of Prof. & Occupational Regulation Address 3600 West Broad Street

City Richmond State/Province VA Country USA Postal Code 23230

License Type Contractor-Class A License # 2705-031727A Class A Date Issued (MM/YY) 09/1995

Date Expired (MM/YY) Current-Transferred Reason for Termination Sold with assets of Company in 11/98

Non-insurance Regulatory Phone Number (if known) 804-367-8500

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not Applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details Not applicable

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21st day of Oct. 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Robert Baum
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By John Robert Baum, Ph.D., and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L. McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). John Robert Baum

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 08/11/1942 Place of Birth: City Harrisburg
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
09/1989 – Present	[redacted]		PA	USA	[redacted]
11/1984 – 09/1989	404 Dart Drive	Hanover	PA	USA	17331

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21ST day of Oct, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Robert Baum
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of Oct, 2010 By John Robert Baum, Ph.D., and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

John Robert Baum, Ph.D., [redacted]
(Printed Full Name and Residence Address)

John Robert Baum
(Signature)

10/31/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of Oct 2010 By John Robert Baum, Ph.D., and

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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ATTACHMENT
JOHN ROBERT BAUM
BIOGRAPHICAL AFFIDAVIT

In addition to the preceding information, I presently serve or have served as referenced below.

Corporation	Position Held	Dates
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	09/12/00-06/27/05
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	12/06/96-Present 04/27/05-Present
Medmark Inc. Two Gateway Center Suite 2025 Stanwix Street Pittsburgh, PA 15222	Director	08/19/03-02/17/04
Pennsylvania Blue Shield 1800 Center Street Camp Hill, PA 17089	Director	05/17/79-12/06/96
GGS Information Services (f/k/a General Graphic Services) 3265 Farmtrail Road York, PA 17402	Director	1988-1998
Hanover Lantern 350 Kindig Lane Hanover, PA 17331	Director	1992-Present
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Director	06/04/10 – Present
ECCA Holdings Corporation 2711 Centerville Road, Ste. 400 Wilmington, DE 19808	Director	06/04/10 – Present
Eye Care Centers of America, Inc. 11103 West Avenue San Antonio, TX 78213	Director	06/04/10 – Present
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Director	06/04/10 – Present

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Corporation	Position Held	Dates
Viva Optique, Inc. 3140 Route 22 West Somerville, NJ 08876	Director	06/04/10 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15220-3099	Director	06/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below

United Concordia Companies, Inc.: In September 2002, United Concordia Companies, Inc. was notified by the Nevada Department of Business and Industry that the Company had not filed an annual report required under Nevada law in connection with its third party administrator activities in that state. The company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

United Concordia Companies, Inc.: In December 2003, United Concordia Companies, Inc. was notified by the Florida Department of State that the Company had not secured a certificate of authority to transact business in the state. The Company was registered with and in compliance with all tax obligations imposed by the Florida Department of Revenue in connection with its business activities, but had not secured a corresponding business license from the Department of State. The Company submitted an application to transact business and remitted a civil penalty in the amount of $5,000. The Company's application was approved effective January 28, 2004.

Highmark Inc.: On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Pennsylvania Blue Shield (predecessor corporation to Highmark Inc.) has entered into three Consent Orders with the Pennsylvania Insurance Department dated January 25, 1993; March 30, 1993 and January 25, 1995, regarding allegations of issuance of contract forms that had not yet been approved by that Department. Civil penalties of $1,000, $5,000 and $15,000 were paid at the time in settlement of the allegations. Each of the three Consent Orders included a cease and desist prohibiting use of unapproved contract forms.

Pennsylvania Blue Shield (predecessor corporation to Highmark Inc.): Market Conduct Examination that covered the period December 31, 1985 to December 31, 1990 for administrative expenses and January 1 to January 31, 1990, March 1 to March 31, 1990 and October 1 to October 31, 1990 for claims processing. Per agreement entered into on June 30, 1992, payment of $6,150 made to the Commonwealth of Pennsylvania in settlement of all exceptions identified in the report.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). David Arthur Blandino

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Physician

4. Affiant's business address. 5215 Centre Avenue, Pittsburgh, PA 15232

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Pittsburgh	Pittsburgh, PA	1970 - 1974	B.S.

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Pittsburgh School of Medicine	Pittsburgh, PA	1974 - 1978	M.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Williamsport Hospital Family Practice Residency Program	Williamsport, PA	1978 - 1981	
University of Pittsburgh School of Medicine	Pittsburgh, PA	2004 – 2007	Masters of Science

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Academy of Family Physicians		11400 Tomahawk Creek Parkway, Leawood, KS 66211	800-274-2237
Society of Teachers of Family Medicine (not currently active)		11400 Tomahawk Creek Parkway, Leawood, KS 66211	800-274-2237
Allegheny County Medical Society		713 Ridge Avenue Pittsburgh, PA 15212	412-321-5030

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 7/1/08 - Present Employer's Name East Liberty Family Health Care Center and contract work with UPMC Shadyside Hospital/Community Family Health Care Centers, Inc.; President-Elect Medical Staff, UPMC Shadyside Hospital 7/1/09

Address 7171 Churchland Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15206 Phone 412-361-8284 or 661-2802 Offices/Positions Held Physician

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY)1983 - 12/31/07 Employer's Name UPMC-Shadyside Hospital

Address 5230 Centre Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15232 Phone412-623-2236/2287 Offices/Positions Held Please see attachment

Supervisor / Contact N. Randall Kolb, M.D. 412-623-6631

Beginning/Ending
Dates (MM/YY)1981 - 1983 Employer's Name University of Pittsburgh

Address City Pittsburgh State/Province PA

Country USA Postal Code 15260 Phone Offices/Positions Held Staff Physician & Clinical Assist

Supervisor / Contact Contact Human Resources Department

Please see attachment for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions.
If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Commonwealth of PA
Organization/Issuer of License Bureau of Professional & Occupational Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Medical Physician & Surgeon License # MD-022199-E Date Issued (MM/YY) 07/02/79

Date Expired (MM/YY) Not Applicable Reason for Termination Not Applicable

Non-insurance Regulatory Phone Number (if known 717-787-8503

Commonwealth of PA
Organization /Issuer of License Bureau of Prof. & Occupational Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Graduate Medical Trainee License # MT-000272-T Date Issued (MM/YY) 07/01/78

Date Expired (MM/YY) 06/30/81 Reason for Termination inactive status – graduated

Non-insurance Regulatory Phone Number (if known) 717-787-8503

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – see attached

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – see attached

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 31st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David A Blandino MD
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By David Arthur Blandino, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). David Arthur Blandino

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen Not applicable

5. Foreign Student ID# (if applicable) Not applicable

6. Date of Birth: (MM/DD/YY) 02/22/52 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1981-Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By David Arthur Blandino, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc., ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

David Arthur Blandino, [redacted]
(Printed Full Name and Residence Address)

(Signature)

10/21/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By David Arthur Blandino, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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David A. Blandino
Attachment to NAIC
Biographical Affidavit

Employment History Continued

UPMC-Shadyside Hospital – Positions Held
04/98-12/31/07 Department Chairman
04/98-07/04 Director, Family Practice Residency
1983-1998 Asst./Assoc. Director Family Practice Residency

In addition to the preceding information, I presently serve or have served as referenced below.

Corporation	Position Held	Dates
Alliance Ventures, Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	07/98-11/16/04
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	12/06/96-Present
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Director	05/01/03-Present
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Director	05/01/03-Present
DVSC, Inc. 1800 Center Street Camp Hill, PA 17089	Director	05/01/03-5/16/06
Davis Vision of Nevada, Inc. 333 South Maryland Parkway Las Vegas, NV 89109	Director	05/01/03-5/16/06
DavisVision IPA, Inc. 159 Express Street Plainview, NY 11803	Director	05/01/03-5/16/06
Empire Vision Center, Inc. 2921 Erie Boulevard East Syracuse, NY 13224	Director	05/01/03-5/16/06
Viva Optique, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	2/10/05 – Present
ECCA Holdings Corporation 2711 Centerville Rd., Ste. 400 Wilmington, DE 19808	Director	08/01/06 – Present

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Corporation	Position Held	Dates
Eye Care Centers of America, Inc. 11103 West Avenue San Antonio, TX 78213	Director	08/01/06 – Present
Highmark Senior Resources, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	02/05-Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	07/27/06 – Present
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	05/24/10 – Present

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David A. Blandino
Attachment to NAIC
Biographical Affidavit

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – please see below

Davis Vision, Inc. License Revocations:
Certain certificates of authority held by Davis Vision, Inc. were revoked by the states of Maryland, Arkansas and Oklahoma due primarily to administrative errors related to tax, annual report or other required filings. The revocations had no material adverse effect on the business and all certificates of authority were subsequently reinstated.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below.

Highmark Inc.:
On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

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Davis Vision, Inc.:

New York: In June 2010, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Connecticut Insurance Department within the 30 day timeframe from final date of disposition. The Company entered into a Stipulation which included a fine in the amount of $750.

Connecticut: In December 2008, Davis Vision, Inc. entered an Order with the State of Connecticut Insurance Department arising out of an examination conducted of Davis Vision's utilization review practices in the State of Connecticut covering the period from January 1, 2007 through December 31, 2007. The findings alleged a violation of Connecticut laws regarding timely notice of a utilization review determination and a failure to provide sufficient documentation for regulatory review. The Company admitted to the allegations and consented, via a Complaint, Stipulation and Final Order to an administrative fine in the amount of $2,000. The Company revised its policies and procedures to avoid future recurrences.

New York: In September 2007, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Nevada Division of Insurance in 2002 in a renewal application for life/accident and health license under section 2103(a) of New York insurance law. The Company entered into a Stipulation which included a fine in the amount of $500. The Company implemented corrective action measures to avoid future inadvertent omissions.

Maine: In September 2006, Davis Vision, Inc. was notified by the State of Maine Bureau of Insurance that it had not disclosed the administrative proceeding to which it was a party with the State of Nevada upon submission of an application to the State of Maine for a Non-Resident Producer Business Entity license. In August 2007, Davis Vision entered into a Consent Agreement and remitted an administrative penalty in the amount of $250, following which the Producer license was issued.

Nevada: In March 2006, Davis Vision, Inc. was notified by the State of Nevada Department of Business and Industry that the Company's annual report required in connection with its third party administrator activities in that state was not timely filed and was incomplete, in violation of Nevada laws governing third party administrators. The Company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

Eye Care Centers of America

Illinois (2010): Consent Order dated March 26, 2010 by the State of Illinois, Department of Financial and Professional Regulations, Division of Professional Regulations. On September 28, 2009, the Department of Financial and Professional Regulations filed a complaint against Eye Care Centers of America, Inc. d/b/a Visionworks, in Illinois alleging that an advertisement by Visionworks placed in the Chicago Tribune Newspaper violated Illinois statutes on the unlicensed practice of optometry. Visionworks denied the allegation. However, the parties entered a consent order whereby Visionworks (1) agreed to pay the sum of $10,000 as a civil penalty and (2) agreed to take actions to scrutinize future advertisements that it places in print media for optometric services to eliminate what may be construed as misleading or inaccurate information concerning Illinois law. This matter is resolved.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Rosario Yvonne Campos

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Chief Executive Officer

4. Affiant's business address. 216 Boulevard of the Allies, 5th Floor, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Utah	Salt Lake City, UT	1973	BS Psychology

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Carnegie Mellon Univ.	Pittsburgh, PA	1994/1995	Entrepreneurial Program
JFK School of Gov't Executive Program Harvard	Boston, MA	2002	Leadership

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Qualitative Research Consultants Assoc (QRCA)		1000 Westgate Drive, Ste. 252, St. Paul, MN 55114	651-290-7491
American Marketing Assoc. (AMA)		311 S. Wacker Drive, Ste. 5800, Chicago, IL 60606	312-542-9000
Business Marketing Assoc. (BMA)		1601 Bond St., Ste. 101, Naperville, IL 60563	630-544-5054
Marketing Research Assoc. (MRA)		110 National Drive, 2nd Fl. Glastonbury, CT 06033	860-682-1000

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 10/1/86 - Present Employer's Name Campos, Inc.

Address 216 Boulevard of the Allies, 5th Floor City Pittsburgh State/Province Pennsylvania

Country USA Postal Code 15222 Phone 412-471-8484 Ext. 301 Offices/Positions Held Chief Executive Officer

Supervisor / Contact

See Attachment for Additional Information

Beginning/Ending
Dates (MM/YY)- Employer's Name

Address City State/Province

Country Postal Code Phone Offices/Positions Held

Supervisor / Contact

Beginning/Ending
Dates (MM/YY)- Employer's Name

Address City State/Province

Country Postal Code Phone Offices/Positions Held

Supervisor / Contact

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc., and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License None Address

City State/Province Country Postal Code

License Type License # Date Issued (MM/YY)

Date Expired (MM/YY) Reason for Termination

Non-insurance Regulatory Phone Number (if known

Organization /Issuer of License Address

City State/Province Country Postal Code

License Type License # Date Issued (MM/YY)

Date Expired (MM/YY) Reason for Termination

Non-insurance Regulatory Phone Number (if known)

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 8th day of Oct 2010 at Camphill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 8th day of Oct, 2010 By Rosario Yvonne Campos and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Rosario Yvonne Campos

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
3/5/48 - 1968	Rosario Yvonne Campos	Maiden Name
1968 - 1975	Rosario Yvonne Wilkinson	Marriage
1976 - Present	R. Yvonne Campos	Maiden Name
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 03/05/1948 Place of Birth: City Alice
State/Province Texas Country USA

7 Name of Affiant's Spouse (if applicable) None

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
06/03 – Present	[redacted]		PA	USA	[redacted]
08/98 – 06/03	163 Rockwell Lane	Pittsburgh	PA	USA	15218

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 8th day of Oct, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Rosario Yvonne Campos
(Signature of Affiant)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 8th day of Oct, 2010 By Rosario Yvonne Campos and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Rosario Yvonne Campos [redacted]
(Printed Full Name and Residence Address)

(Signature)

Oct 8, 2010
(Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 8th day of Oct 2010 By Rosario Yvonne Campos, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Rosario Yvonne Campos
Attachment to
Biographical Affidavit

9. In addition to the preceding information, I serve or have served in the capacities noted opposite the corporations listed below:

Corporation	Position	Dates Served
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	5/28/08 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Thomas John Castellano

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Physician/Gastroenterologist

4. Affiant's business address. 490 Northampton Street, Ste. 1, Edwardsville, PA 18704

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Harvard College	Cambridge, MA	9/69 – 5/72	B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Columbia College of Physicians & Surgeons		NY, NY	9/72 – 5/76	M.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Presbyterian Hospital	NY, NY	1976 - 1979	Internship & Residency
Montifiore Hospital	Bronx, NY	1979 – 1981	Gastroenterology Fellow

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Please see attachment			

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 1981 - Present Employer's Name Gastroenterology Consultants, Inc.

Address 490 Northampton St., Ste. 1 City Edwardsville State/Province PA

Country USA Postal Code 18704 Phone 570-288-8100 Offices/Positions Held VP, Secretary, Physician

Supervisor / Contact Please contact the Human Resources Department

Beginning/Ending
Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporation are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License PA State Medical Education & Licensure Board Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Medicine & Surgery License # MD024935E Date Issued (MM/YY) 05/81

Date Expired (MM/YY) N/A Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known) 717-787-8503

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – See Attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21ST day of Oct 2010 at Camphill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of Oct, 2010 By

Thomas John Castellano, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Thomas John Castellano

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 02/09/51 Place of Birth: City White Plains
State/Province NY Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
9/2006 – Present	[redacted]		PA	USA	[redacted]
1991 – 9/2006	RR1 Box 74A	Harvey's Lake	PA	USA	18618

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21st day of Oct, 2010 at Camp Hill I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this _____ day of _____, 2010 By

Thomas John Castellano, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Thomas John Castellano, [redacted]
(Printed Full Name and Residence Address)

(Signature)

10/21/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct 2010 By Thomas John Castellano, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Thomas John Castellano
Attachment to
Biographical Affidavit

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Assoc.
American College of Physician Executives		4890 West Kennedy Blvd., Ste. 200, Tampa, FL 33609	800-562-8088
American Gastroenterology Assoc.		4930 Del Ray Ave., Bethesda, MD 20814	301-654-2055
American Society of Gastrointestinal Endoscopy		1520 Kensington Rd. Ste. 202, Oak Brook, IL 60523	630-573-0600
Pennsylvania Medical Society		777 East Park Dr., PO Box 8820, Harrisburg, PA 17105	717-558-7750
Luzerne County Medical Society		130 S. Franklin St., Wilkes Barre, PA 18701	570-823-0917

8. Employment History: In addition to the preceding information, I presently serve as referenced below.

Corporation	Position Held	Dates
First Priority Life Insurance Company, Inc., d/b/a First Priority Life 19 North Main Street Wilkes Barre, PA 18711	Director	4/29/05 - Present
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	4/24/02 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

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Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). John Sanderson Cramer

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. President Emeritus, Pinnacle Health System

4. Affiant's business address. P.O. Box 8700, Harrisburg, PA 17105

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Adelphi University	Garden City, NY	09/60 – 06/64	B.B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
George Washington University		Washington, DC	09/67 – 06/69	M.B.A.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American College of Health Care Executives		One North Franklin, Ste. 1700, Chicago, IL 60606	312-424-2800

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 07/01 - Present Employer's Name Pinnacle Health System

Address P.O. Box 8700 City Harrisburg State/Province PA

Country USA Postal Code 17105 Phone 717-231-8218 Offices/Positions Held President Emeritus

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)01/96 – 07/01 Employer's Name Pinnacle Health System

Address P.O. Box 8700 City Harrisburg State/Province PA

Country USA Postal Code 17105 Phone 717-231-8218 Offices/Positions Held President & CEO

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)01/06 - Present Employer's Name Yaffe and Company, Inc.

Address 409 Washington Avenue, Ste. 700 City Towson State/Province MD

Country USA Postal Code 21204-4901 Phone 410-494-4140 Offices/Positions Held Sr. Consultant (part-time)

Supervisor / Contact Alexander Yaffe, President

Beginning/Ending
Dates (MM/YY)06/76 - 01/96 Employer's Name Capital Health System

Address South Front Street City Harrisburg State/Province PA

06/88 – 01/96 6/76 – 6/88
Country USA Postal Code Phone Offices/Positions Held President & CEO Sr. V.P., Planning

Supervisor / Contact Contact Human Resources Department

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?

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No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – Please see attached

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 18th day of October 2010 at Camp Hill I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Sanderson Cramer
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 18th day of October, 2010 By John Sanderson Cramer, and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222-3099

1. Affiant's Full Name (Initials Not Acceptable). John Sanderson Cramer

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 02/22/42 Place of Birth: City Butte
State/Province Montana Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
10/01/08 – Present	[redacted]		PA	USA	[redacted]
02/06 – 09/30/08	299 Beacon Drive	Harrisburg	PA	USA	17112
1995 – 02/06	4216 Jonathan Lane	Harrisburg	PA	USA	17110

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 18th day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Sanderson Cramer
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 18th day of October, 2010 By John Sanderson Cramer, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

John Sanderson Cramer, [redacted]
(Printed Full Name and Residence Address)

John Sanderson Cramer
(Signature)

10/18/2010
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 18th day of October 2010 By John Sanderson Cramer, and

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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John Sanderson Cramer
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served as referenced below:

Corporation	Position Held	Dates
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	04/24/02 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	06/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). John Henry Damcott
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Dentist - Retired
4. Affiant's business address. None
   Business telephone. None
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Pittsburgh	Pittsburgh, PA	09/58 – 06/61	No Degree

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Pittsburgh		Pittsburgh, PA	09/61 – 06/65	D.M.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Pennsylvania Dental Association	[redacted]	3501 North Front Street Harrisburg, PA 17105	717-234-5941
American Dental Association "ADA"		211 East Chicago Ave. Chicago, IL 60611	312-440-2500
American Academy of Dental Group Practice "AADGP"		2525 E. Arizona Biltmore Circle, Ste. 127 Phoenix, AZ 85016	602-381-1185

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 1972 - 08/01/10 Employer's Name Plaza Dental Associates, Inc.

Address 702 West 34th Street City Erie State/Province PA

Country USA Postal Code 16508 Phone 814-868-5411 Offices/Positions Held Dentist

Supervisor / Contact Contact Human Resources Dept.

Beginning/Ending
Dates (MM/YY)2004 - Present Employer's Name Damcott Consulting Services

Address 296 Varsity Lane City State College State/Province PA

Country USA Postal Code 16803 Phone 814-237-7427 Offices/Positions Held Owner

Supervisor / Contact None

Beginning/Ending
Dates (MM/YY)09/71 - 01/06 Employer's Name Plaza Realty Company

Address 702 West 34th Street City Erie State/Province PA

Country USA Postal Code 16508 Phone _____ Offices/Positions Held Partner

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License PA Dept. of State – Bureau of Prof. & Occup. Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Dentist License # DS015869L Date Issued (MM/YY) 06/15/65

Date Expired (MM/YY) Not applicable Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known) 717-787-8503

Organization /Issuer of License U.S. Dept. of Justice Drug Enforcement Admin. Address

City Washington State/Province DC Country USA Postal Code 20537

License Type Narcotics License # AD1691787 Date Issued (MM/YY) 06/09

Date Expired (MM/YY) 06/12 Reason for Termination Active

Non-insurance Regulatory Phone Number (if known)

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity?
No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details Not applicable

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes-please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 31st day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Henry Damcott DMD
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By John Henry Damcott, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). John Henry Damcott

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 05/28/40 Place of Birth: City Erie
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
08/10 – Present	[redacted]		PA	USA	[redacted]
08/68 – 08/10	3505 Windsor Drive	Erie	PA	USA	16506

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21st day of Oct, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

John Henry Damcott
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct, 2010 By John Henry Damcott, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

John Henry Damcott, [redacted]
(Printed Full Name and Residence Address)

John Henry Damcott
(Signature)

10/21/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October 2010 By John Henry Damcott, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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ATTACHMENT
JOHN HENRY DAMCOTT
BIOGRAPHICAL AFFIDAVIT

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Corporation	Position Held	Dates
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Corporate Member Director Director	12/6/1996 - 4/25/2001 12/96 – 4/01 5/08 - Present
Pennsylvania Blue Shield 1800 Center Street Camp Hill, PA 17011	Director	4/6/1994 - 12/6/1996
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	06/26/01 - Present
United Concordia Insurance Company 2198 E. Camelback Rd., Ste. 260 Phoenix, AZ 85016	Director	06/30/10 – Present
United Concordia Life and Health Insurance Company 4401 Deer Path Road Harrisburg, PA 17110	Director	6/30/10 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see attachment

Pennsylvania Blue Shield (predecessor corporation to Highmark Inc.) has entered into three Consent Orders with the Pennsylvania Insurance Department dated January 25, 1993; March 30, 1993 and January 25, 1995, regarding allegations of issuance of contract forms that had not yet been approved by that Department. Civil penalties of $1,000, $5,000 and $15,000 were paid at the time in settlement of the allegations. Each of the three Consent Orders included a cease and desist prohibiting use of unapproved contract forms.

United Concordia Companies, Inc.: In September 2002, United Concordia Companies, Inc. was notified by the Nevada Department of Business and Industry that the Company had not filed an annual report required under Nevada law in connection with its third party administrator activities in that state. The company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

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United Concordia Companies, Inc.: In December 2003, United Concordia Companies, Inc. was notified by the Florida Department of State that the Company had not secured a certificate of authority to transact business in the state. The Company was registered with and in compliance with all tax obligations imposed by the Florida Department of Revenue in connection with its business activities, but had not secured a corresponding business license from the Department of State. The Company submitted an application to transact business and remitted a civil penalty in the amount of $5,000. The Company's application was approved effective January 28, 2004.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Thomas Robert Donahue

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Chief Financial Officer, Federated Investors, Inc.; Chief Executive Officer, Federated Investors Management Company

4. Affiant's business address. 1001 LibertyAvenue, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Boston University	Boston, MA	09/78 to 05/81	B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
JJ Kellogg Grad School of Mgmt.	Northwestern	Evanson, IL	09/81 to 06/83	M.B.A.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Young Presidents Organization (YPO)	[redacted]	20120 Route 19 Suite 105-179 Cranberry Twp, PA 16066	412-874-9500
World Presidents Organization (WPO)	[redacted]	P.O. Box 453 Lyndora, PA 16045	(724) 355-4101

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 1993 to Present Employer's Name Federated Investors, Inc.

Address 1001 Liberty Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held CFO – Federated Investors, Inc.; CEO, Federated Investors Management Company

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 1987 to 1993 Employer's Name Comax Company / Maxfund Partners

Address 1001 Liberty Avenue, Suite 850 City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone _____ Offices/Positions Held President

Supervisor / Contact N/A – Family Owned; self-employed

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. _____

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License Municipal Securities Rulemaking Board (MSRB) Address 1900 Duke Street, Suite 600

City Alexandria State/Province VA Country USA Postal Code 22314

License Type Series 53 License # N/A Date Issued (MM/YY) MID 1980'S

Date Expired (MM/YY) N/A Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known) 703-797-6668 (Reference 27710)

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency? No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action? No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. N/A

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 8th day of June 2011 at Pittsburgh, PA. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Thomas R Donahue
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 8th day of June, 2011 By Thomas Robert Donahue, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Deanna L Marley, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires June 14, 2012
Member, Pennsylvania Association of Notaries

Deanna L Marley
Notary Public
DEANNA L MARLEY
Printed Notary Name
June 14, 2012
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). THOMAS ROBERT DONAHUE

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen N/A

5. Foreign Student ID# (if applicable) N/A

6. Date of Birth: (MM/DD/YY) 10/20/58 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1983-Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 8th day of June, 2011 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Thomas R Donahue
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 8th day of June, 2011 By Thomas Robert Donahue, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Deanna L. Marley, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires June 14, 2012
Member, Pennsylvania Association of Notaries

Deanna L Marley
Notary Public

DEANNA L MARLEY
Printed Notary Name

June 14 2012
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Thomas Robert Donahue, [redacted]

(Printed Full Name and Residence Address)

Thomas R Donahue
(Signature)

6/8/11
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 8th day of June 2011 By Thomas Robert Donahue, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Deanna L. Marley, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires June 14, 2012
Member, Pennsylvania Association of Notaries

Deanna L Marley
Notary Public

DEANNA L MARLEY
Printed Notary Name

June 14, 2012
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Don Parks Foster

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Attorney - Partner

4. Affiant's business address. 1835 Market Street, Philadelphia, PA 19103

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of North Carolina	Chapel Hill, NC	1969-1973	B.A. International Economics

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
The Dickinson School of Law	Carlisle, PA	1977	J.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
The Hague Academy of International Law	The Hague, Netherlands	1976	
McGeorge School of Law	Salzburg, Austria	1979	

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Please see Attachment			

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 06/03 - Present Employer's Name Klehr Harrison Harvey Branzburg LLP

Address 1835 Market Street City Philadelphia State/Province PA

Country USA Postal Code 19103 Phone 215-569-4646 Offices/Positions Held Attorney/Partner

Supervisor / Contact Contact Human Resources Department [redacted]

Beginning/Ending
Dates (MM/YY)06/00 - 06/03 Employer's Name Pepper Hamilton, LLP

Address 3000 Two Logan Square, 18th & Arch Streets City Philadelphia State/Province PA

Country USA Postal Code 19103 Phone 215-981-4405 Offices/Positions Held Partner

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)1994 - 06/00 Employer's Name Mesirov, Gelman, Jaffe, Cramer & Jamieson

Address 1735 Market Street City Philadelphia State/Province PA

Country USA Postal Code 19103 Phone 215-994-1059 Offices/Positions Held Partner

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)1981 - 1994 Employer's Name Rubin, Quinn, Patterson & Moss

Address 1650 Market Street City Philadelphia State/Province PA

Country USA Postal Code Phone Offices/Positions Held Shareholder

Supervisor / Contact Contact Human Resources Department

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License PA Board of Law Examiners Address 5070A Ritter Road, Ste. 300

City Mechanicsburg State/Province PA Country USA Postal Code 17055

License Type PA Attorney's License License # 25809 Date Issued (MM/YY) 10/77

Date Expired (MM/YY) N/A Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known 717-795-7270

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? Yes

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

I was involved in a multi-party dispute with members of a dissolved law firm (Rubin, Quinn) over the proper allocation of legal fees. The matter was settled.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 10th day of November 2010 at Camp Hill, PA hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Don Foster
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 10th day of November, 2010 By

Don Parks Foster, and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Don Parks Foster

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 09/08/51 Place of Birth: City Paris
State/Province _____ Country France

7 Name of Affiant's Spouse (if applicable) None

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1999 – Present	[redacted]		PA	USA	[redacted]
1993 – 1999	707 S. American Street	Philadelphia	PA	USA	

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 10th day of November, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Don Foster
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 10th day of November, 2010 By Don Parks Foster, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
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Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Don Parks Foster, [redacted]
(Printed Full Name and Residence Address)

Don Foster
(Signature)

11/10/10
(Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 10th day of Nov 2010 By Don Parks Foster, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Don Parks Foster
Attachment to
Biographical Affidavit

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Assoc.
American Bar Assoc.		321 N. Clark St., Chicago, IL 60610	312-988-5000
PA Bar Assoc.		100 South Street, PO Box 186, Harrisburg, PA 17108	717-238-6715
Phila. Bar Assoc.		1101 Market St., 11th Fl., Phila., PA 19107	215-238-6300

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Corporation	Position Held	Dates
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	12/96 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company) Highmark Inc.

NAIC No.54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Rufus Ayers Fulton, Jr.

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Retired (Banker prior to retirement)

4. Affiant's business address. Retired – Not applicable

   Business telephone. Retired – Not applicable

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Franklin & Marshall College	Lancaster, PA	09/1963-07/1966	B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
None				

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No.54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 08/1966 - 12/05 *Retired 12/05 Employer's Name Fulton Financial Corp.

Address One Penn Square City Lancaster State/Province PA

Country USA Postal Code 17604 Phone 717-291-2700 Offices/Positions Held Chairman/CEO

Supervisor / Contact Contact Human Resources Department

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details.None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA

FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 6th day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Rufus Ayers Fulton Jr
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 6th day of October, 2010 By

Rufus Ayers Fulton, Jr., and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No.54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Rufus Ayers Fulton, Jr.

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
____ - ____		
____ - ____		
____ - ____		
____ - ____		
____ - ____		
____ - ____		
____ - ____		
____ - ____		
____ - ____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 10/02/40 Place of Birth: City Dallas
State/Province Texas Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
09/69 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 6th day of October, 2010 at Camp Hill Pa I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Rufus Ayers Fulton Jr.
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 6th day of October, 2010 By Rufus Ayers Fulton, Jr., and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Rufus Ayers Fulton, Jr., [redacted]
(Printed Full Name and Residence Address)

Rufus Ayers Fulton Jr. 10/6/10
(Signature) (Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 6th day of Oct. 2010 By Rufus Ayers Fulton, Jr., and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP. DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Rufus Ayers Fulton, Jr.
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

   In addition to the preceding information, I presently serve, or have served, in the capacities noted opposite each corporation below:

Company	Title	Dates Held
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	4/27/05 – Present
Fulton Financial Corporation One Penn Square Lancaster, PA 17604	Director	1984 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
Aerospace Corporation P.O. Box 92957 Los Angeles, CA 90099	Director	2006 – Present
Burnham Corporation P.O. Box 3245 Lancaster, PA 17604	Director	2000 – Present
High Real Estate Group P.O. Box 10008 Lancaster, PA 17605	Director	2007 – Present
Lebanon Seaboard Corporation 1600 East Cumberland Street Lebanon, PA 17042	Director	2008 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

    On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). William Michael George

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Retired – President Labor Official

4. Affiant's business address. Retired – None

   Business telephone. Retired – None

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Penn State University	Monaca, PA	1968 – 1970	None

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
None				

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Pennsylvania AFL-CIO		319 Market Street, 3rd. Flr., Harrisburg, PA 17101	717-238-9351
USWA-SOAR		Five Gateway Center, Pittsburgh, PA 15222	412-562-2400
PA Health Care Cost Containment Council		225 Market Street, Ste. 400 Harrisburg, PA 17101	717-232-6787

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 1990 - 6/1/10 Employer's Name Pennsylvania AFL-CIO

Address 319 Market Street City Harrisburg State/Province PA

Country USA Postal Code 17101 Phone 717-231-2840 Offices/Positions Held President; Eff. 6/1/10 – President Emeritus

Supervisor / Contact Contact Human Resources

Beginning/Ending
Dates (MM/YY) 1983 - 1990 Employer's Name USWA

Address Five Gateway Center City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-562-2400 Offices/Positions Held Leg. Director

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name_____

Address _____ City_____ State/Province _____

Country _____ Postal Code_____ Phone_____ Offices/Positions Held _____

Supervisor / Contact_____

See Attachment for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details.None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21ST day of October 2010 at Camp Hill PA hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

William M George
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of October, 2010 By William Michael George, and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). William Michael George

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 08/15/41 Place of Birth: City Aliquippa
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
2009 – Present	[redacted]		PA	USA	[redacted]
1983 - 2009	2603 N. Rosegarden Boulevard	Mechanicsburg	PA	USA	17055

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21ST day of October, 2010 at Camphill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

William M George
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of October, 2010 By William Michael George, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

William Michael George, [redacted]
(Printed Full Name and Residence Address)

William M George
(Signature)

10/21/10
(Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct 2010 By William Michael George, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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William Michael George
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

In addition to the preceding information, I presently serve, or have served, in the capacities noted opposite each corporation below:

Company	Title	Dates Held
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	4/27/05 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	6/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Joseph Clinton Guyaux

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. President

4. Affiant's business address. One PNC Plaza, 249 Fifth Avenue, 30th Floor, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Brown University	Providence, RI	09/68 – 05/72	B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Pittsburgh		Pittsburgh, PA	1984	M.B.A.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Please see Attachment			

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 06/72 - Present Employer's Name PNC Financial Services Group, Inc. & Predecessors

Address Fifth & Wood Streets City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-762-2569 Offices/Positions Held Branch Manager/President

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Please see attachment for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City_____ State/Province _____ Country_____ Postal Code_____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY)_____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known)_____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

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h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? Yes – See attached

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

See Attached

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – please see attachment

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes - please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21 ST day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21 ST day of October, 2010 By Joseph Clinton Guyaux, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Joseph Clinton Guyaux

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 07/29/50 Place of Birth: City New Kensington
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
11/04 - Present	[redacted]		PA	USA	[redacted]
07/93 – 11/04	3143 Scenic Court	Allison Park	PA	USA	15101

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of _____

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Joseph Clinton Guyaux, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Joseph Clinton Guyaux, [redacted]
(Printed Full Name and Residence Address)

(Signature) 10/21/10 (Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct 2010 By Joseph Clinton Guyaux, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Attachment to Biographical Affidavit
Joseph Clinton Guyaux

6. List of memberships in professional societies and associations. See Below

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient.

In addition to the preceding information, I presently serve, or have served, in the capacities noted opposite each corporation below:

Company	Title	Dates Held
PNC Bank National Association	President Director	08/01/02-Present 08/01/02-Present
PNC Financial Services Group, Inc.	President	08/01/02-Present
PNC Foundation	Director	02/01/99-Present
Pittsburgh Cultural Trust	Board Member	03/21/07-Present
Carnegie Museum of Natural History	Board Member Chairman	12/01/01-Present 06/2008 – Present
Carnegie Museums of Pittsburgh	Life Trustee	09/01/06-Present
Civic Light Opera	Director President Chairman	01/30/03-Present 01/30/03-Present 01/30/07-Present
Duquesne University	Board Member	11/01/98-Present
Private Export Funding Corp.	Director	03/07/03-Present
DQE Holdings, LLC	Independent Manager	7/19/10 – Present
Duquesne Light Company	Director	7/19/10 – Present
Duquesne Light Holdings Inc.	Director	7/19/10 – Present
Duquesne Power, LLC	Independent Manager	7/19/10
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	04/28/04-Present
Highmark Senior Resources Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	02/1/05-Present
HM Health Insurance Co. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	7/27/06 – Present
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/10 – Present

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Attachment to Biographical Affidavit
Joseph Clinton Guyaux

Response to Question 11.h.:

Joseph Clinton Guyaux:
Case #03-cv-01069-Fedor v. PNC Financial Services, Inc. W.D.Pa-
E.R.I.S.A. – Employee Benefits (filed 7/15/2003)

This case involved allegations of breach of fiduciary duty in relation to the Employee Retirement Income Security Act of 1974 ("ERISA"). I was one of seven individual defendants named by virtue of my alleged status as a member of the pension committee for the ERISA-regulated 401(k) plan at issue in the lawsuit. The claims related to the alleged decision of the plan to purchase and hold stock of The PNC Financial Services Group, Inc.

Shortly after the case was filed, and before the time that I was required to file an answer, the plaintiff voluntarily chose to dismiss her case, without prejudice and without any compensation or remuneration to the plaintiff or her counsel. The plaintiff chose never to refile her case. A copy of the complaint and the November 3, 2003 Order approving a joint Stipulation of Dismissal are attached hereto.

Response to Questions 15.b. and 15.c.:

On July 18, 2002, The PNC Financial Services Group, Inc. ("PNC") announced that it had entered into a written agreement with the Federal Reserve Bank of Cleveland ("Federal Reserve") and that its principal subsidiary, PNC Bank, National Association ("PNC Bank")., had entered into a written agreement with the Office of the Comptroller of the Currency ("OCC"). These agreements addressed such issues as risk, management and financial controls.

On September 15, 2003, the Federal Reserve lifted its formal written agreement with PNC. September 29, 2003, the OCC lifted its formal written agreement with PNC Bank. These actions brought these agreements to a conclusion.

Also on July 18, 2002, the Securities and Exchange Commission ("SEC"), with PNC's consent, entered an Order Instituting Public Administrative Proceedings Pursuant to Section 8A of the Securities Act of 1933 and 21C of the Securities Exchange Act of 1934, Making Findings and Imposing Cease-and-Desist Order ("Commission Order") in connection with three 2001 transactions that gave rise to a financial restatement announced by PNC on January 29, 2002. In consenting to the entry of the Commission Order and the SEC's jurisdiction, PNC did not admit or deny the SEC's findings.

On June 2, 2003, PNC ICLC Corp. ("PNCICLC"), an indirect non-bank subsidiary of PNC, entered into a Deferred Prosecution Agreement (the "Deferred Prosecution Agreement") with the United States Department of Justice, Criminal Division, Fraud Section (the "Department of Justice"). Pursuant to the terms of the Deferred Prosecution Agreement, the United States filed a criminal complaint in the United States District Court for the Western District of Pennsylvania (the "District Court") charging PNCICLC with conspiracy to commit securities fraud, in violation of Title 18, United States Code, Section 371. The Deferred Prosecution Agreement related to three 2001 transactions (the "PAGIC transactions") that gave rise to a financial statement restatement announced by PNC on January 29, 2002 and that were the subject of the Commission Order in July 2002.

The Department of Justice recommended to the District Court that the prosecution of PNCICLC be deferred for a period of twelve months in light of PNCICLC's exceptional remedial actions and its willingness to acknowledge responsibility for its behavior, continue its cooperation with the Department of Justice and other governmental regulatory agencies, demonstrate its future good faith conduct and full compliance with the securities laws and generally accepted accounting principles and consent to the establishment of a $90 million restitution fund and the

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assessment of a $25 million monetary penalty. The Department of Justice further agreed that if PNCICLC was in full compliance with all of its obligations under the Deferred Prosecution Agreement, the Department of Justice would seek dismissal with prejudice of the complaint within 30 days of the twelve-month anniversary of the Deferred Prosecution Agreement and at such time the Deferred Prosecution Agreement would be terminated. PNCICLC timely paid the monetary penalty and established the restitution fund, which was made available to satisfy claims. On June 23, 2004, the District Court granted the Department of Justice's motion seeking dismissal with prejudice of the criminal complaint originally filed against PNCICLC in the District Court on June 2, 2003.

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

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Joseph Clinton Guyaux
Attachment to
Biographical Affidavit

Case#03-cv-01069-Fedor v. PNC Financial Services, Inc. W.D.Pa-
E.R.I.S.A. – Employee Benefits (filed 7/15/2003)

Attachments:
1. Stipulation of Dismissal
2. Complaint

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CASE CLOSED

39

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

ANNETTA M. FEDOR, on behalf of herself and all others similarly situated, Plaintiff, v. PNC FINANCIAL SERVICES GROUP, INC., JAMES E. ROHR, and ROBERT L. HAUNSCHILD, JAMES S. GEHLKE, THOMAS K. WHITFORD, JOSEPH GUYAUX, EUGENE LUPIA, and WILLIAM ROSNER, Defendants,	Civil Action No. 03-1069 **STIPULATIONS**

WHEREAS, the within action was commended by plaintiff as a class action on behalf of participants in the PNC Financial Services Group, Inc. Incentive Savings Plan for the period July 19, 2001 through and including July 18, 2002; and

WHEREAS, plaintiff herein has decided to withdraw the within action and seek its dismissal; and

WHEREAS, no notice of this action has been given to the putative class members and therefore they will not be prejudiced by its dismissal; and

WHEREAS, neither plaintiff nor her counsel has received any renumeration or any other consideration, equitable or otherwise, in the prosecution of, or in connection with, the dismissal of the within action.

IT IS THEREBY STIPULATED AND AGREED by and among the undersigned, that:

1. The within action is hereby dismissed, without prejudice and without costs.

2. No notice of any kind need be given to any members of the putative class herein of the filing or dismissal of this action.

3. Plaintiff and defendants each acknowledge that the commencement of this action and the defense thereof were pursued in good faith and neither side shall seek from the Court sanctions under Fed. R. Civ. P. Rule 11.

Dated: September 23, 2003

LAW OFFICES OF
RICHARD K. WITCHKO

By: _____
Richard K. Witchko Pa Id 18129
7805 McKnight Road
Pittsburg, PA 15237
Tel.: (412) 367-2266
Fax: (412) 366-9984

WECHSLER HARWOOD LLP

By: _____
Robert I. Harwood
Samuel K. Rosen
488 Madison Avenue 8th Floor
New York, NY 1002
Tel.: (212) 935-7400
Fax: (212) 753-3630

Attorneys for Plaintiff

HOGAN & HARTSON L.L.P.

By: _____
Evan Miller
555 13th Street, N.W.
Washington, D.C. 20004
Tel.: (202) 637-5600
Fax: (202) 637-5910

Attorneys for Defendants James S. Gehlke, Thomas K. Witford, Joseph Guyaux, Eugene Lupia, and William Rosner

BALLARD, SPAHR ANDREW & INGERSOLL, L.L.P.

By: _____
Allan J. Davis
1735 Mark Street
Philadelphia, PA 19103
Tel.: (215) 665-8500
Fax: (215) 864-8999

Attorneys for Defendants PNC Financial Services Group, Inc. and James E. Rohr

GIBSON, DUNN & CRUTCHER

By: Paul Blankenstein

Paul Blankenstein
1050 Connecticut Avenue, N.W.
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Tel.: (202) 955-8500
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Attorneys for Defendant Robert Haunschild

REED SMITH LLP

By: W. Thomas McGough, Jr.

W. Thomas McGough, Jr.
435 Sixth Avenue
Pittsburg, Pennsylvania 15219
Tel.: (412) 288-3131
Fax: (412-288-3063

Attorneys for Defendants, other than Robert Haunschild

Dated: 11/03/03

It is approved and ordered.

D S Cercone

U. S. District Judge

JS 44
(REV. 3/99)

CIVIL COVER SHEET

03 1069

1539

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

ANNETTA M. FEDOR, on behalf of herself and all others similarly situated,

DEFENDANTS

PNC FINANCIAL SERVICES GROUP, INC., JAMES E. ROHR, ROBERT L. HAUNSCHILD, JAMES S. GEHLKE, THOMAS K. WHITFORD, JOSEPH GUYAUX, EUGENE LUPIA, AND WILLIAM ROSNER.

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF (EXCEPT IN U.S. PLAINTIFF CASES) — Allegheny

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT (IN U.S. PLAINTIFF CASES ONLY) — Allegheny

NOTE: IN LAND COLLECTION CASES, USE THE LCOATION OF THE TRACT OF LAND INOLVED

(c) ATTORNEYS (FIRM NAME, ADDRESS, and TELEPHONE NUMBER)

Richard K. Witchko, Esquire
7805 McKnight Road
Pittsburgh, PA 15237-3521
Phone: (412) 367-2266

ATTORNEYS (IF KNOWN)

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY)

- ☐ U.S. Government Plaintiff
- ☒ Federal Question (U.S. Government Not a Party)
- ☐ U.S. Government Defendant
- ☐ Diversity (Indicate Citizenship of Parites in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

	PTF	DEF		PTF	DEF
Citizen of This State	☐1	☐1	Incorporated or Principal Place Of Business In This State	☐4	☐4
Citizen of Another State	☐2	☐2	Incorporated *and* Principal Place Of Business In This State	☐5	☐5
Citizen or Subject of a Foreign County	☐3	☐3	Foreign Nation	☐6	☐6

IV. NATURE OF SUIT *(PLACE AN "X" IN ONE BOX ONLY)*

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
☐ 110 Insurance ☐ 120 Marine ☐ 130 Miller Act ☐ 140 Negotiable Instrument ☐ 150 Recovery of Overpayment & Enforcement of Judgment ☐ 151 Medicare Act ☐ 152 Recovery of Defaulted Student Loans (Excl. Veterans) ☐ 153 Recovery of Overpayment of Veteran's Benefits ☐ 160 Stockholders' Suits ☐ 190 Other Contract ☐ 195 Contract Product Liability	PERSONAL INJURY ☐ 310 Airplane ☐ 315 Airplane Product Liability ☐ 320 Assault, Libel & Slander ☐ 330 Federal Employers' Liability ☐ 340 Marine ☐ 345 Marine Product Liability ☐ 350 Motor Vehicle ☐ 355 Motor Vehicle Product Liability ☐ 360 Other Personal Injury	PERSONAL INJURY ☐ 362 Personal Injury—Med. Malpractice ☐ 365 Personal Injury — Product Liability ☐ 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY ☐ 370 Other Fraud ☐ 371 Truth in Lending ☐ 380 Other Personal Property Damage ☐ 385 Property Damage Product Liability	☐ 610 Agriculture ☐ 410 Antitrust ☐ 625 Drug Related Seizure of Property 21 USC 881 ☐ 630 Liquor Laws ☐ 640 R.R. & Truck ☐ 650 Airline Regs. ☐ 660 Occupational Safety/Health ☐ 690 Other LABOR ☐ 710 Fair Labor Standards Act ☐ 720 Labor/Mgmt. Relations ☐ 730 Labor/Mgmt.Reporting & Disclosure Act ☐ 740 Railway Labor Act ☐ 790 Other Labor Litigation ☒ 791 Empl. Ret. Inc. Security Act	☐ 422 Appeal 28 USC 158 ☐ 423 Withdrawal 28 USC 157 PROPERTY RIGHTS ☐ 820 Copyrights ☐ 830 Patent ☐ 830 Patent SOCIAL SECURITY ☐ 861 HIA (1395ff) ☐ 862 Black Lung (923) ☐ 863 DIWC/DIWW (405(g)) ☐ G 864 SSID Title XVI ☐ 865 RSI (405(g)) FEDERAL TAX SUITS ☐ 870 Taxes (U.S. Plaintiff or Defendant) ☐ 871 IRS—Third Party 26 USC 7609	☐ 400 State Reapportionment ☐ 410 Antitrust ☐ 430 Banks and Banking ☐ 450 Commerce/ICC Rates/etc. ☐ 460 Deportation ☐ 470 Racketeer Influenced and Corrupt Organizations ☐ 810 Selective Service ☐ 850 Securities/Commodities/ Exchange ☐ 875 Customer Challenge 12 USC 3410 ☐ 710 Fair Labor Standards G 861 HIA (1395ff) ☐ 892 Economic Stabilization Act ☐ 893 Environmental Matters ☐ 894 Energy Allocation Act ☐ 895 Freedom of Information Act ☐ 900 Appeal of Fee Determination Under Equal Access to Justice ☐ 950 Constitutionality of State Statutes ☐ 890 Other Statutory Actions

REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS
☐ 210 Land Condemnation ☐ 220 Foreclosure ☐ 230 Rent Lease & Ejectment ☐ 240 Torts to Land ☐ 245 Tort Product Liability ☐ 290 All Other Real Property	☐ 441 Voting ☐ 442 Employment ☐ 443 Housing/ Accommodations ☐ 444 Welfare ☐ 440 Other Civil Rights	☐ 510 Motions to Vacate Sentence HABEAS CORPUS: ☐ 530 General ☐ 535 Death Penalty ☐ 540 Mandamus & Othe ☐ 550 Civil Rightsr ☐ 555 Prison Condition

V. ORIGIN *(PLACE AN "X" IN ONE BOX ONLY)*

☒ 1 Original Proceeding	☐ 2 Removed from State Court	☐ 3 Remanded from Appellate Court	☐ 4 Reinstated or Reopened	☐ 5 Transferred from another district (specify)	☐ 6 Multidistrict Litigation	☐ 7 Appeal to District Judge from Magistrate Judgement

VI. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

The claims asserted herein arise under and pursuant to ERISA § 502, 29 U.S.C. § 1132.

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION ☒ UNDER F.R.C.P. 23 — DEMAND $ — CHECK YES only if demanded in complaint: JURY DEMAND: ☒ YES ☐ NO

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE DAVID STEWART CERCONE DOCKET NUMBERS 02-cv-271

DATE July 15, 2003

SIGNATURE OF ATTORNEY OF RECORD Richard K. Witchko — RICHARD K. WITCHKO, ESQUIRE (Pa. Id. No. 18129)

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

FEE PAID
RCPT # 5000
SUMMS ISS
1539

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

ANNETTA M. FEDOR, on behalf of herself and all others similarly situated, Plaintiff, v. PNC FINANCIAL SERVICES GROUP, INC., JAMES E. ROHR, and ROBERT L. HAUNSCHILD, JAMES S. GEHLKE, THOMAS K. WHITFORD, JOSEPH GUYAUX, EUGENE LUPIA, and WILLIAM ROSNER, Defendants.	Civil Action No: 03 1069 **CLASS ACTION** JURY TRIAL DEMANDED

1

COMPLAINT FOR VIOLATION OF ERISA

Plaintiff Annetta M. Fedor, on behalf of herself and all other persons similarly situated (the "Participants"), and on behalf of the PNC Financial Services Group, Inc. Incentive Savings Plan (the "Plan"), by her attorneys, alleges the following for her Complaint:

NATURE OF THE ACTION

1. Plaintiff, who is a Participant in the Plan, brings this action for Plan-wide relief on behalf of the Plan, and on behalf of a class (the "Class") of all Participants in the Plan for whose individual accounts the Plans purchased and/or held shares of PNC Financial Services Group, Inc. ("PNC" or the "Company") from July 19, 2001 through and including July 18, 2002 (the "Class Period"). Excluded from the Class are Defendants herein, directors of PNC, its subsidiaries, or members of their immediate families, and the heirs, successors or assigns of any of the foregoing.

Defendants are the named fiduciary of the Plan and others who are deemed "fiduciaries" under the broad definition of fiduciary under section 3(21)(A) of the Employee Retirement Income Security Act of 1974 ("ERISA"), 29 U.S.C. § 1002(21)(A). Plaintiff brings this action on behalf of the Plan and the Class pursuant to ERISA § 502(a)(2) and (3), 29 U.S.C. § 1132(a)(2)and (3).

2. As more fully set forth below, Defendants breached their fiduciary duties to the Plan and the Participants, including those fiduciary duties set forth in ERISA § 404, 29 U.S.C. § 1104, and Department of Labor Regulations, 29 C.F.R. 2550. Defendants breached their fiduciary duties to the Plan and the Participants in two principal ways: (a) negligently misrepresenting and negligently failing to disclose material facts to the Plan and the Participants in connection with the management of the Plan's assets and (b) negligently permitting the Plan to purchase and hold PNC shares when it was imprudent to do so. As a result of these wrongful acts, pursuant to ERISA § 409(a), 29 U.S.C. § 1109(a), Defendants are personally liable to make good to the Plan the losses resulting from each such breach of fiduciary duty. Plaintiff also seeks equitable relief.

3. Plaintiff alleges two separate, independent claims:

(a) As and for Claim I, Plaintiff alleges that Defendants breached their fiduciary duties by negligently misrepresenting and negligently failing to disclose material information necessary for Participants to make informed decisions concerning Plan assets and benefits and the appropriateness of PNC stock as a Plan investment, including, but not limited to, the facts that: (i) PNC concealed losses to overstate PNC's earnings by $155 million , thereby maintaining PNC's stock price; and (ii) PNC failed to comply with Generally Accepted Accounting Principles ("GAAP") despite the representations that it did so.

(b) As and for Claim II, Plaintiff alleges that the Defendants breached their fiduciary duties by permitting the Plan to invest Plan assets in PNC stock while that was known not to be a prudent investment. The purpose of the Plan was to provide for employee retirement income security. This investment in PNC stock was imprudent because, among other reasons, PNC had overstated its earnings by $155 million by concealing material losses.

4. In August 2002, the Department of Labor began a formal investigation of the Administrative Committee (the "Committee") of the Plan in connection with the Committee's conduct relating to the Company's common stock held by the Plan and the Company's restatement of earnings for 2001.

JURISDICTION AND VENUE

5. Plaintiff's claims arise under and pursuant to ERISA § 502, 29 U.S.C. § 1132.

6. This Court has jurisdiction over this action pursuant to ERISA § 502(e)(1), 29 U.S.C. § 1132(e)(1).

7. Venue is proper in this District pursuant to ERISA § 502(e)(2), 29 U.S.C. § 1132(e)(2), because this is the district where the Plan is administered, where the breaches took place and where one or more Defendants reside or may be found.

PARTIES

8. Plaintiff Annetta M. Fedor is a resident of the State of Pennsylvania and is and was at all relevant times a Participant in the Plan.

9. Defendant PNC is incorporated in the Commonwealth of Pennsylvania and maintains its corporate headquarters at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania. PNC is a bank holding company and a financial holding company. According to its public filings,

PNC is one of the largest diversified financial services companies in the United States, operating businesses engaged in regional community banking; wholesale banking, including corporate banking, real estate finance and asset-based lending; wealth management; asset management and global fund processing services. The Company and its subsidiaries provide certain products and services nationally and others in PNC's primary geographic markets in Pennsylvania, New Jersey, Delaware, Ohio and Kentucky. The corporate legal structure currently consists of two subsidiary banks, with their subsidiaries, and over 70 active nonbank subsidiaries.

10. Defendant James E. Rohr ("Rohr") was the Chairman, President and Chief Executive Officer of PNC during the Class Period.

11. Defendant Robert L. Haunschild ("Haunschild") was the Senior Vice President and Chief Financial Officer of PNC during the Class Period.

12. Defendants Rohr and Haunschild are collectively referred to herein as the "PNC Defendants."

13. Defendant James S. Gehlke ("Gehlke") is designated as the Administrator of the Plan. Because of his duty to elicit from PNC information necessary for the proper administration of the Plan sufficient to permit participants to make proper decisions with respect to investment options, Gehlke knew or should have known (1) that PNC had negligently made materially false or misleading public statements and negligently failed to disclose material information as alleged below and (2) that purchase of PNC stock was an imprudent investment as alleged below.

14. Defendants Haunschild, Thomas K. Whitford, Joseph Guyaux, Eugene Lupia, and William Rosner comprise the Plan's Pension Committee and are collectively referred to herein as the "Members of the Plans's Pension Committee." Because of their duty to elicit from PNC

information necessary for the proper administration of the Plan sufficient to permit participants to make proper decisions with respect to investment options, they knew or should have known (1) that PNC had negligently made materially false or misleading public statements and negligently failed to disclose material information as alleged below and (2) that purchase of PNC stock was an imprudent investment as alleged below.

CLASS ACTION ALLEGATIONS

15. Plaintiff brings this action as a class action pursuant to Rules 23(a) and (b)(1) and (3) of the Federal Rules of Civil Procedure on behalf of a class consisting of all Participants in the Plan for whose individual accounts the Plan purchased and/or held shares of PNC stock during the Class Period). Excluded from the Class are Defendants herein, directors of PNC, members of their immediate families, and the heirs, successors or assigns of any of the foregoing.

16. The members of the Class are so numerous that joinder of all members is impracticable. While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes there are, at a minimum, thousands of members of the Class employed at PNC at its numerous subsidiaries and their subsidiaries during the Class Period, and a substantial number of these employees were Participants in the Plan for whose account the Plan held PNC securities.

17. Common questions of law and fact exist as to all members of the Class and predominate over any questions affecting solely individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether Defendants were fiduciaries of the Plan and/or the Participants;

(b) whether Defendants breached their fiduciary duties;

(c) whether the Plan and the Participants were injured by such breaches; and

(d) whether the Class is entitled to damages and injunctive relief.

18. Plaintiff's claims are typical of the claims of the members of the Class, as plaintiff and members of the Class sustained injury arising out of Defendants' wrongful conduct in breaching their fiduciary duties and violating ERISA as complained of herein.

19. Plaintiff will fairly and adequately protect the interests of the members of the Class. Plaintiff has retained competent counsel. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

20. Prosecution of separate actions by members of the Class would create a risk of inconsistent adjudications with respect to individual members of the class that would establish incompatible standards of conduct for Defendants, or adjudications with respect to individual members of the class would, as a practical matter, be dispositive of the interests of the other members not parties to the adjudications or substantially impair or impede their ability to protect their interests.

21. A class action is superior to other available methods for the fair and efficient adjudication of the controversy since joinder of all members of the Class is impracticable. Furthermore, because the injury suffered by the individual Class members may be relatively small, the expense and burden of individual litigation makes it impracticable for the Class members individually to redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

DESCRIPTION OF THE PLAN

22. The Plan is an employee benefit plan within the meaning of ERISA §§ 3(3) and 3(2)(A), 29 U.S.C. §§ 1002(3) and 1002(2)(A).

23. The Plan is "defined contribution" or "individual account" Plan within the meaning of ERISA § 3(34), 29 U.S.C. § 1002(34), in that the Plan provides for individual accounts for each Participant and for benefits based solely upon the amount contributed to the Participant's account, and any income, expenses, gains and losses, and any forfeitures of accounts of other Participants which may be allocated to such Participant's accounts. Consequently, retirement benefits provided by the Plan are based solely on the amounts allocated to each individual's account.

24. The Plan is "401(k)" voluntary contribution Plan whereby Participants direct the Plan to purchase investments from among the investment options available in the Plan and allocate them to Participants' individual accounts.

25. The Plan provides several options for investment of Participant contributions including PNC securities.

26. PNC is the Sponsor of the Plan within the meaning of ERISA § 3(16)(B), 29 U.S.C. § 1002(16)(B).

DEFENDANTS WERE FIDUCIARIES OF THE PLAN

27. Defendant Gehlke and the Members of the Plan's Pension Committee are Administrators of the Plan within the meaning of ERISA § 3(16)(A), 29 U.S.C. § 1002(16)(A). Defendant Gehlke was so designated on the Plan's Form 5500 as filed with the United States Department of Labor ("DOL") and Form 11-K filed with the SEC. Collectively, they are the "Named Fiduciaries" under ERISA § 402(a)(1), 29 U.S.C. § 1102(a)(1). Moreover, to the extent

they were delegated responsibilities under the Plan or a procedure specified in the Plan, they acted as named fiduciaries under ERISA § 402(a)(2), 29 U.S.C. § 1102(a)(2).

28. Defendants Gehlke and the Members of the Plan's Pension Committee were fiduciaries because they exercised discretionary authority to establish investment options under the Plan. In particular, they had the duty to review Plan investment policies and alternatives and the selection and performance of those alternatives, and had the discretion to establish, change and terminate investment options under the Plan.

29. Defendants Gehlke and the Members of the Plan's Pension Committee were fiduciaries because they had the duty to investigate fully the investment options under the Plan, and to elicit from PNC information necessary for the proper administration of the Plan sufficient to permit Participants to make proper investment decisions with respect to the investment options.

30. Defendants Gehlke and the Members of the Plan's Pension Committee were fiduciaries because they disseminated to Participants Summary Plan Descriptions (individually andcollectively, "SPD"). Fiduciaries of the Plan are required under ERISA to furnish certain information to Participants. For example, ERISA § 101, 29 U.S.C. § 1021, requires the Plan's Administrator to furnish to Participants the SPD. ERISA § 102, 29 U.S.C.§ 1022, provides that the SPD must apprise Participants of their rights and obligations under the Plan. The SPD and all information contained or incorporated therein constitutes representations in a fiduciary capacity upon which Participants are entitled to rely in determining the identity and responsibilities of fiduciaries under the Plan and in making decisions concerning their benefits and investment and management of the Plan's assets allocated to their accounts.

31. Defendants Gehlke and the Members of the Plan's Pension Committee were fiduciaries because they disseminated to Participants prospectuses for the Plan (individually and collectively, "Prospectus") which purported to describe the investment characteristics of Plan investment options. The Prospectus and all information contained or incorporated therein constitute a representation in a fiduciary capacity upon which Participants are entitled to rely in making decisions concerning their benefits and investment and management of Plan assets allocated to their accounts.

32. As more fully alleged below, the PNC Defendants were de facto fiduciaries of the Plan as a result of their discretionary authority or control over the Plan under the very broad definition of "fiduciary" set forth in ERISA at § 3(21)(A), 29 U.S.C. § 1002(21)(A). A person or entity is a fiduciary even if the Plan does not name him as such or by its terms assign fiduciary duties to him where, by his conduct, he engages in fiduciary activities. Those who have discretion over management of the Plan or the Plan's assets are fiduciaries regardless of the labels or duties assigned to them by the language of the Plan. Moreover, in order to fulfill the express remedial purpose of ERISA, the definition of "fiduciary" is to be construed broadly.

DEFENDANTS' BREACHED THEIR FIDUCIARY DUTIES

33. Pursuant to ERISA § 404, fiduciaries have a duty to discharge their duties with respect to the Plan prudently and solely in the interests of Participants and Beneficiaries and for the exclusive purpose of providing benefits to Participants and their Beneficiaries. A fiduciary's duties of loyalty and prudence also entail a duty to conduct an independent investigation into, and to continually monitor, the merits of the investment alternatives in the Plan, including employer

securities, to ensure that each investment is a suitable and proper option for the Plan. The selection, monitoring and continuation of the investment alternatives under the Plan was subject to the above-described fiduciary duties.

34. Pursuant to ERISA § 404(a), 29 U.S.C. § 1104(a), the Plan's fiduciaries had a duty to discharge their duties with respect to the Plan with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and of like aims, and to diversify investments in the Plan so as to minimize the risk of large losses.

35. Pursuant to ERISA § 409(a), 29 U.S.C. § 110(a), any fiduciary who breaches any of the responsibilities, obligations or duties imposed by ERISA § 404 shall be personally liable to make good to the Plan any losses to the Plan resulting from each breach and shall be subject to such other equitable and remedial relief as the court may deem appropriate.

36. Companies typically provide two types of pension Plan: (a) a "defined benefit" plan, where the amount of an employee's retirement benefit is a direct obligation of the company which is a set amount (typically based on salary while employed and number of years of employment); and (b) a "defined contribution" plan, such as a 401(k) plan, where the retirement benefit is based solely on the amount invested and the earnings made in an employee's plan account. Fiduciaries of defined benefit Plan, who invest or actively supervise the investment of plan assets, are liable under ERISA for imprudent investments made by the plan, and they are liable for and must make good to the plan any losses suffered by the plan and any loss of benefits suffered by beneficiaries as a result of imprudent investments. Fiduciaries of defined contribution Plan are similarly liable under ERISA § 404(a), 29 U.S.C. § 1104(a), for imprudent investments made by a

plan, even where the investment choice is selected by the Participant, unless the plan and the fiduciaries comply with the strict requirements of ERISA § 404(c), 29 U.S.C. § 1104(c). Where the plan and fiduciaries do not comply with section 404(c), then the fiduciaries' liability for imprudent investments is the same as the liability of a fiduciary of a traditional pension plan.

37. Fiduciaries can shift liability for imprudent investments to fiduciaries under Section 404(c) if, among other things, they meet four specific requirements:

(a) they disclose in advance the intent to shift liability to Participants;

(b) they ensure that Participants are not subject to undue influence;

(c) they provide an adequate description of the investment objectives and risk and return characteristics of each investment option; and

(d) they disclose to Participants all material information necessary for Participants to make investment decisions that they are not precluded from disclosing under other applicable law. In this regard, fiduciaries have a choice – they can disclose all material information to Participants, including information that they are not required to disclose under the securities laws, and shift liability to Participants, or they can comply with the more limited disclosure requirement under the securities laws but remain liable for imprudent investments. 29 C.F.R. § 2550.404c-1(b)(2)(i)(B)(i) and (ii) and (c)(2)(i) and (ii).

38. Defendants failed to shift liability to Participants for imprudent investment decisions under section 404(c) for three reasons as alleged in Claim I below; (i) they failed to disclose in a fiduciary capacity all material information that they were not precluded from disclosing under other applicable law and which was necessary for Participants to make informed investment decisions; (ii) they failed to provide an adequate description of the investment objectives and risk

and return characteristics of the Funds; and (iii) they failed to ensure that Participants were not subject to undue influence, and indeed themselves subjected Participants to undue influence.

CLAIM I

DEFENDANTS NEGLIGENTLY MISREPRESENTED AND NEGLIGENTLY FAILED TO DISCLOSE MATERIAL INFORMATION

39. The allegations of all of the paragraphs set forth above are specifically realleged and incorporated herein by reference.

40. Pursuant to ERISA § 404, 29 U.S.C. § 1104, Defendants have a duty to discharge their duties with respect to the Plan prudently and solely in the interests of Participants and Beneficiaries and for the exclusive purpose of providing benefits to Participants and their Beneficiaries. The duty of the fiduciary includes at least:

(a) a duty not to misinform;

(b) a duty to inform when the fiduciary knows or should know that silence might he harmful; and

(c) a duty to convey complete and accurate information material to the circumstances of Participants and beneficiaries.

Pre-Class Period Statements Regarding PNC's Corporate "Initiative"

41. In the months prior to the start of the Class Period, PNC consistently touted the success of its corporate "initiative," begun in September of 1998, of transforming the Company from a traditional bank into a diversified financial services institution. In order to execute this plan, PNC's strategy was to reduce its risk profile, by among other things, divesting high risk and non-performing assets.

42. On March 13, 2001, Defendant Rohr kicked off his presentation at the annual NYC bank conference known as the "BFAA" by highlighting PNC's franchise, overall strategy and long-term goals, which he indicated revolved around increasing fee based businesses and "reducing risk across the franchise." Overall, Rohr indicated that PNC has and will continue to reduce its dependence on lending revenues and the resultant exposure to risk. This widely-touted plan received immediate accolades from analysts covering the Company.

43. For example, on March 14, 2001, UBS Warburg analysts Michael A. Plodwick and Andrew A. Marquardt commented on PNC's "initiative," by stating:

> PNC did an excellent job presenting at the BFAA [Bank and Financial Analysts Association] symposium, in our view. PNC has transformed itself from a traditional bank into a diversified financial services institution. The Company is continuing to reduce its risk portfolio as it plans to eliminate its communications lending portfolio and reduce its energy, metal, and mining lending portfolio.
>
> ***
>
> The Company has already shown its commitment to lowering its risk profile with the sale of its mortgage company in 4Q00. In addition, the announcement of its exiting its communication lending portfolio and regionalizing its energy, metals and mining lending portfolio re-affirms this.

44. Summarizing the Company's comments at the BFAA symposium, on March 15, 2001, analyst Catherine Murray at J.P. Morgan wrote:

> We were impressed with the PNC story presented at the BFAA conference. **PNC continues to pare its balance sheet as it seeks to improve the risk-return profile of its business base. In general, PNC continues to divest higher risk and lower return assets and businesses and invest in higher growth businesses.** [Emphasis supplied].

45. On March 20, 2001, Janney Montgomery Scott analyst Claire M. Percarpio wrote:

> The company's focus on improving the risk profile should enable further gradual expansion in P/E and more consistent earnings than peers. We are raising our recommendation to BUY from Accumulate to underscore our belief that **PNC will continue to differentiate its performance relative to peers with better asset quality, better earnings quality and continued transition of the business mix to higher P/E businesses.** [Emphasis supplied].

46. As reflected in the Company's own comments and the analysts' interpretation of those comments, prior to the Class Period PNC appeared to be successfully pursuing its strategy of creating a more diverse and valuable business mix by divesting high-risk assets. However, unbeknownst to the investing public, by the Second Quarter of 2001, Defendants had begun implementing the secret transfer of non-performing assets to the first special purpose entity. These apparent "sales" of non-performing assets allowed the PNC Defendants to continue proclaiming success with respect to PNC's highly-publicized corporate initiative of divesting high risk assets. At the same time, PNC was conducting two separate billion dollar debt offerings.

Material Misrepresentations Made During The Class Period

- **PNC's July 19, 2001 Press Release, Analyst Reports, PNC's July 25th Prospectus Supplement and PNC's 2001 Second Quarter Form 10-Q**

47. On July 19, 2001, the first day of the Class Period, the PNC Defendants issued a press release announcing PNC's financial results for the second quarter and six months ended June 30, 2001. The press release included the following materially false and misleading statements:

> * In the section entitled "Second Quarter 2001 Highlights," the PNC Defendants claimed that "non-performing assets remained relatively stable, increasing $4 million during the quarter to $390 million at June 30, 2001."
>
> * In the section entitled "Asset Quality Review," the PNC Defendants announced that "the ratio of nonperforming assets to total loans, loans held for sale and foreclosed assets was .85% at June 30, 2001,

compared with .81 percent at March 31, 2001 and .67 percent at June 30, 2000." The PNC Defendants attributed the increase in the above-mentioned ratio to "the downsizing of the loan portfolio."

* In the section entitled "Second Quarter 2001 Balance Sheet Review," the PNC Defendants stated that "[t]he corporation has been pursuing a number of initiatives designed to improve the risk and return characteristics of its lending businesses. These include the sale of the residential mortgage banking and credit card businesses and the continued downsizing of the indirect automobile lending portfolio."

* Defendant Rohr was quoted in the release as saying that "we are pleased that asset quality remained ***relatively stable as a result of continued actions to downsize our institutional lending business.***" [Emphasis supplied].

48. On July 20, 2001, an analyst from Keefe, Bruyette and Woods stated the following which was based upon information provided directly by the PNC Defendants:

> "Asset quality remains a bright spot. Credit administration remains a strength at PNC, as management's efforts at reducing the bank's risk profile have paid off. Specifically, non-performing assets amounted to $390 million in the quarter, ***a very modest one percent increase when compared to the first quarter results. The nonperforming asset ratio came in at a very low 86 basis points of related assets***. Net charge-offs amounted to $45 million, a substantial decline when compared to the prior quarter figure of $80 million. On a go forward basis, ***PNC expects asset quality measures to remain generally stable***, with net charge-offs coming in at the higher end of the 35 to 45 basis points earlier guidance." [Emphasis supplied.]

49. On July 25, 2001, the PNC Defendants filed a Prospectus Supplement to a Prospectus dated October 22, 1999 (the "July 25th Prospectus Supplement") relating to the offer and sale by a subsidiary of PNC of $300 million of floating rate senior notes due August 1, 2003 and $700 million of 5.75% senior notes due August 1, 2006. The PNC Defendants stated that the proceeds from the offering would be used for, among other things: (i) advances to PNC and its subsidiaries to finance their activities; (ii) financing of possible future acquisitions; (iii) repayment of other outstanding indebtedness; (iv) and repurchases of issued and outstanding shares of common

and/or preferred stock under authorized programs of PNC. This statement was materially false and misleading as no disclosure was made that such financing of activities could include purchases of securities from special purpose entities.

50. On August 14, 2001, the PNC Defendants filed the Company's 2001 Second Quarter Form 10-Q with the SEC, which was signed by Defendant Haunschild, and which repeated the materially false and misleading financial results issued in the July 19th press release. In addition, as reflected in the following chart appearing in PNC's 2001 Second Quarter Form 10-Q, the PNC Defendants claim to have sold $110 million in non-performing assets from January 1 through June 30, 2002.

CHANGE IN NONPERFORMING ASSETS

In millions	2001	2000
January 1	$372	$325
Transferred from accrual	371	190
Returned to performing	(13)	(3)
Principal reductions	(96)	(73)
Sales	(110)	(11)
Charge-offs and other	(134)	(75)
June 30	$390	$353

51. As reflected in the following chart which also appeared in the 10-Q, among the "Securities Available For Sale," was a line entry for $439 million in "other debt," which was materially overstated.

DETAILS OF SECURITIES AVAILABLE FOR SALE

In millions	Amortized Cost	Fair Value
JUNE 30, 2001		
Debt Securities		
U.S. Treasury and government agencies	$ 1,467	$ 1,439
Mortgage-backed	7,643	7,601
Asset-backed	1,333	1,317
State and municipal	67	69
Other debt	439	439
Corporate stocks and other	401	393
Total Securities available for sale	$11,350	$11,258

52. The PNC Defendants also represented in the Second Quarter 2001 Form 10-Q that:

> The unaudited consolidated interim financial statements include the accounts of PNC and its subsidiaries, most of which are wholly owned. Such statements have been prepared in accordance with accounting principles generally accepted in the United States. All significant intercompany accounts and transactions have been eliminated. In the opinion of management, the financial statements reflect all adjustments of a normal recurring nature necessary for a fair statement of results for the interim periods presented.

53. The above-quoted statements appearing in the July 19th press release, the July 20th analyst report, the July 25th Prospectus Supplement and the 2001 Second Quarter 10-Q were materially false and misleading when made for the following reasons:

(a) With just three days remaining in the 2001 Second Quarter, Defendants had caused PNC to enter into transactions with a special purpose entity. PNC provided the overwhelming majority of the assets for this entity, a subsidiary of the Insurance Company served as the purported owner and managing member of the entity, in exchange for an annual management fee payable up front to the Insurance Company and a liquidation preference approximating its initial investment and E&Y structured the deal and consulted for both PNC and the Insurance Company. The purpose of the creation of this entity was to allow PNC to remove non-performing assets from its books. None of this material information was disclosed.

(b) The reported $390 million in non-performing assets was materially understated by 21% as Defendants all knew or recklessly disregarded that the reported figures failed to include approximately $84 million in non-performing assets which had been transferred to the first special purpose entity just three days before the end of the quarter.

(c) Even if the accounting for the transferred assets was performed in accordance with GAAP, which for the reasons set forth below it was not, it was materially misleading to report that non-performing assets had remained "relatively stable" during the quarter without disclosing the circumstances surrounding the "transfer of non-performing assets." In order to make the statements that were made not materially misleading, such disclosures should have included, at a bare minimum, the purpose of the transfer, the date of transfer, PNC's interest in the special purpose entity, the structure of the special purpose entity and the nature of the assets transferred.

(d) The reported ratio of nonperforming assets to total loans, loans held for sale and foreclosed assets of .85% was also understated by 21% as the reported figure failed to include the nonperforming assets still owned by PNC which were effectively "parked" in the special purpose entity. Once again, it was materially false and misleading to attribute the increase in the ratio to the "downsizing of the loan portfolio," without providing the additional disclosures set forth in the preceding subparagraphs;

(e) It was materially false and misleading to claim that PNC had sold $110 million of non-performing assets since January 1, 2001, without also disclosing the material facts set forth above and, in particular, that 76% of such "sales" ($84 million), were made to the first special purpose entity created by Defendants with three days left in the quarter. In fact, PNC effectively purchased its own non-performing assets as PNC contributed cash to the special purpose entity which was immediately utilized to purchase such assets from PNC;

(f) It was materially false and misleading to characterize $439 million as "other debt" in securities available for sale, without explaining that $366 million of this amount

related to PNC's investment in the first special purpose entity. In fact, among other things, because PNC had retained too substantial of an interest in the first special purpose entity, PNC's actual interest was in the assets themselves and not in the Preferred Stock issued to PNC by the first special purpose entity, as described below.

(g) It was materially false and misleading to continue touting the reportedly successful "corporate strategy" of reducing exposure to non-performing assets by referring to "continued" actions to downsize the loan portfolio, without disclosing that the strategy was now dependent upon sham transactions whereby Defendants transferred a material portion of non-performing assets just days before the end of the quarter to a special purpose entity, while still maintaining a significant interest and effective control of the assets in violation of GAAP; and

(h) PNC's financial results were not fairly presented, nor were they prepared in accordance with GAAP for the reasons set forth below at paragraphs 111 through 126.

54. It was also materially false and misleading to omit disclosure of the risks associated with utilizing special purpose entities, including the risk that losses would ultimately have to be recognized on transferred assets if the special purpose entity structure did not comply with GAAP.

- **PNC's September 18th Registration Statement**

55. On September 18, 2001, PNC filed with the SEC a shelf registration statement (the "September 18th Registration Statement"), signed by, among others, the PNC Defendants, that would allow the Company to offer and sell approximately $4 billion of common stock, preferred stock, warrants, guarantees, depositary shares and debt securities over time. The September 18th Registration Statement incorporated by reference, among other things, the 2001 Second Quarter

Form 10-Q, and was therefore, materially false and misleading for the same reasons set forth in the preceding paragraph.

- **October 18th Press Release, October 25th Prospectus Supplement and 2001 Third Quarter Form 10-Q**

56. On October 18, 2001, the PNC Defendants issued a press release announcing PNC's results for the third quarter of 2001 ended September 30, 2001. In that release, the PNC Defendants made numerous false and misleading statements including the following:

* The Company reported net earnings of $298 million or $1.02 per diluted share for the quater;

* The press release also included among its "Third Quarter 2001 Highlights" the fact that nonperforming assets declined to $374 million at September 30, 2001 compared with $390 million at June 30, 2001;

* In the section entitled "Asset Quality Review" the PNC Defendants reported that the ratio of nonperforming assets to total loans, loans held for sale and foreclosed assets was .85 percent at September 30, 2001 compared with .85 percent at June 30, 2001 and .68 percent at September 30, 2000; and

* The above-referenced ratio was reported to have remained "flat" compared with the prior quarter as the PNC Defendants stated that the benefit of a decrease in nonperforming loans was offset by a reduction in loans outstanding.

57. The PNC Defendants also repeated PNC's well-publicized corporate initiative in the October 18th press release:

> "The Corporation has been pursuing a number of initiatives designed to improve the risk and return characteristics of its lending businesses. These include the sale of the residential mortgage banking and credit card businesses and downsizing certain non-strategic lending businesses."

58. Defendant Rohr was also quoted in the October 18th press release as saying:

> [O]ur diverse mix of businesses, including solid performance from our Regional Community Bank, BlackRock and PFPC, drove earnings that were within the range of analysts' estimates while we added to loan loss reserves and ***reduced nonperforming assets.*** [Emphasis supplied.]

59. On October 23, 2001, the PNC Defendants filed with the SEC a Prospectus utilized in the offer and sale of approximately $1 billion worth of debt securities, on or about October 29, 2001 (the "October 23rd Prospectus Supplement"). Approximately $600 million of floating rate senior notes due in 2004 and $400 million of 5.75% senior notes due in 2006 were being sold pursuant to this offering.

60. The October 23rd Prospectus Supplement included a section titled "Recent Developments" in which the materially false and misleading statements regarding PNC's 2001 Third Quarter income, earnings per share, non-performing asset levels and related ratios set forth in the October 18th press release were repeated. This Prospectus also incorporated by reference, PNC's materially false and misleading Form 10-Q for the 2001 Second Quarter.

61. In the October 23rd Prospectus Supplement, the PNC Defendants stated that the proceeds from the offering would be used for, among other things: (i) advances to PNC and its subsidiaries to finance their activities; (ii) financing of possible future acquisitions; (iii) repayment of other outstanding indebtedness; (iv) and repurchases of issued and outstanding shares of common and/or preferred stock under authorized programs of PNC. This statement was materially false and misleading as no disclosure was made that such financing of activities could include purchases of securities from special purpose entities.

62. On November 14, 2001, The PNC Defendants filed PNC's 2001 Third Quarter Form 10-Q with the SEC for the quarter ended September 30, 2001. The Third Quarter 10-Q, which was signed by Defendant Haunschild, repeated PNC's materially false and misleading financial

results announced in the October 18th press release. The Third Quarter Form 10-Q contained the following additional false statements:

* Consolidated non-interest income for PNC was reported to have increased 13% to $789 million;

* Weighted Average Life of Securities Available for Sale was reported at five years and two months, as compared to four years and five months at December 31, 2000;

* The PNC Defendants also stated that PNC is currently evaluating strategies to mitigate the "impact of the revenue volatility of [the Equity Management] business," a business comprised of venture capital activities;

* Corporate Service Revenue was reported at $78 million for the 2001 Third Quarter.

63. As reflected in the following chart, in the 2001 Third Quarter 10-Q the PNC Defendants claimed to have sold $162 million in non-performing assets since January 1, 2001:

CHANGE IN NONPERFORMING ASSETS

In millions	2001	2000
January	$372	$325
Transferred from accrual	513	291
Returned to performing	(14)	(3)
Principal reductions	(143)	(125)
Sales	(162)	(31)
Charge-offs and other	(192)	(103)
September 30	$374	$354

64. As reflected in the following chart which also appears in the 2001 Third Quarter 10-Q, the PNC Defendants included an entry for $978 million in the "other debt" portion of Securities Available for sale:

DETAILS OF SECURITIES AVAILABLE FOR SALE

In millions	Amortized Cost	Fair Value
SEPTEMBER 30, 2001		
Debt Securities		
U.S. Treasury and government agencies	$ 1,053	$ 1,059
Mortgage-backed	6,509	6,561
Asset-backed	2,472	2,601
State and municipal	65	68
Other debt	978	983
Corporate stocks and other	533	517
Total Securities available for sale	$11,610	$11,689

65. The PNC Defendants also represented in the 2001 Third Quarter Form 10-Q that:

> The unaudited consolidated interim financial statements include the accounts of PNC and its subsidiaries, most of which are wholly owned. Such statements have been prepared in accordance with accounting principles generally accepted in the United States. All significant intercompany accounts and transactions have been eliminated. In the opinion of management, the financial statements reflect all adjustments of a normal recurring nature necessary for a fair statement of results for the interim periods presented.

66. The above-quoted statements appearing in the October 18th press release, the October 23rd Prospectus Supplement and the 2001 Third Quarter Form 10-Q were each materially false and misleading for the following reasons:

(a) Once again, just three days prior to the close of the 2001 Third Quarter, Defendants caused PNC to enter into another set of transfers to form a second special purpose entity. The structure was essentially the same as the first special purpose entity, with all of the same parties playing the same roles. In this regard, PNC provided the majority of the assets, including non-performing assets, a subsidiary of the same Insurance Company served as the purported owner and managing member of the second special purpose entity and E&Y structured the deal and consulted for both PNC and the Insurance Company. The purpose of this second special purpose entity was the same as the first -- to allow PNC to remove non-performing assets from its books. None of this material information was disclosed;

(b) Even if the accounting for the transferred assets was performed in accordance with GAAP, which for the reasons set forth below, it was not, it was materially misleading to refer to downsizing initiatives or to report that non-performing assets had remained "flat" during the quarter, without disclosing the circumstances surrounding the"transfers" to the first two special purpose entities. It was also materially false and misleading to refer to a "benefit" of a decrease in non-performing assets without disclosing that this "benefit" was achieved, in material part, by PNC "selling" non-performing assets to itself. In order to make the statements that were made not materially misleading, such disclosures should have included, at a bare minimum, the purpose of the transfers, the dates of the transfers, PNC's interest in the two special purpose entities, the structure of the special purpose entity and the nature of the assets transferred;

(c) The $374 million reported in non-performing assets was materially understated by approximately 29% as the reported figure failed to include $152 million in non-performing assets which had been transferred to the two special purpose entities;

(d) The reported ratio of nonperforming assets to total loans, loans held for sale and foreclosed assets of .85% was understated by 38.8% as the reported figure failed to include the non-performing assets still owned by PNC which were essentially "parked" in the two special purpose entities. The true ratio was 1.18%, an increase from the prior quarter and almost twice the ratio of the prior year;

(e) It was also misleading for Defendant Rohr to discuss "earnings that were within the range of analysts' estimates" and that such earnings had been achieved while PNC had "reduced nonperforming assets," without disclosing the material fact that such results were only achieved through the use of special purpose entity transactions;

(f) As Defendants knew or recklessly disregarded, the $298 million in reported net income and the corresponding $1.02 in earnings per share were each materially overstated by approximately 17% as the reported figures failed to include $51 million in losses resulting from non-performing assets which had been transferred to the two special purpose entities, losses which GAAP required to be included with PNC's results;

(g) Because, among other reasons, PNC had retained too substantial of an interest in the assets transferred to the two special purpose entities, PNC's actual interests were in the assets themselves and not in the preferred stock issued to PNC by these special purpose entities, as described below. As a result, Defendants knew or recklessly disregarded that the "other debt" portion of "Securities Available for Sale," originally reported at $978 million, was materially

overstated on PNC's September 30, 2001 balance sheet by approximately $638 million as the figure included PNC's ownership of preferred stock in the first two special purpose entities;

(h) In stark contrast with the originally reported 5 years and 2 months, as reflected in the restatement, Weighted Average Life of Securities Available for Sale was, in reality, 2 years and 11 months, an overstatement of 43.5%. In addition to constituting a material overstatement, this statement contributed heavily to the false impression that PNC was cleaning up its balance sheet by removing low quality assets, when in fact, asset quality was actually worsening as evidenced by the shortened life span of PNC's Securities Available for Sale;

(i) As with the prior quarter, Defendants had failed to disclose that the reportedly successful "corporate strategy" of reducing exposure to non-performing assets was entirely dependent upon sham transactions whereby Defendants transferred a material portion of non-performing assets just days before the end of the quarter to special purpose entities while still maintaining a significant interest and effective control of the assets in violation of GAAP;

(j) It was materially false and misleading to claim that PNC had sold $162 million of non-performing assets since January 1, 2001, without also disclosing that approximately 85% of such "sales" ($137 million) were made to the first two special purpose entities with only days remaining in the respective quarters. As set forth below, PNC was essentially "selling" its non-performing assets to entities it completely controlled, thereby selling assets to itself;

(k) Corporate Services Revenue, originally reported at $78 million, was, in reality, a loss of $3 million;

(l) PNC's consolidated non-interest income originally reported at $789 million, was overstated by 10%, as true non-interest income was $707 million for the quarter;

(m) It was materially false and misleading to discuss the fact that PNC was "currently evaluating" strategies to mitigate the impact of losses from venture capital activities, when in fact, PNC had already decided on a course of action whereby troubled investments would be transferred to the third special purpose entity on the very next day, November 15, 2001;

(n) PNC's financial results were not fairly presented, nor were they prepared in accordance with GAAP for the reasons set forth below; and

(o) Neither the Prospectus, nor the 2001 Third Quarter Form 10-Q made any mention whatsoever regarding the inquiries from the Reserve Bank into PNC's accounting for the first special purpose entity, despite the fact that the letter from the Reserve Bank was received just two days prior to the filing of the Prospectus and several weeks before the filing of the 2001 Third Quarter 10-Q.

67. The reported figures for the nine months ended September 30, 2001 relating to income, levels of non-performing assets, securities available for sale and related ratios were each materially false and misleading for these same reasons.

68. In addition to the material misstatements issued in connection with the October 18th Press Release, the Prospectus and PNC's 2001 Third Quarter Form 10-Q, the PNC Defendants failed to disclose the risks associated with utilizing special purpose entities, including losses which would have to be recognized in connection with the special purpose entities if the entity is not formed and maintained in accordance with GAAP.

- **January 17, 2002 Press Release**

69. On January 17, 2002, the PNC Defendants announced PNC's financial results for the 2001 Fourth Quarter and year-end. Included in the January 17th press release were the following materially false and misleading statements:

(a) The PNC Defendants reported a net loss of ($326 million) or ($1.15) per diluted share for PNC's 2001 Fourth Quarter. The PNC Defendants explained, however, that the loss was due to PNC's previously announced strategy to accelerate and reposition the Company's banking and venture capital business, and thus, when these charges were excluded, earnings for the 2001 Fourth Quarter would have been $289 million or $1.01 per diluted share.

(b) For PNC's full year 2001 results, the PNC Defendants announced earnings of $567 million or $1.91 per diluted share.

(c) Among the "Asset Quality Review" section of the release, the PNC Defendants claimed that "[a]sset quality measures benefitted from actions taken during 2001 to reduce PNC's lending risk and improve returns. Total nonperforming assets were $268 million at December 31, 2001 compared with $374 million and $372 million at September 30, 2001 and December 31, 2000, respectively."

(d) The ratio of nonperforming assets to total loans, loans held for sale, and foreclosed assets was reported at .64 percent at December 31, 2001.

(e) Corporate services revenue was reported at $75 million for the 2001 Fourth Quarter.

(f) Securities available for sale was reported at $14.686 billion as of December 31, 2001;

(g) The PNC Defendants claimed that as of December 31, 2001, the Equity Management division had $424 million in venture capital investments.

70. The PNC Defendants also claimed that during the year ended December 31, 2001, PNC sold $164 million in assets as reflected in the following chart:

CHANGE IN NONPERFORMING ASSETS

December 31, 2001 - in millions	Quarter ended	Year ended
Beginning of period	$374	$372
Transferred from accrual	146	659
Returned to performing	(14)	(28)
Principal reductions	(69)	(212)
Sales	(2)	(164)
Charge-offs and other	(167)	(359)
December 31	$268	$268

71. Defendant Rohr also falsely represented in the January 17th press release as stating that:

> By completing the repositioning of our banking businesses, we further enhance our earnings mix, strengthen our balance sheet and improve our risk profile.

72. The PNC Defendants also claimed in the January 17th press release that:

> Over the past year, PNC continued to reduce leverage, improve risk/return characteristics of its lending businesses and reduce exposure to earnings volatility from its venture capital portfolio. As a result, loans were reduced $12.7 billion during 2001 to $37.9 billion on December 31, 2001 through a number of initiatives, including residential mortgage securitization and runoff, transfers to hold for sale and managed reductions of institutional loans, and sales of institutional loans to subsidiaries of a third-party financial institution. Venture capital assets were reduced to $424 million through a sale to a subsidiary of the same institution and valuation discounts.

73. The above-quoted statements appearing in the January 17th press release were each materially false and misleading when made for the following reasons:

(a) Once again, during the 2001 Fourth Quarter, Defendants had created and caused PNC to enter into another set of transfers to a third special purpose entity without disclosing this material fact. The structure was essentially the same as the first two special purpose entities, with PNC providing the majority of the assets, including non-performing assets. This material information was concealed;

(b) The $268 million in non-performing assets for the 2001 Fourth Quarter reported in the press release was materially understated by 31% as the reported figure failed to include $123 million in non-performing assets which had been transferred to the three special purpose entities by year end;

(c) Even if the accounting for the transferred assets was performed in accordance with GAAP, which for the reasons set forth below it was not, it was materially misleading to report that asset quality measures had benefitted from actions taken during 2001 and to give the impression that the level of non-performing assets was declining quarter over quarter and year over year, without disclosing the circumstances surrounding the special propose entity "transfers." In order to make the statements that were made not materially misleading, such disclosures should have included, at a bare minimum, the purpose of the transfers, the dates of transfers, PNC's interest in the three special purpose entities, the structure of the special purpose entities and the nature of the transferred assets;

(d) PNC Defendants' benign reference to sales to "subsidiaries of a third party financial institution" in the January 17th press release, does not even come close to approaching

a sufficient disclosure that PNC was entering into transactions with special purpose entities in order to remove non-performing assets from its book. In fact, by disclosing that it was consolidating the results of these "subsidiaries" of the Insurance Company for bank regulatory purposes without providing any explanation why such consolidation was necessary or why consolidation was not appropriate for filings made with the SEC, PNC exacerbated its non-disclosure. Furthermore, the press release did not disclose the impact that consolidation might have on PNC's announced 2001 earnings of $1.91 per share. Had Defendants disclosed the true structure of the special purpose entities, analysts and the investing public could have seen that PNC was still exposed to the risks which accompanied the non-performing assets which were purportedly being removed from PNC's financial statements. Had such a disclosure taken place, the investing public could have had a chance to evaluate the risks associated with utilizing such entities, including losses which would have to be recognized in connection with the special purpose entities.

(e) The PNC Defendants also made no mention of the fact that they were consolidating the results of the third party subsidiaries for regulatory purposes, not at their discretion, but rather, as a result of a directive from the bank regulators who had specifically explained to PNC's senior management that non-consolidation was materially misleading ***before*** the PNC Defendants had issued the January 17th press release which reported PNC's results on a non-consolidated basis.

(f) The $326 million in net loss ($1.15 per share) reported in the press release for PNC's 2001 Fourth Quarter, before extraordinary charges, was materially understated by 24% as the reported figures failed to include $104 million in losses resulting from losses on non-performing assets which had been transferred to special purpose entities ($0.37 per share), and which GAAP required to be included with PNC's results as detailed below;

(g) The $567 million in net income ($1.91 per share) reported in the press release for PNC's 2001 year end, was materially overstated by 52% as the reported figures failed to include $155 million in losses ($0.55 per share) on non-performing assets which had been transferred to three special purpose entities during 2001, and $35 million in losses from discontinued operations ($0.10 per share) which PNC had failed to record in the 2001 First Quarter relating to its sale of its residential mortgage banking business;

(h) The reportedly successful "corporate strategy" of reducing exposure to non-performing assets was entirely dependent upon sham transactions whereby Defendants transferred a material portion of non-performing assets to special purpose entities while still maintaining a significant interest and effective control of the assets in violation of GAAP, as detailed below;

(i) As reflected in the Form 10-K ultimately filed on March 27, 2002, the true ratio of nonperforming loan to total loan, loans held for sale and foreclosed assets was .93% as of December 31, 2001, meaning that the originally reported ratio of .64% was understated by 45%. It was also disclosed that, in reality, of the $164 million in nonperforming assets purportedly sold during 2001, 85% ($139 million) were sold to special purpose entities which PNC controlled.

(j) The Form 10-K also disclosed that in stark contrast to the claim that PNC's Corporate Services division had achieved $75 million in revenue in the 2001 fourth quarter, this division had actually lost ($89 million) in the quarter.

(k) It was further revealed that the amount of venture capital assets reported on January 17th at $424 million was understated by $150 million as venture capital assets were $574 million as of December 31, 2001, an understatement of 35%.

(l) Defendant Rohr's statement about completing the repositioning of PNC's banking business was materially misleading without disclosing that PNC had completed its initiative only through the use of sham transactions with special purpose entities.

PNC Announces The Need To Restate, Thereby Beginning To Reveal The Truth

74. On January 29, 2002, the PNC Defendants surprised the investing community by announcing that the Company would restate its financial statements for the second and third quarters of fiscal year 2001 and revise its fourth quarter and year end earnings for 2001, which were previously announced on January 17th, but which had yet to be filed with the SEC. In the January 29th press release, PNC announced that 2001 year-end earnings had been overstated by 38% as earnings would be reduced by $155 million resulting in earnings per share for the year of $1.38, as compared to the previously announced $1.91 per share. It was further announced that these restatements would cause PNC's non-performing assets at year end 2001 to rise by $125 million (approximately 47%) from $268 to $393 million.

75. The market responded to the Company's partial disclosure as the price of PNC stock closed on January 29, 2002 down $5.79 or nearly 10% at $56.08 in extremely heavy trading volume of 6,305,100 shares.

76. Even though the restatement was announced, no detail was provided as to the circumstances surrounding the establishment of the special purpose entities, such that the investing public was led to believe that this was just a simple accounting mistake which was entirely the fault of the Company's auditors In this regard, PNC announced that the "recently" received "advice" from the Board, had differed from advice PNC had received from its auditors. However, by failing to disclose that PNC had received the Board's "advice" ***two days prior*** to announcing the materially

false and misleading 2001 Fourth Quarter and Year-End results, the PNC Defendants concealed that PNC's own management was directly involved in the fraud and had made materially false and misleading statements with actual knowledge of their falsity. In addition, the PNC Defendants failed to disclose the express purpose of the special purpose entity transactions off PNC's books, which would have further implicated PNC's management in the deceptive scheme. As a result, PNC's stock price remained artificially inflated as management's credibility, for the time being, remained in tact.

77. On February 19, 2002, just three weeks after the PNC Defendants had chopped $155 million off of the Company's previously reported year-end 2001 earnings, the PNC Defendants announced that as a result of a purported bookkeeping error, PNC had incorrectly accounted for the sale of its mortgage banking business in 2001, and would have to restate its 2001 earnings for a second time. Although the PNC Defendants blamed this second restatement on human error, they announced that the Company's recently hired auditor, Deloitte & Touche, would be reviewing all of the Company's accounting and financial reporting procedures, furthering the perception they had created that PNC's auditors were also to blame for the first restatement. In fact, the PNC Defendants blamed this second restatement on its auditors by contending that this latest "error" should have been caught by its auditor.

78. On March 29, 2002, the PNC Defendants filed amended Forms 10-Q for the Second and Third Quarters ended June 30, 2001 and September 30, 2001. Among other things, PNC's earnings per share for the Third Quarter, originally reported at $1.02 per share, were now being reported at $0.84 per share, representing an 18% overstatement. The PNC Defendants also filed PNC's Form 10-K for the full year 2001. The 2001 10-K revealed that the $1.91 year-end earnings per share figure originally announced by PNC on January 17, 2002 was overstated by a

staggering 52%, as a result of the two restatements. In total, $190 million or $0.65 per share was wiped out. PNC's 2001 Form 10-K, which also included Fourth Quarter 2001 results, revealed that the 2001 Fourth Quarter loss of ($1.15) per share announced on January 17th was understated by 24%, as the true fourth quarter loss was ($1.52) per share. The 2001 Form 10-K further disclosed that PNC had charged $240 million against pre-tax income as a result of valuation write-downs relating to consolidation of the special purpose entities.

79. Even after the restated financials were filed, however, PNC's stock price still remained artificially inflated as the PNC Defendants once again laid all blame at the doorstep of PNC's auditors, contending that PNC had wrongly relied on their guidance in entering into and recording these transactions and that management had really done nothing wrong. Once again, however, no disclosure was made regarding management's role in creating the special purpose entities, including the dates of creation, the purpose of the entities, the timing of the receipt of the Board's "advice" to consolidate the result, the fact that the Board had issued a "directive" instead of "advice" regarding the need to consolidate or any explanations as to the announcements of "success" in reducing non-performing assets, as originally reported in prior filings or announcements by the PNC Defendants. The material fact that the express purpose of the special purpose entities was to take nonperforming assets off PNC's books also continued to be concealed. Consequently, PNC's stock still remained artificially inflated after the restatement was filed as management had not been implicated directly in the fraud.

80. On July 18, 2002, the last day of the Class Period, the SEC announced that as a result of "accounting improprieties" and in particular, a "misuse of special purpose entities," it had issued a Cease and Desist Order against PNC. For the first time, the investing public learned

that this was not merely a situation where complicated accounting rules were innocently misunderstood by a company, its accountants and its executives. In this regard, the Cease and Desist Order specifically referenced the false and misleading statements the Company had made regarding its purported success in selling non-performing assets and the fact that the PNC Defendants had continued to issue materially false and misleading financial results just days after being advised that reporting PNC's financial statements on a non-consolidated basis was misleading. Furthermore, the SEC's Order specifically mentioned the fact that PNC's purpose in establishing the special purpose entities was to remove non-performing assets off its books. Although PNC did not admit or deny the charges in agreeing to the SEC's order to refrain from future violations of federal securities laws, the Order clearly constitutes a recognition of misconduct by PNC. In fact, the market viewed the Order as severely implicating the credibility of management as reflected in the following statement made by Gerald Cassidy, an analyst with RBC Capital Markets:

> Formal agreements are not dished out for companies that don't have problems. For them to get a formal agreement, there are some very serious issues that the Fed [Federal Reserve Board] and OCC [Office of the Comptroller of the Currency] are concerned about. . . . It's unsettling that this has come out, particularly with this management team, who has no credibility.

81. The market's reaction to this material disclosure concerning the settlement with the SEC and federal bank regulators, which alerted the market that PNC and its management was directly involved in improper accounting practices, as opposed to merely relying on PNC's auditors advice, and that the PNC Defendants had affirmatively made materially misleading statements during the Class Period regarding the Company's purported success with its divestment of nonperforming assets caused PNC's stock price to dramatically decline again as it dropped 15%

at the close on July 18, 2002 and another 6.5% on the following day to close at $37.09, a far cry from its Class Period high of $69.80 on August 22, 2001.

Liability for Material Misrepresentations or Omissions

82. The PNC Defendants are being charged with liability under Section 10(b) with respect to all misrepresentations identified above, which were made throughout the Class Period in press releases, SEC filings, through analysts, on conference calls, and in connection with public offerings of PNC securities. The PNC Defendants are also being charged with liability for all material omissions alleged herein, as well as their deceptive conduct in creating the special purpose entities, as discussed below.

Defendants' Deceptive Conduct In Creating Special Purpose Entities

83. The PNC Defendants engaged or participated in the implementation of manipulative devices to inflate PNC's reported profits and financial condition, made or participated in the making of false and misleading statements and participated in a scheme to defraud or a course of business that operated as a fraud or a deceit on purchasers of PNC's publicly traded common stock during the Class Period.

84. Indeed, in the Second, Third and Fourth Quarters of 2001, PNC would create no less than three secretly controlled partnerships which served to hide millions of dollars in losses and to conceal millions of dollars in non-performing assets by moving them off PNC's balance sheet. However, the apparent success of PNC's corporate initiative to reduce non-performing assets was a sham – a false picture created by manipulative devices and contrivances – a scheme to defraud and a wrongful course of business by Defendants that operated as a fraud and deceit on the purchasers of PNC's publicly traded common stock.

85. The following details of the transactions utilized by PNC and E&Y to form the special purpose entities are fully corroborated by the SEC complaint.

- **SPE I**

86. On June 28, 2001, an unrelated financial services company (the "Insurance Company"), acting through a subsidiary, organized the first special purpose entity as a Delaware limited liability company ("SPE I"). In connection with the closing transactions, which took place just three days before the close of PNC's 2001 Second Quarter, the Insurance Company received $36,576 worth of SPE I's Class B common stock and $11,558,940 worth of its Class B preferred stock in exchange for a cash contribution of $11,595,517. PNC, through a nonbank subsidiary, contributed $365.8 million in cash to SPE I and received $365.8 million worth of SPE I Class A preferred stock in exchange for its investment. As a result, the Insurance Company appeared to have contributed the bare minimum of 3% of the total equity contribution ($377 million). However, as part and parcel of the transaction, the Insurance Company received an upfront management fee of $2.7 million in connection with the closing of the transaction. Thus, the Insurance Company's true initial investment fell below the 3% threshold required under GAAP.

87. In addition, SPE I's Class A preferred stock was non-cumulative and non-voting and could be converted at any time into Class A common stock. Thus, the SPE I Class A common stock, which was owned almost exclusively by PNC, when issued upon conversion, would confer upon PNC 99.99% of SPE I common shares which could only be voted for one specific purpose - to cause an orderly liquidation of SPE I. If PNC never elected to convert its SPE I Class A preferred stock, the stock was mandatorily redeemable at its face amount of $365.8 million in 30 years. If PNC converted its SPE I Class A preferred stock to SPE I Class A common stock and then

voted to liquidate SPE I, the Insurance Company's Class B preferred stock was entitled to a liquidation preference of up to $ 11,463,424.

88. Although the Insurance Company's SPE I Class B common stock purported to give it control over the affairs of the special purpose entity, including the authority to declare dividends on the Class A preferred stock held by PNC, the Insurance Company did not have the authority to liquidate SPE I during the first five years of its existence, except with PNC's consent. PNC, on the other hand, could cause a liquidation of SPE I at any time. This feature was critical to the structure because if the non-performing assets PNC had transferred to SPE I improved in value, PNC could recapture the benefit of that improvement by converting its Class A preferred stock to Class A common stock and voting to liquidate SPE I.

89. PNC's $365.8 million cash contribution to SPE I was used as follows: (a) approximately $285 million was used to purchase troubled commercial loans and unfunded commitments directly from PNC Bank, (b) approximately $78 million was used to purchase a zero-coupon U.S. Treasury security that would mature in 30 years in its face amount of $365 million, and (c) approximately $3 million was used to pay an up front $2.7 million management fee to the Insurance Company at the closing of the first special purpose entity. Thus, the Insurance Company's initial investment was immediately reduced. In fact, the special purpose entity was required to pay a management fee of approximately $2.7 million per year for the first five years of SPE I's existence, and 75 basis points (*i.e.*, 0.75%) of the total assets of SPE I per year thereafter to the Insurance Company.

90. The $2.7 million up-front management fee, when coupled with the liquidation preference, guaranteed that the Insurance Company would turn a profit on its initial capital investment, thereby removing all risk of ownership for the Insurance Company.

91. The special purpose entity structure also provided for PNC Bank, PNC's principal banking subsidiary, to service all of the loans transferred to SPE I in exchange for a loan servicing fee of 50 basis points (*i.e.*, 0.5%) of the aggregate loan amounts, or approximately $1.5 million per year. PNC retained the relevant loan records and established bank accounts for loan collections. As the loan servicer, PNC received payments, was responsible for valuing the loans on an annual basis, and developed action plans for managing the workout of the loans.

92. PNC recorded the Class A preferred stock received from SPE I as debt securities available for sale (valued at $365,800,000), while removing from the loan portfolio of PNC Bank, the loans that were transferred to SPE I. The SEC order specifically found that PNC had understood that, had the non-performing loans and assets remained on its books, it ultimately would have had to recognize losses resulting from such assets in its earnings.

- **SPE II**

93. On September 27, 2001, the same third party Insurance Company, acting through the same subsidiary, organized the second special purpose entity as a Delaware limited liability company ("SPE II"). In connection with the closing transactions, which once again took place just three days before the close of PNC's 2001 Third Quarter, the Insurance Company contributed $16,918,904 in cash to SPE II. Once again, the Insurance Company was identified as the managing member of SPE II, and SPE II was required to pay the Insurance Company an up front

management fee at the closing and periodically thereafter, thereby immediately reducing the Insurance Company's initial investment.

94. PNC, through a nonbank subsidiary, contributed a total of $538,816,528 of assets to SPE II: $326,896,933 in loans and $211,919,595 in cash. In exchange, SPE II issued to PNC Bank shares of Class A preferred stock in SPE II. PNC Bank immediately assigned these shares to the same nonbank subsidiary of PNC that held shares of SPE I, and the shares were maintained on PNC's financial statements as debt securities available for sale.

95. The terms of the Class A preferred stock in SPE II were very similar to the terms of the SPE I Class A preferred, and PNC Bank entered into an agreement to continue to service the transferred loans. PNC's cash contribution was used to cover unfunded commitments and letters of credit with respect to the loans ($89,493,162), the purchase of a zero-coupon Treasury bond ($118,493,760), expenses, and the first year's management fee ($3,682,672), payable at closing to the Insurance Company. As a result, the Insurance Company's true initial investment fell below the 3% threshold required by GAAP.

96. Once again, the Insurance Company's cash contribution to SPE II was never at risk.

- **SPE III**

97. On November 30, 2001, the same third party Insurance Company, acting through the same subsidiary, organized the third special purpose entity as a Delaware limited liability company ("SPE III"). In connection with the closing transactions, the Insurance Company contributed $8,021,417 in cash to SPE III. Once again, the Insurance Company was identified as the

managing member of SPE III, and SPE III was required to pay the Insurance Company an up front management fee at the closing and periodically thereafter.

98. PNC, through a nonbank subsidiary, contributed approximately $252 million in cash and equity assets (including venture capital investments and related commitments) to SPE III in exchange for its Class A preferred stock. PNC recorded the SPE III Class A shares as debt securities available for sale (valued at $252 million). A nonbank subsidiary of PNC was retained to service the venture capital assets. PNC's cash contribution was used to cover certain unfunded commitments, to purchase a Treasury zero-coupon bond, and to cover expenses, including the first year's management fee of $1,716,950 payable at closing to the Insurance Company. SPE III also purchased a guaranteed investment contract from the Insurance Company which could be drawn upon to satisfy unfunded commitments. As a result, the Insurance Company's true initial investment fell below the 3% threshold required by GAAP.

99. Once again, the Insurance Company's cash contribution to SPE III was never at risk.

100. In sum, prior to being caught by federal banking regulators, the PNC Defendants had caused PNC to transfer $592 million in loans (of which $132 million was non-performing loans), and $170 million in venture capital investment to special purpose entities without disclosing any material facts regarding such transfers.

The PNC Defendants' Establishment Of The SPEs Was A Sham And Was Completed In Violation Of GAAP

101. As set forth in Financial Accounting Standards Board ("FASB") Statements of Concepts ("Concepts Statement") No. 1, a fundamental objective of financial reporting is to

provide accurate and reliable information concerning an entity's financial performance during the period being presented. Concepts Statement No. 1, paragraph 42, states:

> Financial reporting should provide information about an enterprise's financial performance during a period. Investors and creditors often use information about the past to help in assessing the prospects of an enterprise. Thus, although investment and credit decisions reflect investors' and creditors' expectations about future enterprise performance, those expectations are commonly based at least partly on evaluations of past enterprise performance.

102. At all relevant times during the Class Period, the PNC Defendants represented that PNC's financial statements were prepared in conformity with GAAP, which are recognized by the accounting profession and the SEC as the uniform rules, conventions and procedures necessary to define accepted accounting practice at a particular time. SEC Regulation S-X states that financial statements filed with the SEC that are not prepared in compliance with GAAP are presumed to be misleading and inaccurate. 17 C.F.R. § 210.4-01(a)(1).

103. The representations that the Company's financial statements were prepared in accordance with GAAP were materially false and misleading because the PNC Defendants knew, or recklessly ignored that PNC employed improper accounting practices, in violation of GAAP and the SEC's financial reporting requirements, to falsely overstate and misrepresent its operating results and financial condition during 2001.

104. The PNC Defendants used improper accounting practices in violation of GAAP and the SEC's financial reporting requirements to falsely overstate PNC's financial performance during each of the second, third and fourth calendar quarters of 2001. PNC's financial results filed and announced during the Class Period were presented in violation of GAAP and SEC rules and regulations as a result of the PNC Defendant's failure to consolidate the results of the aforementioned special purpose entities. In so doing, PNC's earnings were materially inflated during

the Class Period, its non-performing assets were materially understated and the PNC Defendants' oft-repeated representations that PNC was reducing its exposure to loss on its loan portfolio were materially false and misleading.

105. FASB's Emerging Issues Task Force ("EITF") Topic D-14 provides accounting guidance concerning the transfer of assets to and the consolidation of a special purpose entity. Pursuant to EITF Topic D-14:

> Generally, the SEC staff believes that for non-consolidation and sales recognition by the sponsor or a transferor to be appropriate, the majority owner (or owners) of the SPE [special purpose entity] must be an independent third party who has made a substantive capital investment in the SPE, has control of the SPE and has substantive risks and rewards of ownership of the assets of the SPE (including residuals). Conversely, the SEC staff believes that non-consolidation and sales recognition are not appropriate by the sponsor or transferor when the majority owner of the SPE make only a nominal investment, the activities of the SPE are virtually all on the sponsor's or transferor's behalf, and the substantive risks and rewards of ownership of the assets or debt of the SPE rest directly or indirectly with sponsor and transferor.

106. As noted at length above, prior to the Class Period, PNC identified a substantial amount of its loans and other assets which were "troubled" assets.[1] In an attempt to reduce PNC's risk of loss on such assets, the PNC Defendants designed and implemented a deceptive scheme whereby unbeknownst to the investing public certain volatile, troubled and/or non-performing assets were transferred by PNC to the above-described special purpose entities. The form of such transfer was to "sell" such assets to a purportedly independent third party, however, in

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[1] Generally, a debt is considered to be "troubled" when a concession, that a creditor would not otherwise consider, is granted to the debtor by the creditor due to the debtor's financial difficulties. SFAS NO. 15, ¶ 2.

substance, these special purpose entities did not possess the risks and rewards that owners typically assume when they acquire assets.

107. In essence, the PNC Defendants wanted it both ways; that is, to eliminate PNC's risk of loss on the transferred assets while allowing PNC to retain the ability to benefit from a future increase in the fair value of such currently non-performing assets. Such efforts, however, represented nothing more than a deliberate attempt to circumvent a fundamental tenet of GAAP which holds that the substance of the arrangement, rather than its legal form, determines the appropriate accounting treatment. See, e.g. Concept Statement No. 2, ¶ 160, ABP Opinion No. 21, ¶ 12, AICPA Accounting Interpretation ("AIN") of APB Opinion No. 25, #1.

108. Moreover, the PNC Defendants did not comply with GAAP's specific guidance set forth in EITF Topic D-14 in accounting for PNC's asset transfers to the special purpose entities. In this regard, the provisions of the agreements for the establishment of each special purpose entity provided that the Insurance Company, the supposed "owner" of the special purpose entity, was completely protected from loss on its investment. Conversely, the Insurance Company could not effectively enjoy the benefit ensuing from any gains on the assets transferred by PNC because PNC retained effective control over the liquidation of the special purpose entities.[2]

109. In addition, PNC bore substantial risk on the assets transferred to the special purpose entities because: (1) the dividends on the preferred stock PNC received in consideration of the assets transferred were non-cumulative and payable only if those loans performed or were sold;

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[2] Pursuant to the terms of the agreements which established each special purpose entity, PNC could decide at any time to liquidate the special purpose entity by converting its preferred stock into common stock and exercising its right to liquidate, thereby enabling PNC to capture the benefit of any improvement in the value of the assets that it had transferred to the SPE.

and (2) the dividends on the non-cumulative preferred stock were payable only after payment of, among other things, the management fee to the Insurance Company, and even then only with the approval of the Insurance Company.

110. As a result of the foregoing provisions, PNC, and not the Insurance Company, possessed the substantive risks and rewards of ownership of the assets transferred to the special purpose entities. Accordingly, PNC was precluded from treating such transfers as sales and was required to consolidate the financial statements of the special purpose entities with its own during the Class Period.

111. Moreover, PNC was otherwise precluded under GAAP from treating the asset transfers as sales and not consolidating the financial statements of the special purpose entities with its own during the Class Period. For example, GAAP, in EITF Issue No. 90-15, interpreted the requirement that a third party's substantive capital investment in the special purpose entity must be equivalent to an equity investment of no less than 3%, although a greater investment could be necessary depending on the facts and circumstances of each case. With respect to the special purpose entities at issue here, the Insurance Company's initial investments did not satisfy this minimal threshold due to the fact that the Insurance Company was receiving an immediate return on its investment in the form of a management fee payable to the Insurance Company at the closing of the transaction, thereby immediately reducing the Insurance Company's initial investment below the required threshold.[3] As a result, PNC Defendants' failure to consolidate the financial results of the special purpose entities with those of PNC, was in violation of GAAP.

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[3] Pursuant to EITF Issue No. 96-21, "To the extent that fees reduce the equity capital investment below the minimum amount required, the owners of record would be considered to have made a substantive residual equity capital investment that is at risk...."

112. In addition to the aforementioned violations of GAAP, in situations such as this - - where the attainment of a particular financial reporting result is a primary purpose of the establishment of the special purpose entity - - accountants and publicly traded companies must be mindful that even if the transactions meet GAAP's technical requirements, the overall fairness, accuracy and completeness of the presentation made in financial statements must be evaluated in order to prevent misleading presentation.

113. GAAP also requires that financial statements disclose contingencies when it is at least reasonably possible (i.e., a greater than slight chance) that a loss may have been incurred. SFAS No. 5, ¶ 10. The disclosure shall indicate the nature of the contingency and shall give an estimate of the possible loss, a range of loss, or state that such an estimate cannot be made. Id.

114. The SEC considers the disclosure of loss contingencies to be so important to an informed investment decision that it issued Article 10-01 of Regulation S-X [17 C.F.R. § 210.10-01], which provides that disclosures in interim period financial statements may be abbreviated and need not duplicate the disclosure contained in the most recent audited financial statements, ***except that*** "where material contingencies exist, disclosure of such matters shall be provided even though a significant change since year end may not have occurred."

115. In sum, the PNC Defendants presented PNC's financial position and results of operations during the Class Period in a manner which violated GAAP. In addition to the accounting improprieties articulated above, the PNC Defendants presented PNC's financial statements during the Class Period in a manner which also violated at least the following additional provisions of GAAP:

a. The principle that financial reporting should provide information that is useful to present and potential

investors and creditors and other users in making rational investment, credit and similar decisions. (FASB Statement of Concepts No. 1, ¶ 34);

b. The principle that the financial reporting should provide information about the economic resources of an enterprise, the claims to those resources, and the effects of transactions, events and circumstances that change resources and claims to those resources. (FASB Statement of Concepts No. 1, ¶ 40);

c. The principle that financial reporting should provide information about an enterprise's financial performance during a period. "Investors and creditors often use information about the past to help in assessing the prospects of an enterprise. Thus, although investment and credit decisions reflect investors' and creditors' expectations about future enterprise performance, those expectations are commonly based at least partly on evaluations of past enterprise performance." (FASB Statement of Concepts No. 1, ¶42);

d. The principle that financial reporting should provide information about how management of an enterprise has discharged its stewardship responsibility to owners (stockholders) for the use of enterprise resources entrusted to it. "To the extent that management offers securities of the enterprise to the public, it voluntarily accepts wider responsibilities for accountability to prospective investors and to the public in general." (FASB Statement of Concepts No. 1,¶50);

e. The principle that financial reporting should be reliable in that it represents what it purports to represent. That information should be reliable as well as relevant is a notion that is central to accounting. (FASB Statement of Concepts No. 2, ¶¶ 58-59);

f. The principle of completeness, which means that nothing material is left out of the information that may be necessary to ensure that it validly represents underlying events and conditions. (FASB Statement of Concepts No. 2, ¶ 79);

g. The principle that financial reporting should be verifiable in that it provides a significant degree of assurance that accounting measures represent what they purport to represent. (FASB Statement of Concepts No. 2, ¶ 81); and

h. The principle that conservatism be used as a prudent reaction to uncertainty to try to ensure that uncertainties and risks inherent in business situations are adequately considered. (FASB Statement of Concepts No. 2, ¶¶ 95,97).

116. Further, the undisclosed adverse information concealed by the PNC Defendants during the Class Period is the type of information that, because of SEC regulations, regulations of the national stock exchanges and customary business practice, is expected by investors and securities analysts to be disclosed and is known by corporate officials and their legal and financial advisors to be the type of information that is expected to be and must be disclosed.

The PNC Defendants' Other Violations

117. In addition, disclosure obligations under the SEC's rules and regulations, including, among other things, the rules and regulations concerning Management's Discussion and Analysis of Financial Condition and Results of Operations and Quantitative and Qualitative Disclosures About Market Risk are required to be considered. See Exchange Act Rule 12b-20; see also 17 C.F.R. §229.303-05.

118. In addition, accountants and publicly traded companies must consider the economic and business realities and risks of their corporate structures and affiliations, their financial structures and financing methods, their lines of business and operational activities, and ensure that the way they publicly portray themselves discloses, as required, the material elements of those economic and business realities and risks.

119. In this regard, Defendants should have disclosed: (i) the fact that in the second, third and fourth quarters of 2001, PNC and used special purpose entities to transfer non-performing assets off its financial statements; (ii) the dates on which such transactions were extended into; (iii) the structure of the special purpose entities; (iv) the risks that these transactions presented; and (v) what losses might occur and the circumstances under which those losses could occur. These disclosures should have been made regardless of whether or not the PNC Defendants believed that the special purpose entity transactions complied with GAAP.

120. Moreover, while a stated purpose of PNC's entering into the special purpose entity transactions was to reduce volatility in its earnings caused by changes in the quality of its loan portfolio, the potentially irregular nature of the dividends payable on the preferred stock would have a counteractive effect on this effort to reduce volatility in earnings, whether or not the special purpose entity transactions complied with GAAP. In light of PNC's statements in its press releases and Forms 10-Q that it was reducing balance sheet leverage and lending exposure, this information about the volatility of dividends was material and PNC's omission of this information was therefore misleading to investors.

PNC'S FALSE AND MISLEADING FINANCIAL STATEMENTS AND FINANCIAL DISCLOSURES

PNC's Violations of GAAP

121. As set forth in Financial Accounting Standards Board's ("FASB") Statements of Concepts ("Concepts Statement") No. 1, a fundamental objective of financial reporting is to provide accurate and reliable information concerning an entity's financial performance during the period being presented. Concepts Statement No. 1, paragraph 42, states:

> Financial reporting should provide information about an enterprise's financial performance during a period. Investors and creditors often use information about the past to help in assessing the prospects of an enterprise. Thus, although investment and credit decisions reflect investors' and creditors' expectations about future enterprise performance, those expectations are commonly based at least partly on evaluations of past enterprise performance.

122. At all relevant times during the Class Period, the PNC Defendants represented that PNC's financial statements were prepared in conformity with GAAP, which are recognized by the accounting profession and the SEC as the uniform rules, conventions and procedures necessary to define accepted accounting practice at a particular time. SEC Regulation S-X states that financial statements filed with the SEC that are not prepared in compliance with GAAP are presumed to be misleading and inaccurate. 17 C.F.R. § 210.4-01(a)(1).

123. The representations that the Company's financial statements were prepared in accordance with GAAP were materially false and misleading because the Defendants knew, or recklessly ignored, that PNC employed improper accounting practices, in violation of GAAP and the SEC's financial reporting requirements, to falsely overstate and misrepresent its operating results and financial condition during 2001. In so doing, PNC's reported revenues and earnings were materially inflated, its nonperforming assets were materially greater than disclosed and the Company's representation that it was reducing its exposure to loss on its loan portfolio was materially false and misleading.

124. FASB's Emerging Issues Task Force ("EITF") Topic D-14 provides accounting guidance concerning the transfer of assets to, and the consolidation of, a Special Purpose Entity ("SPE"). Pursuant to EITF Topic D-14:

> Generally, the SEC staff believes that for nonconsolidation and sales recognition by the sponsor or a transferor to be appropriate, the majority owner (or owners) of ***the SPE must be an independent third party who has***

made a substantive capital investment in the SPE, has control of the SPE and has substantive risks and rewards of ownership of the assets of the SPE (including residuals). Conversely, the SEC staff believes that ***nonconsolidation and sales recognition are not appropriate by the sponsor or transferor when the majority owner of the SPE make only a nominal investment, the activities of the SPE are virtually all on the sponsor's or transferor's behalf, and the substantive risks and rewards of ownership of the assets or debt of the SPE rest directly or indirectly with sponsor and transferor.*** [Emphasis Supplied].

125. As noted at length above, prior to the Class Period, PNC identified a substantial amount of its loans and other assets that were troubled and/or nonperforming assets [4] In its implementation of the aforementioned corporate initiative regarding its attempt to reduce its potential loss on troubled and/or nonperforming assets, PNC formulated an arrangement with the Insurance Company whereby PNC transferred certain of its volatile, troubled and/or nonperforming assets to special purpose entities. These transfers occurred in each of the second, third and fourth quarters of 2001.

126. In form, the transfers were structured by the PNC Defendants such that it would appear as if PNC "sold" troubled and/or non-performing assets to special purpose entities in exchange for preferred stock. In substance, however, the "purchasers" of the transferred assets (i.e., the special purpose entities) did not possess the risks and rewards of ownership as necessitated by GAAP to allow PNC to treat such transfers as a sale.

127. The PNC Defendants did not comply with GAAP's guidance set forth in EITF Topic D-14 because the provisions of each the 2001 agreements with the special purpose entities provided that the Insurance Company's investment in the special purpose entities was substantially

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[4] Generally, a debt is considered to be "troubled" when a concession, that a creditor would not otherwise consider, is granted to the debtor by the creditor due to the debtor's financial difficulties. SFAS NO. 15, ¶ 2.

protected from loss. In addition, the Insurance Company did not effectively enjoy the benefit ensuing from any gains on the assets transferred by PNC to the special purpose entities because PNC had effective control over the liquidation of the special purpose entities.

128. The PNC Defendants wanted it both ways; that is, eliminating PNC's exposure to loss on the assets transferred, while, at the same time, retaining PNC's ability to benefit from an increase in the value of such assets. This arrangement, advanced by PNC and its auditor, was nothing more than a deliberate attempt to circumvent a fundamental tenet of GAAP, which holds that the substance of a transaction, rather than its legal form, should determine its accounting treatment. *See, e.g.*, Concept Statement No. 2, ¶ 160, ABP Opinion No. 21, ¶ 12, AICPA Accounting Interpretation ("AIN") of APB Opinion No. 25, #1.

129. In addition, FASB's Statement of Financial Accounting Standards ("SFAS") No. 140, provides accounting and financial reporting standards for transfers of financial assets. These standards focus on control, and provide that a transfer of financial assets is to be accounted for as a sale only if the transferor surrenders control over such assets. The transferor is deemed to have surrendered control over the financial assets if, among other things, the transferor does not maintain effective control over the transferred assets through an ability to unilaterally cause the holder to return specific assets.

130. In this regard, ¶¶ 52 through 54 of SFAS No. 140 provide that:

> ...[A]ny unilateral right to reclaim specific assets transferred to a qualifying SPE maintains the transferor's effective control over those assets if the right conveys more than a trivial benefit to the transferor.
>
> * * * *
>
> A right to reclaim specific transferred assets by paying their fair value when reclaimed generally does not maintain effective control, because it does not

convey a more than trivial benefit to the transferor. ***However, a transferor has maintained effective control if it has such a right and also holds the residual interest in the transferred assets. For example, if a transferor can reclaim such assets at termination of the qualifying SPE by purchasing them in an auction, and thus at what might appear to be fair value, then sale accounting for the assets it can reclaim would be precluded. Such circumstances provide the transferor with a more than trivial benefit and effective control over the assets, because it can pay any price it chooses in the auction and recover any excess paid over fair value through its residual interest.*** [Emphasis Supplied]

131. As the Defendants knew or recklessly ignored, the PNC Defendants had the right to liquidate SPE I at any time, whereupon PNC would be able to capture the benefit of any improvement in the value of the assets that PNC had transferred to the SPE I. This right to reclaim the assets transferred to the SPE I assets provided PNC with a more than trivial benefit as contemplated under SFAS No. 140 and thus, provided it with effective control over SPE I, thereby precluding its accounting for such transfers as sales. Upon information and belief, the same liquidation rights existed with respect to SPE II and SPE III, thereby conferring upon PNC, the right to reclaim assets if economically advantageous. As set forth below, however, because PNC improperly failed to filed its agreements with the special purpose entities as exhibits to its Forms 10-Q, terms related to the liquidation rights of SPE II and SPE III are still in the exclusive province of the PNC Defendants.

132. In addition, PNC bore substantial risk on the assets transferred to the special purpose entities because: (i) the dividends on the preferred stock it received in consideration of the assets transferred were non-cumulative and payable only if those loans performed or were sold; and (ii) the dividends on the non-cumulative preferred stock were payable after payment of, among other

things, the management fee to the Insurance Company, and even then only with the approval of the Insurance Company.

133. PNC was otherwise precluded under GAAP from treating the asset transfers to the Special purpose entities as sales during the Class Period. For example, GAAP, in EITF Issue No. 90-15, interprets EITF's Topic D-14 requirement that a third party make a "substantive"capital investment in a SPE to require an equity investment of, at least, three percent (3.0%), although a greater investment could be necessary depending on the facts and circumstances of each instance.

134. PNC's transactions with the special purpose entities required that the Insurance Company be paid an annual management fee in advance, with the first year's management fee being paid to the Insurance Company on the date that PNC and the Insurance Company entered into the SPE transactions. Consequently, the advance payments of the first year's management fees had the substantive effect of reducing the Insurance Company's equity investment in the SPE below the three percent (3.0%) threshold.[5] Thus, the Insurance Company did not make a sufficiently large investment in the special purpose entities to be "substantive" as required by GAAP, and as a result, the financial statements of the special purpose entities were otherwise required by GAAP to be consolidated with those of PNC.

135. As a result of the foregoing provisions, PNC, and not the Insurance Company, possessed the substantive risks and rewards of ownership of the assets transferred to the special purpose entities. Accordingly, PNC was precluded from treating such transfers as sales and was

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[5] Pursuant to EITF Issue No. 96-21, "***To the extent that fees reduce the equity capital investment below the minimum amount required, the owners of record would not be considered to have made a substantive residual equity capital investment*** that is at risk...." [Emphasis Supplied].

required under GAAP to consolidate the financial statements of the special purpose entities with its own during the Class Period, as PNC has now admitted.

136. In addition, ¶17 of SFAS No. 140 requires, among other things, that financial statements disclose:

> ***The characteristics of securitizations (a description of the transferor's continuing involvement with the transferred assets, including, but not limited to, servicing, recourse, and restrictions on retained interests) and the gain or loss from sale of financial assets in securitizations.***[6] [Emphasis Supplied]

137. In this regard, PNC's financial statements for the quarter ended June 30, 2001 disclosed:

> SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" (a replacement of Financial Accounting Standards Board ("FASB") Statement No. 125) was issued in September 2000. Although SFAS No. 140 has changed many of the rules regarding securitizations, it continues to require an entity to recognize the financial and servicing assets it controls and the liabilities it has incurred and to derecognize financial assets when control has been surrendered in accordance with the criteria provided in the standard. As required, the Corporation began application of the new rules prospectively to transactions beginning in the second quarter of 2001. SFAS No. 140 also requires certain disclosures pertaining to securitization transactions effective for fiscal years ended after December 15, 2000. PNC included these required disclosures in its December 31, 2000 consolidated financial statements.

138. PNC repeated this disclosure in its financial statement for the quarter ended September 30, 2001.

139. These disclosures were materially false and misleading because PNC did not adopt the provisions of SFAS No.140 in the second quarter of 2001, as it has now admitted by virtue

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[6] SFAS No. 140 defines a securitization as the process by which financial assets are transformed into securities. Here, PNC's financial assets were converted into a preferred stock interest of the special purpose entities.

of PNC's restatement. In addition, these disclosures did not provide a description of PNC's continuing involvement with the transferred assets, including, but not limited to, servicing, recourse, or restrictions on retained interests and the gain or loss from sale of financial assets in securitizations, as required by SFAS No. 140.

140. Indeed, GAAP, in Article 10-01(a)(5) provides that interim financial statements shall include disclosures sufficient so as to make the interim information presented not misleading and provide disclosures where events subsequent to the end of the most recent year have occurred which have a material impact on the registrant.

141. The PNC Defendants' representations concerning PNC's second and third quarter 2001 and year-end 2001 financial reporting were materially false and misleading as they have now admitted by restating such financial information. Indeed, GAAP provides that previously issued financial statements which are ***misstated as a result of an oversight or a misuse of facts that existed at the time*** are to be retroactively restated. *See, e.g.*, APB Opinion No. 20, APB Opinion No. 9 and the AICPA's Statement on Auditing Standards No. 53.

142. PNC has now admitted that its originally issued financial statements for the quarters ended June 30, 2001 and September 30, 2001 were materially false and misleading due to an oversight or a misuse of facts ***which existed during such quarters***.

143. PNC has also admitted that its financial statements and disclosures in the January 17th press release for the Company's 2001 fourth quarter and year end were also materially false and misleading when made as such statements and disclosures were restated when Company filed its 2001 Form 10-K with the SEC in March 2002.

144. During the Class Period, PNC depicted itself as implementing a corporate strategy of reducing its exposure to commercial lending and the risks attendant thereto. PNC secretly entered into the SPE transactions to make it appear that this strategy was working and to hide losses ensuing from its troubled or non-performing assets. However, because of the structure of the SPE transactions, PNC continued to bear the risk of loss as to troubled or non-performing assets transferred by PNC to the special purpose entities. Those losses were required pursuant to GAAP to have been charged against PNC's consolidated current earnings, as Defendants have now admitted.

145. In this way, PNC issued financial statements that did not conform with GAAP or the accounting policies disclosed in its public financial statements. In so doing, PNC's financial statements misrepresented the following information in the approximate amounts reflected in the chart below:

Percent Over (Under) stated	**Quarter Ended June 30, 2001**	**Quarter Ended September 30, 2001**	**Quarter Ended December 31, 2001**
Non-Performing Assets	(17.7)%	(28.9)%	(31.5)%
Non Interest Income	N/A	11.6%	41.2%
Total Revenue	N/A	6.1%	18.3%
Income/Loss From Continuing Operations	N/A	20.7%	31.9%
Net Income	N/A	20.7%	31.9%

146. Due to the accounting improprieties noted above, the PNC Defendants presented PNC's financial statements in a manner which also violated at least the following provisions of GAAP:

(a) The concept that financial reporting should provide information that is useful to present and potential investors and creditors and other users in making rational investment, credit and similar decisions (Concepts Statement No. 1, ¶ 34);

(b) The concept that financial reporting should provide information about the economic resources of an enterprise, the claims to those resources, and the effects of transactions, events and circumstances that change resources and claims to those resources (Concepts Statement No. 1, ¶ 40);

(c) The concept that financial reporting should provide information about how management of an enterprise has discharged its stewardship responsibility to owners (stockholders) for the use of enterprise resources entrusted to it. To the extent that management offers securities of the enterprise to the public, it voluntarily accepts wider responsibilities for accountability to prospective investors and to the public in general (Concepts Statement No. 1, ¶ 50);

(d) The concept that financial reporting should provide information about an enterprise's financial performance during a period. Investors and creditors often use information about the past to help in assessing the prospects of an enterprise. Thus, although investment and credit decisions reflect investors' expectations about future enterprise performance, those expectations are commonly based at least partly on evaluations of past enterprise performance (Concepts Statement No. 1, ¶ 42);

(e) The concept that financial reporting should be reliable in that it represents what it purports to represent. That information should be reliable as well as relevant is a notion that is central to accounting (Concepts Statement No. 2, ¶¶ 58-59);

(f) The concept of completeness, which means that nothing is left out of the information that may be necessary to ensure that it validly represents underlying events and conditions (Concepts Statement No. 2, ¶ 79);

(g) The concept that conservatism be used as a prudent reaction to uncertainty to try to ensure that uncertainties and risks inherent in business situations are adequately considered. The best way to avoid injury to investors is to try to ensure that what is reported represents what it purports to represent (Concepts Statement No. 2, ¶¶ 95, 97); and

(h) The Concept that financial reporting should provide information that is useful to present and potential investors and creditors and other users in making rational investment, credit and similar decisions (FASB Statement of Concepts No. 1, ¶ 34).

147. Further, the undisclosed adverse information concealed by Defendants during the Class Period is the type of information that, because of SEC regulations, regulations of the national stock exchanges and customary business practice, is expected by investors and securities analysts to be disclosed and is known by corporate officials and their legal and financial advisors to be the type of information that is expected to be and must be disclosed.

PNC's Other Violations

148. PNC's attempt to deceive investors is further evidenced by its failure to file with the SEC its agreements with the special purpose entities. Item 601 of Regulation S-K [17 C.F.R. 228.601(b)(10)] requires SEC registrants to file material contracts during a reporting period as an Exhibit to Forms 10-Q. PNC failed to file such material agreements with the SEC in violation of S-K Item 601, further evidencing its intent to mislead unsuspecting investors.

149. In addition, disclosure obligations under the SEC's rules and regulations concerning Management's Discussion and Analysis of Financial Condition and Results of Operations and Quantitative and Qualitative Disclosures About Market Risk, are required to be considered in financial disclosures. *See* Exchange Act Rule 12b-20; *see also* 17 C.F.R. §229.303-05. Registrants must consider the economic and business realities and risks of their corporate structures and affiliations, their financial structures and financing methods, their lines of business and operational activities, and ensure that the way they publicly portray themselves discloses, as required, the material elements of those economic and business realities and risks.

150. In this regard, Defendants should have disclosed but did not, that during the second, third and fourth quarters of 2001, PNC used special purpose entities, the structure of these transactions, the risks that these transactions presented, and what losses might occur and the circumstances under which those losses could occur. These disclosures should have been made regardless of whether Defendants believed that the SPE transactions complied with GAAP.

151. Moreover, while a stated purpose of PNC's entering into the SPE transactions was to reduce volatility in its earnings caused by changes in the quality of its loan portfolio, the potentially irregular nature of the dividends payable on the preferred stock would have a counteractive effect on this effort to reduce volatility in earnings, whether the SPE transactions complied with GAAP. In light of PNC's statements in its press releases and Forms 10-Q that it was reducing balance sheet leverage and lending exposure, this information about the volatility of dividends was material and PNC's omission of this information was therefore misleading to investors.

152. Defendants should have known of the improper accounting during the Class Period by virtue of their previously described positions with PNC, access to information about PNC's business, operations, products, trends, markets, prospects and financial statements as to make these facts available to them in the exercise of reasonable diligence. Defendants had access to senior corporate executives, and had access to reports and other information provided to them to make these facts available to them in the exercise of reasonable diligence.

Defendants' Breach Of Fiduciary Duties Caused The Loss

153. The Plan, and the Participants acting on behalf of the Plan, relied upon, and are presumed to have relied upon, Defendants' misrepresentations and non-disclosures to their detriment.

154. As a consequence of Defendants' misrepresentations and non-disclosures, the Plan suffered losses.

155. Defendants are personally liable to make good to the Plan any losses to the Plan resulting from each breach.

156. Each Defendants is jointly liable for the acts of the other Defendants as a co-fiduciary.

157. Pursuant to ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3), the Court should award equitable relief.

CLAIM II

PNC STOCK WAS AN IMPRUDENT INVESTMENT

158. The allegations of all paragraphs set forth above are specifically realleged and incorporated herein by reference.

159. Defendants failed to shift liability to Participants for imprudent investment decisions under section 404(c), so Defendants remained liable for all imprudent investments in PNC stock offered in the Plan.

160. Defendants breached their fiduciary duties as alleged above by allowing the Plan to purchase and hold PNC shares during the Class Period, and by allowing the PNC stock to remain an investment option under the Plan, because this investment in PNC stock was an imprudent investment for a Plan whose purpose was to provide for employee retirement income security.

161. At all relevant times, Defendants were aware or should have been aware of the publicly disclosed misrepresentations, which knowledge would have led a reasonable investment manager to conclude that an investment in PNC stock was an imprudent, high risk investment for the Participants in the Plan, whose purpose was to provide for employee retirement income security. In particular, Defendants should have known that; (1) PNC was engaged in accounting practices that failed to comply with GAAP; and (2) PNC was overstating earnings by $155 million through concealing of losses. These facts demonstrate that investment in PNC stock was not a prudent investment.

162. Defendants also should have known (i) that they made the negligent misrepresentations directly to Plan Participants as set forth above; (ii) these facts were negligently never disclosed in a timely manner; (iii) and that these negligent misrepresentations and non-disclosures would have a negative effect on the price of the PNC stock and caused the stock to be an imprudent investment.

163. Based on the foregoing, Defendants should have terminated PNC stock as an investment option.

164. To the extent that the Defendants possessed material adverse nonpublic information, they should have prevented the Participants from purchasing additional PNC stock. They should also have directed the Plan to sell all PNC stock and disclosed this nonpublic information prior to any sales by the Plan. Had they done so, the Plan would have limited their losses substantially, even though the price might have dropped upon disclosure.

DEFENDANTS' BREACH OF FIDUCIARY DUTY CAUSED THE LOSS

165. Defendants were fiduciaries who breached their fiduciary duties in that they should have known the facts as alleged above and should have known that the Plan should not have permitted the investment in PNC stock.

166. As a consequence of Defendants' breaches, the Participants suffered losses.

167. Defendants are liable to personally make good to the Participants any losses to the Plan resulting from each breach.

168. Each Defendants is jointly liable for the acts of the other Defendants as a co-fiduciary.

169. Pursuant to ERISA § 502(a)(3), 29 U.S.C. § 1132(a)(3), the Court should award equitable relief to the Class.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for:

A. A declaration that Defendants, and each of them, have breached their ERISA fiduciary duties to the Participants;

B. A declaration that Defendants, and each of them, are not entitled to the protection of ERISA § 404(c)(1)(B), 29 U.S.C. § 1104(c)(1)(B);

C. An order compelling Defendants to make good to the Plan all losses to the Plan resulting from Defendants' breaches of their fiduciary duties, including losses to the Plan resulting from imprudent investment of the Plan's assets, and to restore to the Plan all profits Defendants made through use of the Plan' assets, and to restore to the Plan all profits which the Participants would have made if Defendants had fulfilled their fiduciary obligations;

D. Imposition a constructive trust on any amounts by which any Defendant was unjustly enriched at the expense of the Plan as the result of breaches of fiduciary duty;

E. An order enjoining Defendants, and each of them, from any further violations of their ERISA fiduciary obligations;

F. Actual damages in the amount of any losses the Plan suffered, to be allocated among the Participants' individual accounts in proportion to the accounts' losses;

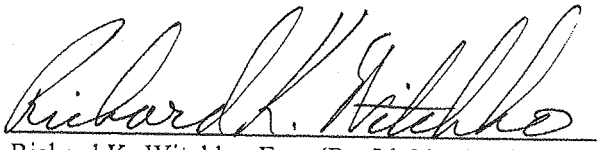
G. An order that Defendants allocate the Plan's recoveries to the accounts of all Participants who had any portion of their account balances invested in PNC stock maintained by the Plan in proportion to the accounts' losses attributable to the decline in the stock price of PNC;

H. An order awarding costs pursuant to 29 U.S.C. § 1132(g);

I. An order awarding attorneys' fees pursuant to 29 U.S.C. § 1132(g) and the common fund doctrine; and

J. An order for equitable restitution and other appropriate equitable monetary relief against Defendants.

DATED: July 15, 2003

By: 

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Attorneys for Plaintiff

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Steven Murray Hoffman

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Certified Public Accountant

4. Affiant's business address. 4081 West Tilden Road, Harrisburg, PA 17112-1033

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Susquehanna University	Selinsgrove, PA	09/68 – 05/72	B.S. in Business Administration/Major in Accounting

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
None				

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Institute of CPAs	[redacted]	1211 Avenue of the Americas; New York, NY 10036-8775	(212) 596-6200
Pennsylvania Institute of CPAs	[redacted]	1650 Arch Street, Philadelphia, PA 19103	(215) 496-9272

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 10/10 - Present Employer's Name Independent Contractor/Self Employed (contract with KPMG LLP effective 10/1/2010)

Address 4081 West Tilden Road City Harrisburg State/Province Pennsylvania

Country USA Postal Code 17112-1033 Phone [redacted] Offices/Positions Held Independent Contractor/Self Employed CPA

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 01/08 - 09/10 Employer's Name KPMG LLP

Address: 1601 Market Street City: Philadelphia State/Province: PA

Country: U.S Postal Code: 19103 Phone _____ Offices/Positions Held: Midatlantic Risk Management Partner - Tax

Supervisor / Contact: [redacted]

Beginning/Ending Dates (MM/YY): 04/73 – 12/07 Employer's Name: KPMG LLP

Address: 30 North Third Street; Suite 1000 City: Harrisburg State/Province: PA

Country: U.S. Postal Code: 17101 Phone [redacted] Offices/Positions Held: Started as staff accountant – 04/73; Partner - 07/84 and Federal Tax Partner in Charge of Harrisburg office tax practice – 07/84 – 12/07; Office Managing Partner – 01/02 – 12/07.

Supervisor / Contact: [redacted]

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details.

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b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License: Commonwealth of PA, Department of State, Bureau of Professional and Occupational Affairs

Address: P.O. Box 2649 City: Harrisburg State/Province: Pennsylvania Country: U.S. Postal Code: 17105

License Type: Certified Public Accountant ("CPA") License #: CA010769L Date Issued (MM/YY): 07/75

Date Expired (MM/YY) Active through 12/11 (subject to renewal at that time) Reason for Termination: N/A – license subject to renewal every two years upon meeting applicable requirements (to be renewed for period 01/12 – 12/13).

Non-insurance Regulatory Phone Number (if known): (717) 787-8503

Organization /Issuer of License: Certified Financial Planner Board of Standards, Inc.

Address: 1425 K Street, NW Suite 500 City: Washington, DC State/Province _____ Country U.S. Postal Code: 20025

License Type: Certified Financial Planner ("CFP") License #: 47453 Date Issued (MM/YY): 09/96 (estimate)

Date Expired (MM/YY): 10/04 Reason for Termination: Voluntarily relinquished certification due to change in the nature of business in which I was practicing (i.e., corporate tax practice vs. individual tax and financial planning) and for which CFP certification was no longer required or useful for needs of the business.

Non-insurance Regulatory Phone Number (if known): 800-487-1497 or 202-379-2200

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No (see below regarding KPMG LLP for which I was a Partner prior to retirement on 09/10)

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

In the normal course of business, KPMG LLP, similar to the other "Big Four" and other accounting firms, have ongoing actions and other matters brought against the Firm by clients, former clients, state and/or federal government and regulatory agencies, such as the SEC, etc. I have never been named personally in any of these actions/matters.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. N/A

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

N/A

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details N/A

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes - KPMG LLP was subject to a "Deferred Prosecution Agreement" ("DPA") with the U.S. Justice Department as it relates to certain tax shelter matters for which, to my knowledge, all terms of the DPA have been satisfied and continue to be satisfied. Under the DPA, KPMG LLP was subject to supervision and monitor review for a five year period that has been satisfied and is completed.

I was a Partner in KPMG LLP during this period; however, I was not personally named in any actions that led to the matter and I was not in a position of leadership within KPMG as it related to the matter. My most recent role within KPMG, as Midatlantic Risk Management Partner –Tax, was directly related to assisting the Firm and its Partners/Employees to be in full compliance with the DPA, professional standards and Firm policies/procedures.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? See item b. In connection with the DPA, KPMG LLP was assessed and paid a fine. The fine was not specific to any individual Partner.

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 7th day of June 2011 at Camp Hill, PA. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 7th day of June, 2011 By

Steven Murray Hoffman, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BELINDA A. CLOUSER, Notary Public
East Pennsboro Twp., Cumberland County
My Commission Expires September 25, 2012

Belinda A Clouser
Notary Public

Belinda A. Clouser
Printed Notary Name

Sept 25 2012
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Steven Murray Hoffman

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen N/A

5. Foreign Student ID# (if applicable) N/A

6. Date of Birth: (MM/DD/YY) 08/02/50 Place of Birth City: Harrisburg
State/Province: PA Country: U.S.

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
4/85 - Present	[redacted]		PA	U.S.	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 7th day of June, 2011 at Camp Hill, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 7th day of June, 2011 By Steven Murray Hoffman, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BELINDA A. CLOUSER, Notary Public
East Pennsboro Twp., Cumberland County
My Commission Expires September 25, 2012

Belinda A Clouser
Notary Public

Belinda A Clouser
Printed Notary Name

Sept 25 2012
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Steven Murray Hoffman, [redacted]
(Printed Full Name and Residence Address)

(Signature)

June 7, 2011
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 7th day of June 2011 By Steven Murray Hoffman, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BELINDA A. CLOUSER, Notary Public
East Pennsboro Twp., Cumberland County
My Commission Expires September 25, 2012

Belinda A Clouser
Notary Public

Belinda A Clouser
Printed Notary Name

Sept 25 2012
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222-3099
412-544-5000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Calvin Barksdale Johnson
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Physician, Consultant
4. Affiant's business address. P.O. Box 646, Bala Cynwyd, PA 19004
   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Undergraduate School Morehouse College	Atlanta, GA	08/1984 - 05/1988	B.S. – Chemistry - 1988

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Graduate Professional School	The Johns Hopkins University School of Medicine	Baltimore, MD	09/1988 - 06/1991 06/1992 – 05/1993	M.D., 1993
	The Johns Hopkins University School of Hygiene and Public Health	Baltimore, MD	07/1991 – 06/1992	M.P.H., 1993

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Graduate Medical Education Residency, General Pediatrics Children's Hospital of Philadelphia	Philadelphia, PA	06/1993 - 06/1996	

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Academy of Pediatrics	Stephanie Krueger	141 Northwest Point Blvd. Elk Grove Village, IL 60007	800-433-9016
Association of State and Territorial Health Officials Alumni	Paul Jarris	2231 Crystal Drive Suite 450 Arlington, VA 22202	(202) 371-9090

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 10/10 - Present Employer's Name Altre Strategic Solutions Group, LLC

Address P.O. Box 646 City Bala Cynwyd State/Province PA

Country USA Postal Code 19004 Phone 215-439-9414 Offices/Positions Held Principal

Supervisor / Contact

Beginning/Ending
Dates (MM/YY) 10/2008 - 10/10 Employer's Name Temple University Health System

Address 3509 N. Broad Street City Philadelphia State/Province PA

Country USA Postal Code 19140 Phone 215-707-6040 Offices/Positions Held V.P. and Chief Medical Officer

Supervisor / Contact Edmond Notebaert / 215-707-0900

Beginning/Ending
Dates (MM/YY) 5/2003 - 9/2008 Employer's Name Commonwealth of Pennsylvania

Address Health and Welfare Building City Harrisburg State/Province PA

Country USA Postal Code 17120 Phone 717-787-6436 Offices/Positions Held Secretary of Health

Supervisor / Contact Edward G. Rendell/ 717-787-2500

Beginning/Ending
Dates (MM/YY) 4 /1999 - 4/2003 Employer's Name Temple University School of Medicine

Address 3500 N. Broad Street City Philadelphia State/Province PA

Country USA Postal Code 19140 Phone 215-707-7000 Offices/Positions Held Assistant Professor/Staff Physician (Temple University Children's Medical Center)

Supervisor / Contact Stephen Aronoff, MD/ 215-707-6605

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Applicant Name (Company) Highmark Inc. NAIC No.54771-PA
FEIN: 23-1294723

Beginning/Ending
Dates (MM/YY) 11/1996 - 4 /1999 Employer's Name New York City Department of Health

Address 125 Worth Street City New York State/Province NY

Country USA Postal Code 10013 Phone 212-788-4423 Offices/Positions Held Medical Director Division of Family Health Services

Beginning/Ending
Dates (MM/YY) 6/1993 - 7/1996 Employer's Name Children's Hospital of Philadelphia

Address 34th and Civic Center Blvd City Philadelphia State/Province PA

Country USA Postal Code 19105 Phone 215-590-1000 Offices/Positions Held Resident Physician

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? No If yes, give details. None

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License Commonwealth of PA – Department of State Address P.O.Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Medical Doctor License # MD-056719-L Date Issued (MM/YY) 07/07/1995

Date Expired (MM/YY) current Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known

Organization /Issuer of License State of New York – Education Department Address 89 Washington Avenue

City Albany State/Province NY Country USA Postal Code 12234

License Type Medical Doctor License # 204971 Date Issued (MM/YY) 11/1996

Date Expired (MM/YY) Inactive status Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known)

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

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b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity?
No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

N/A

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. N/A

If any of the stock is pledged or hypothecated in any way, give details. None

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

N/A

14. Have you ever been adjudged a bankrupt? No If yes, provide details N/A

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21st day of October 2010 at Camp Hill, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By Calvin B. Johnson, M.D. and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222-3099 412-544-5000

1. Affiant's Full Name (Initials Not Acceptable). Calvin Barksdale Johnson

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen N/A

5. Foreign Student ID# (if applicable) N/A

6. Date of Birth: (MM/DD/YY) 08/06/1966 Place of Birth: City Washington
State/Province District of Columbia Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
12/2008-present	[redacted]		PA	USA	[redacted]
7/2004 – 12/2008	2429 Aspen Way,	Harrisburg,	PA	USA	17110
7/2003-7/2004	1123 Sandpiper Court,	Mechanicsburg,	PA	USA	17050
3/1997-7/2003	1412 Hopeland Road,	Wyncote,	PA	USA	19095

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Calvin Barksdale Johnson, M.D., and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht,Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 (717) 302-4204

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Calvin Barksdale Johnson, M.D. [redacted]
(Printed Full Name and Residence Address)

(Signature) 10/21/10 (Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21ST day of October 2010 By Calvin Barksdale Johnson, M.D., and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Calvin Barksdale Johnson, M.D.
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Company	Title	Dates Held
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	5/2010 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/2010 – Present

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Mark Scott Kamlet
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Provost and Executive Vice President
4. Affiant's business address. 5000 Forbes Avenue, WH 607, Pittsburgh, PA 15213
   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Stanford University	Stanford, CA	1970 – 1974	B.S.

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of California/Berkeley	Berkeley, CA	1974 – 1980	M.S., M.S., Ph.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Economic Assoc.		2014 Broadway, Nashville, TN 37203	615-322-2595

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 11/76 - Present Employer's Name Carnegie Mellon University

Address 5000 Forbes Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15213 Phone 412-268-6684 Offices/Positions Held Sr. Vice President, Provost, Professor, Dept. Head and Dean

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY)_____ - Employer's Name

Address City State/Province

Country Postal Code Phone Offices/Positions Held

Supervisor / Contact

See Attached for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

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h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21st day of October 2010 at Camp Hill, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Mark Scott Kamlet
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By Mark Scott Kamlet, and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Mark Scott Kamlet

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 07/24/52 Place of Birth: City Denver
State/Province Colorado Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1989 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31ST day of October, 2010 at Camphill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31ST day of October, 2010 By Mark Scott Kamlet, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Mark Scott Kamlet, [redacted]
(Printed Full Name and Residence Address)

(Signature) 10/21/10 (Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct 2010 By Mark Scott Kamlet, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*California*)

This Disclosure and Authorization is provided to you in connection with a pending application of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by any department of insurance in such states where Company is currently pursuing an Application, because you are either functioning as, or are seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports will be obtained through Owens Online, 6501 N. Himes Ave., Ste. 104, Tampa, FL 33614 ("CRA"). Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may request more information about the nature and scope of Background Reports produced by any consumer reporting agency ("CRA") by submitting a written request to Company. You should submit any such written request for more information, to Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act." You will be provided with a copy of any Background Report procured by Company if you check the box below.

☐ By checking this box, I request a copy of any Background Report from any CRA retained by Company, at no extra charge.

Under section 1786.22 of the California Civil Code, you may view the file maintained on you by the CRA listed above. You may also obtain a copy of this file, upon submitting proper identification and paying the costs of duplication services, by appearing at the CRA in person or by mail; you may also receive a summary of the file by telephone. The CRA is required to have personnel available to explain your file to you and the CRA must explain to you any coded information appearing in your file. If you appear in person, you may be accompanied by one other person of your choosing, provided that person furnishes proper identification.

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. In no event, however, will this authorization remain in effect beyond twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Mark Scott Kamlet, [redacted]
(Printed Full Name and Residence Address)

(Signature) 10/21/10 (Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By Mark Scott Kamlet, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Mark Scott Kamlet
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Company	Title	Dates Held
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	4/03 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company)Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). David John Malone

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Financial Advisor

4. Affiant's business address. 444 Liberty Avenue, #750, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Allegheny College	Meadville, PA	1972-1976	Bachelor of Science

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
American College and Chartered Financial Consultant (CHFC) Designations		Bryn Mawr, PA		Chartered Life Underwriter (CLU)

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Million Dollar Round Table	N/A	325 West Touhy Avenue Park Ridge, IL 60068	(847) 692-6378
M Financial Member Firm Relations Committee	[redacted]	1125 NW Couch St., 10th Fl. Portland, OR 97209	(503) 414-7518

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 1982 - Present Employer's Name Gateway Financial Group, Inc.

Address 444 Liberty Avenue, #750 City Pittsburgh State/Province Pennsylvania

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held President & CEO

Supervisor / Contact N/A

Beginning/Ending Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. _____

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

See Attachment

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. Gateway Financial Group, Inc.

If any of the stock is pledged or hypothecated in any way, give details. N/A

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
Yes. Gateway Financial Group, Inc.

If any of the shares of stock are pledged or hypothecated in any way, give details.

N/A

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 14 day of June 2011 at Pittsburgh, PA. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David John Malone
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 14 day of June, 2011 By David John Malone, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
LISSA M SEVER
Notary Public
PITTSBURGH CITY, ALLEGHENY COUNTY
My Commission Expires Apr 7, 2015

Lissa M. Sever
Notary Public
Lissa M. Sever
Printed Notary Name
4/7/15
My Commission Expires

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Applicant Name (Company)Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). David John Malone

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 08/11/1954 Place of Birth: City Pittsburgh
State/Province Pennsylvania Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1980 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 14 day of June, 2011 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David John Malone
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 14 day of June, 2011 By David John Malone, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
LISSA M SEVER
Notary Public
PITTSBURGH CITY, ALLEGHENY COUNTY
My Commission Expires Apr 7, 2015

Lissa M. Sever
Notary Public
Lissa M. Sever
Printed Notary Name
4/7/15
My Commission Expires

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Applicant Name (Company)Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 (717-302-4226)

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

David John Malone, [redacted]
(Printed Full Name and Residence Address)

David John Malone
(Signature)

June 14, 2011
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 14 day of June 2011 By David John Malone, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
LISSA M SEVER
Notary Public
PITTSBURGH CITY, ALLEGHENY COUNTY
My Commission Expires Apr 7, 2015

Lissa M. Sever
Notary Public

Lissa M. Sever
Printed Notary Name

4/7/15
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

Attachment
David John Malone
NAIC Biographical Affidavit

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License	**Commonwealth of Pennsylvania**			Address	**1326 Strawberry Square**		
City **Harrisburg**	State/Province	**PA**	Country	**USA**	Postal Code	**17120**	
License Type	**Resident Producer Individual**	License #	**344834**	Date Issued	**1-22-77**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**717-787-3840**						

Organization/Issuer of License	**Commonwealth of Pennsylvania**			Address	**1326 Strawberry Square**		
City **Harrisburg**	State/Province	**PA**	Country	**USA**	Postal Code	**17120**	
License Type	**Resident Viatical Settlement Broker**	License #	**456495**	Date Issued	**3-22-06**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**717-787-3840**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City **Washington**	**State/Province**	**DC**	**Country USA**		**Postal Code**	**20006**	
License Type		License #	**CRD# 706763**	Date Issued	**7-21-2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City **Washington**	**State/Province**	**DC**	**Country USA**		**Postal Code**	**20006**	
License Type	**Securities – Direct Participation Program**	License #	**CRD# 706763**	Date Issued	**7-21-2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City **Washington**	**State/Province**	**DC**	**Country USA**		**Postal Code**	**20006**	
License Type	**Securities – Direct Participation Programs Principal**	License #	**CRD# 706763**	Date Issued	**7-21-2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City **Washington**	**State/Province**	**DC**	**Country USA**		**Postal Code**	**20006**	
License Type	**Securities – Invest. Co and Variable Contracts**	License #	**CRD# 706763**	Date Issued	**7-21-2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – Invest. Co and Variable Contracts Principal**	License #	**CRD# 706763**	Date Issued	**7-21-2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of California**	License #	**CRD# 706763**	Date Issued	**3/17/2009**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						
Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of Delaware**	License #	**CRD# 706763**	Date Issued	**10/11/2002**		
Date Expired	**N/a**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of New Jersey**	License #	**CRD# 706763**	Date Issued	**1/26/2004**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of Ohio**	License #	**CRD# 706763**	Date Issued	**9/16/2004**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of Pennsylvania**	License #	**CRD# 706763**	Date Issued	**9/13/2000**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of Vermont**	License #	**CRD #706763**	Date Issued	**5/5/2008**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

Organization/Issuer of License	**Financial Industry Regulatory Authority (FINRA)**			Address	**1735 K Street**		
City	**Washington**	State/Province	**DC**	Country **USA**		Postal Code	**20006**
License Type	**Securities – State of Virginia**	License #	**CRD #706763**	Date Issued	**10/10/2002**		
Date Expired	**N/A**	Reason for Termination	**Current**				
Non-insurance Regulatory Phone Number (if known)	**301-590-6500**						

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). David Michael Matter

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Retired

4. Affiant's business address. None

   Business telephone. None

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Edmund A. Walsh School Of Foreign Service, Georgetown University	Washington, DC	09/64-08/68	BSFS

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Graduate School of Public & International Affairs	Pittsburgh, PA	01/78 – 04/81	MPA

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Urban Land Institute		1025 Thomas Jefferson St., NW Washington, DC 20007-5201	202-624-7000

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 12/87 - 3/1/10 Employer's Name Oxford Development Company

Address One Oxford Centre, Ste. 4500 City Pittsburgh State/Province PA

Country USA Postal Code 15219 Phone 412-261-1500 Offices/Positions Held President/CEO

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) - Employer's Name

Address City State/Province

Country Postal Code Phone Offices/Positions Held

Supervisor / Contact
See Attached

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

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h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? *No – Please see attachment

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Please see attachment

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 31st day of October 2010 at Camp Hill Pa I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David M. Matter
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By David Michael Matter, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). David Michael Matter

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 06/19/46 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
11/2009 – Present	[redacted]		PA	USA	[redacted]
08/1989 – 11/2009	501 Undercliff Road	Pittsburgh	PA	USA	15221

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 21st day of Oct., 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David M. Matter
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By David Michael Matter, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

David Michael Matter, [redacted]
(Printed Full Name and Residence Address)

David M. Matter
(Signature)

10/21/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October 2010 By David Michael Matter, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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David Michael Matter
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served as referenced below:

Corporation/Association	Position Held	Date
Oxford Development Company One Oxford Centre, Ste. 4500 Pittsburgh, PA 15219	Chairman, Executive Committee	3/1/10 - Present
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	4/28/04 – Present
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	6/27/05 – Present
United Concordia Insurance Company 2198 E. Camelback Road, Ste. 260 Phoenix, AZ 85016	Director	6/30/10 – Present
United Concordia Life and Health Insurance Company 4401 Deer Path Road Harrisburg, Pa 17110	Director	6/30/10 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
HM Insurance Group, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
Highmark Casualty Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
HM Benefits Administrators, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
HM Broker Services, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
HM Casualty Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present
HM Life Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	6/30/10 – Present

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

Corporation/Association	Position Held	Date
HM Life Insurance Company Of New York 420 Fifth Avenue, 3rd Floor New York, NY 10018	Director	6/30/10 – Present

11.h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? While I do not believe the nature of the action described below requires disclosure in response to Question 11.h., I am nevertheless providing the following information in the interest of full disclosure:

Case #GD-99-007146 - Defamation (Filed 05/11/1999)

This case involved a campaign ad run by the Allegheny 2000 Citizens' Committee ("Allegheny 2000"), an organization formed to campaign in favor of an Allegheny County (Pennsylvania) referendum for a home rule charter. A member of a committee opposing the referendum filed defamation and invasion of privacy charges against Allegheny 2000, claiming the television advertisement portrayed plaintiff in a false light. Other individuals associated with Allegheny 2000 were also named as defendants. The trial court dismissed the lawsuit, finding that none of the statements in the advertisement were actionable. The Pennsylvania Superior Court affirmed the dismissal, and the Supreme Court dismissed a further effort by the plaintiff to appeal as having been improvidently granted. Attached is a copy of the complaint, a copy of the trial court opinion dismissing the case, a copy of the Pennsylvania Superior Court's order affirming the dismissal, and a copy of the Pennsylvania Supreme Court order dismissing appeal.

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

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David Michael Matter
Attachment to
Biographical Affidavit

Case #GD-99-007146 – Defamation (Filed 5/11/99)

Pleadings attached:

1. Complaint
2. Opinion of trial court dismissing complaint
3. Pennsylvania Superior Court Order affirming dismissal
4. Pennsylvania Supreme Court Order dismissing appeal

1

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BARBARA J. ERNSBERGER,

Plaintiff,

v.

ALLEGHENY 2000 CITIZENS' COMMITTEE, BRABENDER COX, POLITICAL, INC., DAVID MATTER, JOHN BRABENDER, JOHN VERBANAC and JAMES TURNER,

Defendants.

CIVIL DIVISION

No. GD 99 - 7146

Code: 008

COMPLAINT IN CIVIL ACTION AT LAW

Filed on behalf of:
Plaintiff,
Barbara J. Ernsberger

Counsel of record for this party:

Michael Rosenfield, Esquire
PA I. D. No. 16480
1808 Law and Finance Bldg
Pittsburgh, PA 15219
(412) 281-6800

NOTICE TO PLEAD

TO: Defendants NAMED HEREIN:

You are hereby notified to file a written response to the enclosed pleadings within twenty (20) days from the date of service hereof, or judgment may be entered against you.

JURY TRIAL DEMANDED

OPS[illegible]
6-11-99 14:50:35
GD-99-007146

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

CIVIL DIVISION

BARBARA J. ERNSBERGER, Plaintiff, v. ALLEGHENY 2000 CITIZENS' COMMITTEE, BRABENDER COX, POLITICAL, INC., DAVID MATTER, JOHN BRABENDER, JOHN VERBANAC and JAMES TURNER, Defendants.	)	No. GD Code: 008

NOTICE TO DEFEND

You have been sued in Court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this Complaint and Notice are served, by entering a written appearance personally or by attorney and filing in writing with the Court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a Judgment may be entered against you in the Court without further notice for any money claimed in the Complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

Lawyer Referral Service
Allegheny County Bar Association
920 City-County Building
Pittsburgh, Pennsylvania 15219

Telephone: (412) 261-0518

JURY TRIAL DEMANDED

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

CIVIL DIVISION

BARBARA J. ERNSBERGER,	)	
	)	No. GD
Plaintiff,	)	Code: 008
	)	
v.	)	
	)	
ALLEGHENY 2000 CITIZENS' COMMITTEE, BRABENDER COX, POLITICAL, INC., DAVID MATTER, JOHN BRABENDER, JOHN VERBANAC and JAMES TURNER,	)	
	)	
Defendants.	)	

COMPLAINT IN CIVIL ACTION AT LAW

AND NOW, comes the Plaintiff, Barbara J. Ernsberger, by and through her lawyer, Michael Rosenfield, and states the following:

1. Barbara J. Ernsberger, is a resident of Allegheny County, Pennsylvania with her husband, Daniel W. Ernsberger, and three sons, and has been a practicing attorney for 22 years.

2. The Defendant, Allegheny 2000 Citizens' Committee (hereinafter Allegheny 2000) is a political action committee with the express political purpose of attempting to influence the voters of Allegheny County, with offices located in Allegheny County at 441 Smithfield Street, second floor, Pittsburgh, PA 15222.

3. The Defendant Brabender Cox Political, Inc. (hereinafter Brabender Cox) is an advertising agency, with offices located in Allegheny County at Birmingham Towers, 2100 Wharton Street, Pittsburgh, PA 15203.

4. Defendants David Matter (hereinafter Matter) and James

Turner (hereinafter Turner), at all times material hereto, were associated with Defendant Allegheny 2000 and are residents of Allegheny County.

5. Defendants John Brabender (hereinafter Brabender) and John Verbanac (hereinafter Verbanac), at all times material hereto, were employed by and associated with Defendant Brabender Cox and are residents of Allegheny County.

6. The Plaintiff, at the times herein mentioned and since her birth, has been a person of good name and reputation, well known as a lawyer and a citizen of the City of Pittsburgh, Pennsylvania, and enjoys the esteem and good opinion of diverse persons.

7. On and after May 11, 1998, Defendants Allegheny 2000, Brabender Cox, Brabender, Verbanac, Matter and Turner caused to be published on television airways of stations in Pittsburgh, Pennsylvania the following statements with corresponding video (identified by number):

> [1]Take a good look at the names on this list, collectively [2]they have been living off the taxpayers for over [3]320 years and every year they [4]receive over 1.5 million dollars in salaries and benefits. [5]Plus lavish perks like luxury cars. So it's not [6]surprising they're opposed to changing our present form of government, because for them it's working [7]just fine. The [8]Home Rule Charter opposed by Tom Flaherty and the career politicians' Hall of Shame. [9]What a wonderful reason to vote Yes!

1. Copy of "Vote No" letter -- (Slightly Altered) Full color
2. Scrolling of names of Committee members, including Barbara Ernsberger -- letter still in background, but black, white, and grey
3. Large red number 320
4. Large red number 1.5 million
5. Lincoln Town car

6. Vote "No" letter -- body of letter
7. Cocktail party -- men with cigars and drinks in hand -- all in suits laughing
8. Tom Flaherty with microphone in black and white
9. "Vote Yes on Home Rule"

8. Said advertisement scrolled "Barbara Ernsberger, Esquire, Treasurer," across the screen.

9. In addition, the advertisement contained a picture of a luxury car and pictures of men drinking, smoking cigars and laughing.

10. Defendant Allegheny 2000 hired Defendant Brabender Cox to create the forementioned political television advertisement well knowing the facts set forth in paragraph 7 above, with willful and malicious intent to injure the Plaintiff and bring her into public scandal and disgrace, because said publication falsely accused Plaintiff of being a recipient of public funds and portrayed her in a false light of living luxuriously at the tax payers' expense by being in the "career politicians' Hall of Shame."

11. Defendant Brabender Cox then created the aforementioned political advertisement with the advice and consent of Defendants Allegheny 2000, Brabender, Verbanac, Matter and Turner.

12. The statements and charges in the aforementioned political advertisement, so far as they reflect upon Plaintiff's character, reputation and association, are false.

13. Defendants Brabender, Verbanac, Matter and Turner authorized the publication of and did publish the political advertisement knowing said advertisement to contain false statements and false charges pertaining to Plaintiff.

14. Plaintiff has never, at any time, been an employee of any city, county, state or federal government and has never received any salary or benefits from any branch of government.

15. Defendants Allegheny 2000, Matter, Turner, Brabender, Verbanac and Brabender Cox, well knew, at the time said charges and statements above referred to were made, that they were untrue, but well knowing the premises and for the purposes of injuring the Plaintiff, did illegally, falsely, and maliciously make, write and publish the defamatory statements hereinbefore set forth, which defamatory statements Plaintiff avers constitute false and malicious defamation.

16. Plaintiff further avers that the aforenamed Defendants published and circulated the said advertisement, multiple times, on the 11th day of May, 1998, and for days thereafter, the exact end point of which is not yet determined, to the television viewers of KDKA, WTAE, WPGH, WPXI and various cable television stations where it was widely watched and observed by the viewers of said television stations.

17. By reason of said printing, publication, and circulation of said false, scandalous, malicious, defamatory statements, Plaintiff has been brought into scandal and reproach, and has been held up to scorn and contempt among good citizens of Allegheny County and surrounding areas, wherein said practices hereinbefore mentioned to have been charged and imputed to her, in consequence of which Plaintiff has suffered in her reputation, feelings, and peace of mind.

COUNT I

DEFAMATION OF CHARACTER

18. As a result of the publication and republication of the aforementioned political advertisement, all Defendants have defamed, slandered and libeled Plaintiff causing her to suffer the injuries abovementioned.

COUNT II

INVASION OF PRIVACY

19. As a result of the publication and republication of the aforementioned political advertisement, all Defendants have cast Plaintiff in a false light by making it appear that she has benefitted from public employment, which was not true, thus causing her to suffer the injuries abovementioned.

WHEREFORE, the Plaintiff, Barbara Ernsberger, demands compensatory damages in excess of $25,000 and punitive damages against all defendants and any other relief the Court deems necessary and appropriate.

JURY TRIAL DEMANDED.

Dated: May 11, 1999

Michael L. Rosenfield
Lawyer for Plaintiff
Barbara Ernsberger

No.GD99-7146 Superior Crt No. 0147OWDA99

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BARBARA J. ERNSBERGER,	)	CIVIL DIVISION
	)	
Plaintiff,	)	No.GD99-7146
	)	
vs.	)	Superior Court
	)	No.0147OWDA99
ALLEGHENY 2000 CITIZENS	)	
COMMITTEE, INC.,	)	OPINION
BRABENDER COX POLITICAL, INC.,	)	
DAVID MATTER, JOHN BRABENDER,	)	
JOHN VERBANAC and JAMES TURNER,	)	
	)	
Defendants.	)	

JUDGE RONALD W. FOLINO

Copies Served By First Class Mail Upon:

Michael L. Rosenfield, Esquire
1808 Law & Finance Building
429 Fourth Avenue
Pittsburgh, PA 15219

Perry A. Napolitano, Esquire
435 Sixth Avenue
Reed, Smith, Shaw and McClay
Pittsburgh, PA 15219

Albert P. Caruso, Esquire
Kelson & Slomski
411 Seventh Ave., Suite 1402-A
Pittsburgh, PA 15219

Lisa Pupo Lenihan, Esquire
Burns, White & Hickton
2400 Fifth Avenue Place
Pittsburgh, PA 15222

Timothy Joseph Burdette, Esquire
600 Gulf Tower
707 Grant Street
Pittsburgh, PA 15219

Joseph S. Mistick, Esquire
Duquesne School of Law
632 Fisher Hall
Pittsburgh, PA 15282

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BARBARA J. ERNSBERGER,	)	CIVIL DIVISION
	)	
Plaintiff,	)	No.GD99-7146
	)	
vs.	)	Superior Court
	)	No.0147OWDA99
ALLEGHENY 2000 CITIZENS	)	
COMMITTEE, INC.,	)	
BRABENDER COX POLITICAL, INC.,	)	
DAVID MATTER, JOHN BRABENDER,	)	
JOHN VERBANAC and JAMES TURNER,	)	
	)	
Defendants.	)	

OPINION

FOLINO, J.

In 1998, voters in Allegheny County by referendum adopted a home rule charter which substantially changed the structure of County government. Allegheny 2000 Citizens Committee ("Allegheny 2000"), a Defendant herein, was formed to campaign in favor of the home rule charter. The Committee to Vote No on Home Rule, of which Plaintiff Barbara Ernsberger was Treasurer, campaigned against the charter. During the course of that campaign, Defendants Brabender,

Verbanac and Brabender Cox Political, Inc. created, and Defendants Matter, Turner and Allegheny 2000 arranged for the television broadcast of, the advertisement which is at issue in this case. The advertisement was aired several times beginning on May 11, 1998

That advertisement displayed, in the background, images of:

- A letter apparently circulated by the Committee To Vote No, on the Committee's letterhead;
- The numbers 320 and 1.5 million (referring to the voice portion of the advertisement, discussed below);
- A Lincoln Town Car;
- A group of men holding cigars and drinks and laughing;
- City of Pittsburgh Controller Tom Flaherty with a microphone; and
- The words "Vote Yes on Home Rule."

Throughout the course of the advertisement, a list of names was scrolled across the foreground of the screen. Among the names was "Barbara Ernsberger, Esquire, Treasurer." The advertisement also contained the following narration:

> Take a good look at the names on this list. Collectively, they have been living off the taxpayers for over 320 years and every year they receive over 1.5 million dollars in salaries and benefits, plus lavish perks like luxury cars. So it's not surprising they're opposed to changing our present form of government. Because, for them, it's working just fine. The Home Rule Charter, opposed by Tom Flaherty and the career politicians' hall of shame. What a wonderful reason to vote yes.

Complaint, paragraph 7.

Thus, the gist of the advertisement, as it pertains to this case, was that Plaintiff Ernsberger was a part of a group of highly compensated career politicians and that her opposition to the home rule referendum should be discounted for that reason. The complaint alleges, however, that Plaintiff has never been a public employee nor received any salary or benefits from any branch of government. Complaint, paragraph 14.

Plaintiff contends that the advertisement defamed her because it "disparaged her reputation as being a competent, hard-working attorney who earns a living instead of living off the public dole," and "questioned her sincerity and her veracity" in her opposition to the home rule charter. Brief in opposition to preliminary objections, pp. 3, 4. She also

contends that the advertisement meets the standards of a "false light" invasion of privacy because "[d]isparaging the name of a reputable, long-time member of the bar ... 'would be highly offensive to a reasonable person.'" *Id.* at p. 11.

All Defendants have filed preliminary objections to both counts of the present complaint, arguing that the advertisement was not actionable as a matter of law. By order dated August 4, 1999, I sustained these preliminary objections.

Applicable Standards

In ruling on preliminary objections in the nature of a demurrer, the Court is required to accept as true all well-pleaded material facts in the Plaintiff's complaint, as well as all inferences reasonably drawn therefrom. *Vattimo v. Lower Bucks Hospital, Inc.*, 502 Pa. 241, 465 A.2d 1231, 1232-33 (1983). A demurrer may be sustained only where, on the facts thus assumed, the law says with certainty that no recovery is possible. *Id.*

In an action for defamation, it is the Court's duty in the first instance to determine if the publication is

capable of defamatory meaning. *MacElree v. Philadelphia Newspapers, Inc.*, 544 Pa. 117, 674 A.2d 1050, 1053 (1996) A communication is defamatory if it "tends so to harm the reputation of [the Plaintiff] as to lower [her] in the estimation of the community or to deter third persons from associating or dealing with [her]." *Birl v. Philadelphia Electric Co.*, 402 Pa. 297, 303, 167 A.2d 472, 475 (1960). If the Court concludes that the publication is not capable of defamatory meaning, the claim should be dismissed. *Thomas Merton Center v. Rockwell International Corp.*, 497 Pa. 460, 442 A.2d 213, 215 (1981).

A cause of action for invasion of privacy by placing the Plaintiff in a false light exists:

> where a major misrepresentation of a person's character, history, activities or beliefs is made that could reasonably be expected to cause a reasonable man to take serious offense. The elements to be proven are publicity, given to private facts, which would be highly offensive to a reasonable person and which are not of legitimate concern to the public.

Rush v. Philadelphia Newspapers, Inc., ____ Pa. Super. ____, 732 A.2d 648, 654 (1999) (citations and internal quotation marks omitted).

Finally, it should be well beyond debate that statements made in the course of a public political contest such as that presented in this case, while they are not absolutely immune from liability, deserve the most careful analysis to assure that fundamental First Amendment rights of the media and the contestants themselves are preserved *E.g., McIntyre v. Ohio Elections Commission*, 514 U.S. 334, 346-47 (1995) and cases cited. In particular, individuals who voluntarily become participants in highly publicized political contests in our society must expect to be the targets of "rhetorical hyperbole and vigorous epithets" which can only be challenged in the marketplace of ideas (or the voting booth) and not in the courts. *E.g., Greenbelt Cooperative Publishing Association v. Bresler*, 398 U.S. 6 (1969).

Discussion

Plaintiff complains that the advertisement in this case falsely stated or implied that she was a career politician; that she received a lavish salary and other benefits paid for with tax money; that these facts were grounds of shame;

and that she was motivated by these facts to campaign against the home rule charter.

None of these statements approaches the kind of damaging falsehood which is actionable either as defamation or as an invasion of privacy. While they may have been annoying to Plaintiff, this is no more than what must naturally be expected by those who inject themselves into a well-publicized political debate.

It may be true that individual politicians or public employees have brought scorn upon themselves. Nevertheless it would be highly anomalous to adopt a rule that the mere status of being a politician or public employee, without more, is a fact capable of defamatory meaning. Even the more charged accusation of "patronage" has been held incapable of defamatory meaning. *Rush v. Philadelphia Newspapers, Inc.*, ___ Pa. Super. ___, 732 A.2d 648, 653 (1999).

Nor is it defamatory to accuse a person of advocating the defeat of the home rule charter, nor even to suggest that such advocacy arose *while* or *because* one is engaged as a public employee. *See, e.g., West v. Thomson Newspapers*, 872 P.2d 999, 1010 (Utah 1994) ("absent assertions of

illegal or at least ethically improper conduct, it is not defamatory to criticize a politician for using his or her office for personal gain") (quoted with approval in *Rush*, *supra*, 732 A.2d at 654).

Similarly, the claim for invasion of privacy must fail. As in the *Rush* case, the advertisement here involved not details of private life, but instead legitimate matters of public concern. Indeed, it is hard to imagine how one's status as a politician or public employee, or one's public advocacy of the home rule referendum, could under any circumstances be characterized as "private facts" which are "not of legitimate concern to the public." And like the accusation of "patronage" in *Rush*, the characterization (though inaccurate) of Plaintiff as a public employee motivated by self-interest to preserve the existing form of county government would not be "highly offensive to a reasonable person." 732 A.2d at 654.

For all of the foregoing reasons, the dismissal of Plaintiff's complaint should be affirmed.

DATE FILED October 20, 1999

Westlaw

764 A.2d 1132 (Table)
764 A.2d 1132 (Table)
(Cite as: 764 A.2d 1132 (Table))

H

(The decision of the Court is referenced in the Atlantic Reporter in a table captioned "Superior Court of Pennsylvania Decisions Without Published Opinions". Reports of cases decided by the Superior Court in which the order, decree, judgment or decision of the court below was affirmed or otherwise disposed of without opinion or without extended opinion. Beginning with the March 1979 session, the Superior Court adopted a practice of affirming per curiam some cases without a published opinion. However, in most cases a memorandum opinion has been prepared and filed. Copies of these memorandum opinions may be obtained at the clerk's office of the Superior Court in the district in which the case arose. These memorandum opinions cannot be considered as precedent, nor can they be cited for any purpose, except when relevant under the doctrine of the law of the case, res judicata, or collateral estoppel and the memorandum is relevant to a criminal action or proceeding because it recites issues raised and reasons for a decision affecting the same defendant in a prior action or proceeding. When an unpublished memorandum is relied upon, a copy of it must be furnished to the other party and to the Court. (Pa.Super.Ct.R. 65.37.)

Superior Court of Pennsylvania
Ernsberger
v.
Allegheny 2000 Citizens Committee [FN27]
NO. 01470WDA99

July 24, 2000

Appeal From: GD 99-7145 (Allegheny)

Disposition: Affirmed.

FN27. Petition for reargument denied October 3, 2000

Pa.Super. 2000

END OF DOCUMENT

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[J-4-2002]
IN THE SUPREME COURT OF PENNSYLVANIA
WESTERN DISTRICT

BARBARA J. ERNSBERGER,	:	No. 31 WAP 2001
Appellant	:	
	:	Appeal from the Order of the Superior Court entered on July 24, 2000 at No. 1470WDA1999 affirming the Order of the Court of Common Pleas, Allegheny County, Civil Division, entered on August 4, 1999 at No. GD99-7146.
v.	:	
ALLEGHENY 2000 CITIZENS COMMITTEE, INC., BRABENDER COX POLITICAL INC., DAVID MATTER, JOHN BRABENDER, JOHN VERBANAC AND JAMES TURNER,	:	
Appellees	:	ARGUED: March 4, 2002

ORDER

PER CURIAM DECIDED: MARCH 22, 2002

Appeal dismissed as having been improvidently granted.

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Glen Theodore Meakem

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Managing Director, Meakem Becker Venture Capital

4. Affiant's business address. 603 Beaver Street, Sewickley, PA 15143

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Harvard University	Cambridge, MA	9/82 – 6/86	B.A. cum laude

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Harvard Business School		Boston, MA	9/89 – 12/91	MBA

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Young President's Organization	[redacted]	20120 Rte. 19, Cranberry Twp., PA 16066	412-874-9500

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 10/05 - Present Employer's Name Meakem Becker Venture Capital

Address 603 Beaver Street City Sewickley State/Province PA

Country USA Postal Code 15143 Phone 412-749-5720 Offices/Positions Held Managing Director

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 11/2004 - 10/2005 Employer's Name The Meakem Company

Address 603 Beaver Street City Sewickley State/Province Pennsylvania

Country USA Postal Code 15143 Phone 412-749-5720 Offices/Positions Held Chief Executive Officer

Supervisor/Contact David Koegler, Chief Financial Officer

Beginning/Ending Dates (MM/YY) 3/1995 - 11/2004 Employer's Name FreeMarkets, Inc.

Address 210 Sixth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-434-0500 Offices/Positions Held Chairman and CEO

Supervisor/Contact Kent Parker, Executive Vice President and General Manager

Beginning/Ending Dates (MM/YY) 5/1994 - 2/1995 Employer's Name General Electric Corporation

Address 3135 Easton Turnpike City Fairfield State/Province CT

Country USA Postal Code 06828-0001 Phone 203-373-2211 Offices/Positions Held Manager Business Development

Supervisor/Contact

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Applicant Name (Company) Highmark Inc. NAIC No.54771-PA
FEIN: 23-1294723

Beginning/Ending
Dates (MM/YY) 1/1992 - 4/1994 Employer's Name McKinsey & Company

Address Houston Center, Suite 3500, 909 Farrin St. City Houston State/Province TX

Country USA Postal Code 77010 Phone 713-751-4378 Offices/Positions Held Consultant

Supervisor/Contact Suzanne Nimocks

Beginning/Ending
Dates (MM/YY) 1/1987 - 6/1989 Employer's Name Kraft-General Foods Corporation

Address 250 North Street City White Plains State/Province NY

Country USA Postal Code 10625 Phone _____ Offices/Positions Held Assistant Product Manager

Supervisor/Contact _____

Beginning/Ending
Dates (MM/YY) 6/1986 - 10/1998 Employer's Name United States Army Reserve*

Address USAR Control Group City St. Louis State/Province MO

Country USA Postal Code _____ Phone _____ Offices/Positions Held Top rank of Captain

Supervisor/Contact Thomas Charlson – Colonel U.S. Army (retired)

*Note: Served two active duty tours: 7/1986-12/1986 Engineer Officer Basic course at Fort Belvoir, VA
12/1990-6/1991 War-time service in Saudi Arabia and Kuwait

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details.None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

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Applicant Name (Company) Highmark Inc. NAIC No.54771-PA
FEIN: 23-1294723

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? Yes. I was a defendant in a total of five shareholder lawsuits in my roles as Chief Executive Officer and Chairman of FreeMarkets, Inc. All lawsuits were either dismissed or settled. Please see attachment for details.

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity?
No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

See Attached

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12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)?
    No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

Dated and signed this 12th day of October 2010 at Sewickley, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Allegheny.

The foregoing instrument was acknowledged before me this 12th day of October, 2010 By Glen Theodore Meakem, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda M. Buckley, Notary Public
Sewickley Boro, Allegheny County
My Commission Expires Feb. 23, 2012
Member, Pennsylvania Association of Notaries

Notary Public

Linda M Buckley
Printed Notary Name

2-23-2012
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Glen Theodore Meakem

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 02/03/64 Place of Birth: City New York
State/Province New York Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
6/09 - present	[redacted]		PA	USA	[redacted]
6/98 - 6/09	703 Cochran Street	Sewickley	PA	USA	15143
3/96 – 6/98	308 Polo Club Drive	Moon Township	PA	USA	15108

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 12th. day of October, 2010 at Sewickley, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 12th day of October, 2010 By Glen Theodore Meakem, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Linda M. Buckley, Notary Public
Sewickley Boro, Allegheny County
My Commission Expires Feb. 23, 2012
Member, Pennsylvania Association of Notaries

Linda M Buckley
Notary Public

Linda M Buckley
Printed Notary Name

2-23-2012
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Glen Theodore Meakem, [redacted]
(Printed Full Name and Residence Address)

(Signature)

12 OCTOBER 2010
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 12th day of Oct, 2010 By Glen Theodore Meakem, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

Linda M Buckley
Notary Public
Linda M Buckley
Printed Notary Name
2-23-2010
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Glen Theodore Meakem
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

   In addition to the preceding information, I presently serve or have served as referenced below:

Corporation/Association	Position Held	Date
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	4/27/06 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	6/30/10 – Present
Highmark Ventures Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	8/16/10 – Present

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Attachment for question 11h – NAIC bio form for Glen T. Meakem

In re FreeMarkets, Inc. Initial Public Offering Securities Litigation.

- Court: U.S. District Court for the Southern District of New York (Case 01 Civ. 7039).

- Description: A class action suit comprising a number of purported shareholder class action complaints related to FreeMarkets' initial public offering in December 1999. This was the "IPO Laddering Case" involving virtually every underwriter on Wall Street and virtually every company that went public in the late 1990s and early 2000s.

- Disposition: A Stipulation and Agreement of Settlement was filed on September 10, 2004. A final fairness hearing on the proposed settlement was held on April 24, 2006. Efforts are underway to notify class members of the settlement.

In re FreeMarkets, Inc. Securities Litigation.

- Court: U.S. District Court for the Western District of Pennsylvania (Case 2:00CV0024).

- Description: Securities law class action against FreeMarkets filed in January 2000 in connection with General Motors' cancellation of its contract with FreeMarkets.

- Disposition: Motion to dismiss granted on December 26, 2000.

In re FreeMarkets, Inc. Securities Litigation.

- Court: U.S. District Court for the Western District of Pennsylvania (Case 02:01CV00746).

- Description: Securities law class action filed in connection with issuance by FreeMarkets, Inc. of warrants to Visteon Corporation in April 2000.

- Disposition: The court approved the settlement of this action on November 1, 2005.

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Attachment for question 11h – NAIC bio form for Glen T. Meakem

In re Michael Memo, Derivatively on behalf of nominal defendant FreeMarkets, Inc. v. David A. Noble, Sam E. Kinney, Jr., Glen T. Meakem, Eric C. Cooper, Thomas J. Meredith and David Becker.

- Court: U.S. District Court for the Western District of Pennsylvania (Civil Action No. 01-1782).

- Description: Derivative action in Pennsylvania resulting from the Visteon matter.

- Disposition: The court dismissed this case with prejudice for lack of subject matter jurisdiction on July 1, 2004.

In re Michael Memo and David Booth v. Ariba, Inc., Glen T. Meakem, Thomas J. Meredith, Thomas J. Gill, Raymond J. Lane, David H. McCormick, Jared Cohon and Karl Newkirk.

- Court: Delaware Chancery Court, New Castle County (Civil Action No. 677-N).

- Description: Derivative action in Delaware resulting from the merger of FreeMarkets, Inc. into Ariba, Inc. in July 2004.

- Disposition: The plaintiffs voluntarily dismissed this case without prejudice on April 10, 2006.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Kenneth Rudolph Melani
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. President and Chief Executive Officer
4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222
   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Washington & Jefferson College	Washington, PA	09/71 – 05/75	B.A.

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Bowman Gray School of Medicine Wake Forest Univ.	Winston-Salem, NC	09/75 – 06/79	M.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Please see Attachment			

7. Present or proposed position with the applicant entity. Officer and Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 01/1/03 - Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held President and CEO

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 12/96 - 12/31/02 Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7245 Offices/Positions Held Exec. VP, Strategic Business Dev.

Supervisor/Contact John S. Brouse (Contact Human Resources)

Beginning/Ending Dates (MM/YY) 1989 - 12/96 Employer's Name Blue Cross of Western Pennsylvania

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7245 Offices/Positions Held Executive Vice President

Supervisor/Contact Jim Klingensmith (Contact Human Resources)

Beginning/Ending Dates (MM/YY) 1988 - 1989 Employer's Name West Penn Cares

Address City Pittsburgh State/Province PA

Country USA Postal Code Phone Offices/Positions Held President & CEO

Supervisor/Contact

Please see attachment for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

PA Dept. of State
Organization/Issuer of License Bureau of Prof. & Occup. Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Medical Phy. & Surgeon License # MD023844-E Date Issued (MM/YY) 7/11/80

Date Expired (MM/YY) Not Expired Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known 717-787-8503

Organization /Issuer of License Drug Enforcement Administration Address P.O. Box 28083

City Washington State/Province DC Country USA Postal Code 20038-8083

License Type DEA License # BM2892241 Date Issued (MM/YY) Not Available

Date Expired (MM/YY) Not Expired Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known) 800-882-9539

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 31st day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Kenneth Rudolph Melani
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Kenneth Rudolph Melani, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Kenneth Rudolph Melani

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 10/08/53 Place of Birth: City New Kensington
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1985 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Kenneth R. Melani
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Kenneth Rudolph Melani, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Kenneth Rudolph Melani, [redacted]
(Printed Full Name and Residence Address)

Kenneth R Melani
(Signature)

10/31/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of Oct 2010 By Kenneth Rudolph Melani, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L. McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Kenneth R. Melani, M.D.
Attachment

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Assoc.
American Medical Association		515 N. State St., Chicago, IL 06010	800-621-8335
Pennsylvania Medical Society		777 East Park Dr., Harrisburg, PA 17105	717-558-7750
Allegheny County Medical Society		713 Ridge Ave., Pittsburgh, PA 15212	412-321-5030
American Society of Internal Medicine American College of Physicians		190 N. Independence Mall West, Phila., PA 19106	800-338-2746
American College of Physician Executives		4890 West Kennedy Blvd., Tampa, FL 33609	800-562-8088

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 1982 - 1988 Employer's Name Melani & Wilfong, P.C.

Address Mellon Pavilion, Liberty Ave. City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone Not Available Offices/Positions Held Practicing Physician

Supervisor/Contact Not Available

In addition to the preceding information, I currently serve or have served as referenced below.

Corporation/Association	Position Held	Dates
Caring Foundation 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	2/28/03 – 6/07
Gateway Health Plan, L.P. Two Chatham Center, Ste. 500 Pittsburgh, PA 15219	Director/Secretary	1/97 - 12/10/02
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	President & CEO	5/98 - 2/28/03
Highmark West Virginia Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director Chairperson	5/98 – 5/07 5/12/05 – 5/07
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Director	02/17/05-6/11/07

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Corporation/Association	Position Held	Dates
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Director Chairman	02/17/05-6/11/07 09/11/06-6/11/07
DVSC, Inc. 1800 Center Street Camp Hill, PA 17089	Director	02/17/05-5/16/06
Davis Vision IPA, Inc. 159 Express Street Plainview, NY 11803	Director	02/17/05-5/16/06
Davis Vision of Nevada, Inc. 333 South Maryland Parkway Las Vegas, NV 89109	Director	02/17/05-5/16/06
Empire Vision Center, Inc. 2921 Erie Boulevard East Syracuse, NY 13224	Director	02/17/05-5/16/06
Viva Optique, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	02/17/05-6/11/07
ECCA Holdings Corporation 2711 Centerville Rd., Ste. 400 Wilmington, DE 19808	Director	8/1/06 – 6/11/07
Eye Care Centers of America, Inc. 11103 West Avenue San Antonio, TX 78213	Director	8/1/06 – 6/11/07
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Chairman Director	9/26/06 – 5/24/07 02/21/05-5/23/07
Parker Benefits, Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director	5/12/05 – 5/07
HM Life Insurance Company of New York 420 Fifth Avenue, 3rd Floor New York, NY 10018	Director Chairman	04/19/05-5/25/07 6/26/06 – 5/25/07
Highmark Casualty Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	04/19/05-5/25/07 9/26/06 – 5/25/07
HM Life Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	04/19/05-5/25/07 6/26/06 – 5/25/07

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Corporation/Association	Position Held	Dates
HM Insurance Group 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
HM Broker Services, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
HM Benefits Administrators, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
Highmark Senior Resources, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	02/08/05-06/02/06
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Director President President & CEO	08/01/05 – 9/18/06 06/30/10 - Present 08/01/05 – 9/18/06 06/30/10 - Present
HMO Northeastern Pennsylvania, Inc. d/b/a First Priority Health 19 North Main Street Wilkes-Barre, PA 18711	Director	4/29/05 – 5/31/06
First Priority Life Insurance Company, Inc. d/b/a First Priority Life 19 North Main Street Wilkes-Barre, PA 18711	Director	4/29/05 – 5/31/06
Highmark Medicare Services, Inc. 1800 Center Street Camp Hill, PA 17089	Director	9/21/06 – 11/10/06
Highmark Ventures Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	8/16/10 – Present
National Institute for Health Care Management, Inc. 1225 19th St., NW, Ste. 710 Washington, DC 20036-2454	Director	Present

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Kenneth R. Melani, M.D.
Attachment

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Blue Cross of Western Pennsylvania (a predecessor corporation to Highmark Inc.) entered into a Consent Order with the Pennsylvania Insurance Department in March of 1993 regarding allegations of violations of the Pennsylvania Hospital Plan Corporation Law and the Pennsylvania Unfair Insurance Practices Act. The violative practices included failure to obtain prior approval of contract forms and corresponding rates and notifying agents that certain sales of medical coverage must include the sale of life and accidental death and dismemberment coverage. The order contained a cease and desist from the violative activities and the assessment of a $5,000 penalty.

Keystone Health Plan West, Inc.

Market Conduct Examination that covered the period July 1, 1998 to June 30, 1999 - Payment of $200,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

Market Conduct Examination that covered the period May 1, 2001 to July 31, 2001. Focused on the Company's operation in areas addressed by the recommendations made as a result of the last examination, requirements of Act 68 of 1998 and coverage of mandated benefits. Payment of $30,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

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Davis Vision, Inc. License Revocations:
Certain certificates of authority held by Davis Vision, Inc. were revoked by the states of Maryland, Arkansas and Oklahoma due primarily to administrative errors related to tax, annual report or other required filings. The revocations had no material adverse effect on the business and all certificates of authority were subsequently reinstated.

Davis Vision, Inc.:

New York: In September 2007, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Nevada Division of Insurance in 2002 in a renewal application for a life/accident and health license under section 2103(a) of New York insurance law. The Company entered into a Stipulation which included a fine in the amount of $500. The Company implemented corrective action measures to avoid future inadvertent omissions.

Maine: In September 2006, Davis Vision, Inc. was notified by the State of Maine Bureau of Insurance that it had not disclosed the administrative proceeding to which it was a party with the State of Nevada upon submission of an application to the State of Maine for a Non-Resident Producer Business Entity license. In August 2007, Davis Vision entered into a Consent Agreement and remitted an administrative penalty in the amount of $250, following which the Producer license was issued.

Nevada: In March 2006, Davis Vision, Inc. was notified by the State of Nevada Department of Business and Industry that the Company's annual report required in connection with its third party administrator activities in that state was not timely filed and was incomplete, in violation of Nevada laws governing third party administrators. The Company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

Empire Vision Center, Inc.

Massachusetts: Docket No. OP-07-2002
In November 2006, Empire Vision Center, Inc. (Empire) entered into a Consent Agreement with the Commonwealth of Massachusetts, Board of Registration of Optometrists (the Board) arising out of the Board's complaint alleging that Empire had violated Massachusetts General Laws governing the unlicensed practice of optometry, by controlling or directing the actions or decisions of optometrists. Empire agreed to enumerated conditions in the Consent Agreement and paid a fine in the amount of $10,000.

HM Health Insurance Company

Trigon Health and Life Insurance Company (now HM Health Insurance Company) failed to submit a 2003 Annual Certification of Advertisement Report as required by a provision of Nevada Insurance Code that requires insurers to file an Annual Certification of Advertisement Report on or before December 31st of each year. The failure to submit the Report occurred under prior ownership. The Corporation submitted to the Nevada Division of Insurance an executed Consent to Fine, a penalty of $500 and the 2003 Annual Certification of Advertisement Report.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Victor Alverez Roque

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. President and Chief Executive Officer

4. Affiant's business address. 1835 Centre Avenue, Pittsburgh, PA 15219

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
City College of New York	New York, NY	09/66 – 05/70	Bachelor of Engineering (Electrical)

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
New York University Law School	New York, NY	09/70 – 05/73	J. D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Fordham University	New York, NY	09/64 – 05/66	None

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
New York City Bar Assoc.		42 W. 44th St., New York, NY 10036	212-382-6620

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 06/10 - Present Employer's Name Hill House Association

Address 1835 Centre Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15219 Phone 412-392-4403 Offices/Positions Held President & CEO

Supervisor / Contact Contact Human Resources Department

*08/03 – 6/10/10 – I was retired from Duquesne Light Company

Beginning/Ending
Dates (MM/YY) 11/94 - 08/03 Employer's Name DQE, Inc. and Duquesne Light Company

Address 411 Seventh Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15101 Phone 412-393-1140 Offices/Positions Held Exe. VP of DQE President of DLC

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) 8/78 - 10/94 Employer's Name Orange and Rockland Utilities, Inc.

Address 1 Blue Hill Plaza City Pearl River State/Province NY

Country USA Postal Code 10965 Phone 845-352-6000 Offices/Positions Held Vice President

Supervisor/Contact Contact Human Resources Dept.

See Attached for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License Court Administrator of PA Address P.O. Box 46

City Camp Hill State/Province PA Country USA Postal Code 17011

License Type Attorney License # 80694 Date Issued (MM/YY) 12/12/97

Date Expired (MM/YY) Not expired Reason for Termination n/a

Non-insurance regulatory Phone Number (if known) 717-795-2080

Organization/Issuer of License NY Office of Court Administration Address P.O. Box 2806, Church St. Station

City New York State/Province NY Country USA Postal Code 10008

License Type Attorney License # 1645944 Date Issued (MM/YY) 03/74

Date Expired (MM/YY) Not expired Reason for Termination n/a

Non-insurance regulatory Phone Number (if known) 212-428-2800

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

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h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 11th day of Oct. 2010 at Pgh PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 11th day of October, 2010 By Victor Alverez Roque, and:

☑ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5, 2011
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Victor Alverez Roque

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 12/20/46 Place of Birth: City New York
State/Province New York Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
07/95 – Present	[redacted]		PA	USA	[redacted]
11/94 – 07/95	1100 Liberty Avenue	Pittsburgh	PA	USA	15222
01/89 – 11/94	290 Clausland Mountain Rd.	Upper Grandview	NY	USA	10960

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 11th day of October, 2010 at Pgh PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 11th day of October, 2010 By Victor Alverez Roque, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5 2011
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Victor Alverez Roque, [redacted]
(Printed Full Name and Residence Address)

(Signature)

October 11, 2010
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 11th day of October 2010 By Victor Alverez Roque, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5, 2011
My Commission Expires

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Victor Alverez Roque
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Company	Title	Dates Held
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	4/03 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	06/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Susan Weiss Shoval

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. President

4. Affiant's business address. 24 South River Street, Wilkes-Barre, PA 18703

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Cornell University	Ithaca, PA	09/70 – 06/74	B.A. Economics

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
College of Insurance		New York, NY	1975 - 1976	Diploma in Risk & Insurance

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Certified Property & Casualty Underwriter (CPCU)		720 Providence Rd., Ste., Ste. 100, Malvern, PA 19355-3433	800-644-2101

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 06/10 - Present Employer's Name Shoval Enterprises

Address 24 South River Street City Wilkes-Barre State/Province PA

Country USA Postal Code 18703 Phone 570-829-7425 Offices/Positions Held President

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)04/87 - 06/10 Employer's Name Guard Insurance Group, Inc.

Address 16 S. River Street City Wilkes-Barre State/Province PA

Country USA Postal Code 18702 Phone 570-825-9900 Offices/Positions Held President & COO

Supervisor / Contact Contact Human Resources Department

See Attached for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License PA Insurance Department Address 1300 Strawberry Square

City Harrisburg State/Province PA Country USA Postal Code 17120

License Type Resident Agents License License # 54990 Date Issued (MM/YY) 03/75

Date Expired (MM/YY) Active Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known 717-787-3840

Organization /Issuer of License PA Insurance Department Address 1300 Strawberry Square

City Harrisburg State/Province PA Country USA Postal Code 17120

License Type Resident Broker License # 150403 Date Issued (MM/YY) 07/76

Date Expired (MM/YY) Active Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known) 717-787-3840

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

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g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority or Governmental licensing agency? Yes-In the State of Minnesota the members of the GUARD Insurance Group were not granted a certificate of authority. Minnesota felt that the Group's leverage ratios were high for a workers' compensation writer. Members of GUARD Insurance Group were granted a certificate of authority in Minnesota in June of 2005.

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 13 day of October 2010 at Wilkes Barre, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Susan Weiss Shoval
(Signature of Affiant)

State of Pennsylvania County of Luzerne

The foregoing instrument was acknowledged before me this 13 day of October, 2010 By Susan Weiss Shoval, and:

☑ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

Diana Kurutz
Notary Public

Printed Notary Name

My Commission Expires

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Diana Kurutz, Notary Public
of Wilkes-Barre, Luzerne County
Commission Expires July 6, 2013
Member, Pennsylvania Association of Notaries

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Susan Weiss Shoval

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
5/12/52 - 9/1/74	Susan Weiss	Maiden Name
9/2/74 - Present	Susan Weiss Shoval	Marriage
-		
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 05/12/52 Place of Birth: City Wilkes-Barre
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1987 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 13 day of October, 2010 at Wilkes-Barre, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Susan Weiss Shoval
(Signature of Affiant)

State of Pennsylvania County of Luzerne

The foregoing instrument was acknowledged before me this 13 day of October, 2010 By Susan Weiss Shoval, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

Diana Kurutz
Notary Public

Printed Notary Name

My Commission Expires

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Diana Kurutz, Notary Public
City of Wilkes-Barre, Luzerne County
My Commission Expires July 6, 2013
Member, Pennsylvania Association of Notaries

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

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Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Susan Weiss Shoval, [redacted]

(Printed Full Name and Residence Address)

Susan Weiss Shoval
(Signature)

Oct. 13, 2010
(Date)

State of Pennsylvania County of Luzerne

The foregoing instrument was acknowledged before me this 13 day of Oct. 2010 By Susan Weiss Shoval, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

Diana Kurutz
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Diana Kurutz, Notary Public
City of Wilkes-Barre, Luzerne County
My Commission Expires July 6, 2013
Member, Pennsylvania Association of Notaries

Printed Notary Name

My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

Susan Weiss Shoval
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) **02/03 – 5/10** Employers' Name **WestGUARD Insurance Company**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, 6/10 – Present – Director only**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates(MM/YY) **04/03 – 2008** Employers' Name **WBP Miami Acquisitions, LLC DISSOLVED 2008**
Address **24 S. River Street** City **Wilkes-Barre, PA** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Member**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates(MM/YY) **03/01 - present** Employers' Name **Shoval Support Services, Inc.**
Address **24 S. River Street** City **Wilkes-Barre, PA** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Director**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates(MM/YY) **07/98 - present** Employers' Name **Diamond Capital, LLC**
Address **24 S. River Street** City **Wilkes-Barre, PA** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Member & VP**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **07/00 – 7/30/07** Employers' Name **Guard Capital Management**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **12/00 – 5/10** Employers' Name **InterGUARD LP**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Director, President**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **05/00 – 5/10** Employers' Name **TransGUARD, Ltd.**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Assistant Secretary, Director**
Supervisor/ Contact Contact Human Resources Department

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

Beginning/Ending
Dates (MM/YY) **11/99 - present** Employers' Name **Shoval Foundation**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Director; Treasurer; Asst. Secretary**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **09/99 – 04/07** Employers' Name **Guard Security Bank**
Address **667 North River Street** City **Plains** State/Province **PA**
Country **USA** Postal Code **18705** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Director**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **09/99 – 5/10** Employers' Name **Guard Foundation**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Treasurer, Assistant Secretary, Director (6/10 – Present: Charitable Advisory Committee member)**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates(MM/YY) **08/98 - present** Employers' Name **Diamond Capital Uno, LP**
Address **24 S. River Street** City **Wilkes-Barre, PA** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Limited Partner, Mbr.**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **07/98 - present** Employers' Name **Guard Bancorp, Inc. (formerlyGuard Financial Services, Inc.) *DISSOLVED**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Director**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates(MM/YY) **02/97 – 8/22/06** Employers' Name **Panoptic, LLC *2006 DISSOLVED**
Address **24 S. River Street** City **Wilkes-Barre, PA** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 829-2101** Offices/Positions Held **Member**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **10/96 – 7/31/07** Employers' Name **Assurco, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **11/96 – 7/31/07** Employers' Name **GCH, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **07/00 – 7/31/07** Employers' Name **Guard Capital Management**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

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Beginning/Ending
Dates (MM/YY) **06/95 – 5/10** Employers' Name **EastGUARD Insurance Company**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director (6/10 – Present: Director only)**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **01/93** – 5/10 Employers' Name **Affiliated Agency Operations Co.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **12/92 - present** Employers' Name **Assurco Management, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **12/92 – 7/31/07** Employers' Name **Assurco, LP**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **05/92 – 4/30/07** Employers' Name **Guard Premium Finance Company**
Address **667 North River Street** City **Plains** State/Province **PA**
Country **USA** Postal Code **18705** Phone **(570) 825-9900** Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **12/90 – 5/10** Employers' Name **Shoval Enterprises, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Treasurer, Director (5/10 – Present: President, Director)**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **04/87-5/10** Employers' Name **Guard Insurance Group, Inc. (formerly Guard Insurance Companies, Inc.)**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **08/87** – 5/10 Employers' Name **NorGUARD Insurance Company**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **President, Director (6/10 – present: Director only)**
Supervisor /Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **07/86 – 5/10** Employers' Name **InterGUARD, Ltd.**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

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Beginning/Ending
Dates (MM/YY)**03/82 -05/07**Employers' Name **Guard Financial Group, Inc. (formerly Guard Insurance Group, Inc.) (formerly Guard Insurance Group, Inc.)**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **President, Chief Operating Officer, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **11/82 – 12/29/05** Employers' Name **Shoval Management Company, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Treasurer, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **06/82 – 5/10** Employers' Name **AmGUARD Insurance Company**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **President, Director (6/10 – Present: Director only**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **03/95 – 05/00** Employers' Name **Guard America Insurance Companies, Inc.**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **08/85 – 03/94** Employers' Name **Bankvest, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **11/86-09/94** Employers' Name **DataVest, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **03/85 – 03/94** Employers' Name **First Peoples National Bank**
Address **Narrows Shopping Center** City **Edwardsville** State/Province **PA**
Country **USA** Postal Code **18704** Phone **(closed)** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **02/87-07/93** Employers' Name **First Peoples Premium Finance Company**
Address **Narrows Shopping Center** City **Edwardsville** State/Province **PA**
Country **USA** Postal Code **18704** Phone **(closed)** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **08/86-09/92** Employers' Name **Safenet Specialty Services, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Treasurer, Director**
Supervisor/ Contact Contact Human Resources Department

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Beginning/Ending
Dates (MM/YY) **12/86-09/92** Employers' Name **Quantum Insurance Associates, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **09/86 -12/88** Employers' Name **IGL Realty Corp.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Positions Held **Executive Vice President, Secretary, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **12/85-12/88** Employers' Name **Safenet Management Services, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **11/79-07/89** Employers' Name **Sigma Management Services, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **06/83- 04/88** Employers' Name **Guard Reinsurance Company, Ltd.**
Address **(office closed)** City State/Province
Country **Bermuda** Postal Code Phone Offices/Positions Held **Director**
Supervisor/ Contact

Beginning/Ending
Dates (MM/YY) **08/83-08/86** Employers' Name **FutureGuard, Inc.**
Address **16 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **04/83-12/86** Employers' Name **South Franklin Holdings, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Treasurer, Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **11/82-07/89** Employers' Name **Shoval-McOwen Associates, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Director**
Supervisor/ Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY) **08/81-07/88** Employers' Name **Sigma Enterprises, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **Secretary, Treasurer, Director**
Supervisor/ Contact Contact Human Resources Department

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Beginning/Ending
Dates (MM/YY) **11/79-07/88** Employers' Name **Shoval Insurance Services, Inc.**
Address **24 South River Street** City **Wilkes-Barre** State/Province **PA**
Country **USA** Postal Code **18702** Phone **(570) 825-9900** Offices/Positions Held **President, Director**
Supervisor/ Contact Contact Human Resources Department

8. In addition to the preceding information, I presently serve or have served as referenced below:

Corporation/Association	Position Held	Date
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	4/27/05 – Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	6/30/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – See Below

HIGHMARK INC.
On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

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Applicant Name (Company) Highmark Inc

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Doris Annette Carson Williams

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. President and Chief Executive Officer

4. Affiant's business address. 425 Sixth Avenue, Ste. 1330, Pittsburgh, PA 15219

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Hartford	West Hartford, CT	1968 – 1972	B.S. – Business/ Certificate in Data Processing

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Fairfield University – Center for Financial Studies	Fairfield, CT	1981 – 1983	Certificate in Banking and Financial Management

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
Katz Graduate School of Business -Univ. of Pittsburgh	Pittsburgh, PA	1998	Certificate/Mgmt. Program for Exe.

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Marketing Assoc.	Kalpana Biswas	P.O. Box 2859 Pittsburgh, PA 15230-2859	412-443-7395

7. Present or proposed position with the applicant entity. Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 09/98 - Present Employer's Name African American Chamber of Commerce of Western PA

Address 425 Sixth Avenue, Ste. 1330 City Pittsburgh State/Province PA

Country USA Postal Code 15219 Phone 412-392-0612 Offices/Positions Held President & CEO

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)11/87 - 08/98 Employer's Name Carnegie Institute

Address 4400 Forbes Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15213 Phone 412-622-3131Offices/Positions Held Director, Office of Bus. Enterprises

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)04/79 - 11/87 Employer's Name Dollar Bank

Address Three Gateway Center City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-261-3098 Offices/Positions Held Asst. V.P., Tech. Marketing

Supervisor / Contact Contact Human Resources Department
Please see attachment for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details.None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 21st day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Doris Annette Carson Williams
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of October, 2010 By Doris Annette Carson Williams, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Doris Annette Carson Williams

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
9/19/49 - 10/28/77	Doris Annette Carson	Maiden Name
10/29/77 - Present	Doris Annette Carson Williams	Marriage
-		
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 09/19/49 Place of Birth: City Pittsburgh
State/Province Pennsylvania Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
09/91 – Present	[redacted]		PA	USA	[redacted]
02/81 – 08/91	1431 Pennsylvania Avenue	Pittsburgh	PA	USA	15233

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31ST day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Doris Jennette Carson Williams
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31ST day of October, 2010 By Doris Annette Carson Williams, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Doris Annette Carson Williams, [redacted]
(Printed Full Name and Residence Address)

Doris Annette Carson Williams
(Signature)

10/21/10
(Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 21st day of Oct 2010 By Doris Annette Carson Williams, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Doris Carson Williams
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

In addition to the preceding information, I have served as an officer as referenced below.

Corporation/Association	Position Held	Dates
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	12/96-Present
Highmark Senior Resources, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	02/05-6/30/10
HM Insurance Group, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	04/23/02-6/30/10
HM Broker Services, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	04/23/02-6/30/10
Highmark Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director	04/23/02-6/30/10
HM Life Insurance Company 120 Fifth Avenue Place Pittsburgh, PA 15222	Director	04/23/02-6/30/10
HM Life Insurance Company of New York 420 Fifth Avenue New York, NY 10018	Director	04/23/02-7/8/10
HM Benefits Administrators, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	04/23/02-6/30/10
Caring Foundation 120 Fifth Avenue Place Pittsburgh, PA 15222	Director	06/13/05-Present

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Corporation/Association	Position Held	Dates
Highmark Foundation 120 Fifth Avenue Place Pittsburgh, PA 15222	Director Vice Chairperson	05/15/02-Present 05/15/01-Present
HM Health Insurance Co. 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	7/27/06 – Present
HM Casualty Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director	5/25/07 – 6/30/10

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, Please see below

Blue Cross of Western Pennsylvania

Blue Cross of Western Pennsylvania (a predecessor corporation to Highmark Inc.) entered into a Consent Order with the Pennsylvania Insurance Department in March of 1993 regarding allegations of violations of the Pennsylvania Hospital Plan Corporation Law and the Pennsylvania Unfair Insurance Practices Act. The violative practices included failure to obtain prior approval of contract forms and corresponding rates and notifying agents that certain sales of medical coverage must include the sale of life and accidental death and dismemberment coverage. The order contained a cease and desist from the violative activities and the assessment of a $5,000 penalty.

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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HM Life Insurance Company (f/k/a Highmark Life Insurance Company and Trans-General Life Insurance Company)

California: On February 16, 2005, pursuant to the Consent Order at Docket No. UPA-04-03-8544-AP, Highmark Life Insurance Company ("Highmark Life") agreed to pay a monetary penalty in the amount of $12,000 to the California Department of Insurance. Highmark Life was ordered to Cease and Desist from engaging in the activities deemed to violate the California insurance code and regulations.

New Hampshire: On April 14, 2009 the New Hampshire Insurance Department ("NHID") issued an Order to Show Cause and Notice of Hearing against HM Life Insurance Company. In the Order, the NHID alleged that HM Life violated New Hampshire's insurance laws by (1) issuing stop loss policies to small groups where the policies specified aggregate attachment points were less than the minimum aggregate attachment point required by the New Hampshire insurance laws and (2) submitting two (2) actuarial certifications to the NHID certifying that all stop loss policies issued by HM Life in New Hampshire complied with the applicable statutes when the policies did not comply with the statutes. On September 11, 2009, HM Life and the NHID entered into a Consent Order resolving all matters referenced in the Order to Show Cause. In the Consent Order, HM Life agreed to pay an administrative penalty in the amount of $25,000 in final settlement of all claims with the understanding that the payment of the penalty would not constitute an acknowledgement or admission of wrongdoing by HM Life.

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Applicant Name: Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Ray Hunter Carson, Jr.
2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President, Chief Human Resources Officer
4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222

   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
West Virginia University	Morgantown, WV	09/78 to 06/82	Bachelor, B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
	Rutgers University	New Brunswick, NJ	01/04-12/04	Master - HR

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name: Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer – EVP, Chief Human Resources Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 11/09- Present Employer's Name Highmark

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held 11/09 – 10/10 - SVP, HR; 10/10 – Present – EVP, Chief Human Resources Officer

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY) 01/99- 10/09 Employer's Name Wyeth (now Pfizer)

Address 5 Giralda Farms City Madison State/Province NJ

Country USA Postal Code 07940 Phone 973-660-5000 Offices/Positions Held VP, HR

Supervisor / Contact Denise Peppard (unknown – no longer w/company post Pfizer merger)

Beginning/Ending
Dates (MM/YY) 09/88 - 01/99 Employer's Name M&M/Mars

Address 800 High Street City Hackettstown State/Province NJ

Country USA Postal Code 07840 Phone 908-852-1000 Offices/Positions Held Mgr, Training & Development, Mgr., Personnel & Organization

Supervisor / Contact Contact Human Resources

See attached for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

None

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Applicant Name: Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Ray Hunter Carson Jr.

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 08/31/59 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name: Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
11/09 to Present	[redacted]		PA	USA	[redacted]
10/07-11/09	11 Balsam Parkway	Sparta	NJ	USA	07871
09/97 – 10/07	32 East Shore Trail	Sparta	NJ	USA	07871

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 14th day of October, 2010 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Ray H Carson Jr
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 14th day of October 2010 By Ray Hunter Carson, Jr., and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL] COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5 2011
My Commission Expires

Applicant Name: Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Belinda Clouser, Paralegal, Highmark Inc., 1800 Center Street, 1B457, Camp Hill, PA 17089, 717-302-4204.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Ray Hunter Carson Jr., [redacted]

(Printed Full Name and Residence Address)

Ray H Carson Jr. — October 14, 2010

(Signature) (Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 14th day of October 20 10 By Ray Hunter Carson, Jr., and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F Woltjen — Notary Public

Patricia F. Woltjen — Printed Notary Name

Sept 5, 2011 — My Commission Expires

Ray Hunter Carson, Jr.
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or offerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

In addition to the preceding information, I serve or have served in the capacities noted opposite the corporations listed below:

Corporation	Position	Dates Served
HM Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
HM Benefits Administrators, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
HM Broker Services, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
Highmark Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
HM Insurance Group, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
HM Life Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director	06/30/2010 to Present
HM Life Insurance Company Of New York 420 Fifth Avenue New York, NY 10018	Director	06/30/2010 to Present
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	06/30/2010 to Present

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Corporation	Position	Dates Served
United Concordia Dental Corporation Of Alabama 400 Vestavia Parkway, Suite 205 Birmingham, AL 35216	Director	06/30/2010 to Present
United Concordia Dental Plans of California, Inc. 21700 Oxnard Street, Suite 500 Woodland Hills, CA 91367	Director	06/30/2010 to Present
United Concordia Dental Plans of Florida, Inc. 1408 N. Westshort Blvd., Suite 512 Tampa, FL 33607	Director	06/30/2010 to Present
United Concordia Dental Plans Kentucky, Inc. 421 West Main Street Frankfort, KY 40601	Director	06/30/2010 to Present
United Concordia Dental Plans of Pennsylvania, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	06/30/2010 to Present
United Concordia Dental Plans of Texas, Inc. 8214 Westchester Drive, Suite 600 Dallas, TX 75225	Director	06/30/2010 to Present
United Concordia Dental Plans, Inc. 309 International Circle, Suite 130 Hunt Valley, MD 21030	Director	06/30/2010 to Present
United Concordia Insurance Company 2198 East Camelback Road Suite 260 Phoenix, AZ 85016	Director	06/30/2010 to Present
United Concordia Life and Health Insurance Company 4401 Deer Path Road Harrisburg, PA 17110	Director	06/30/2010 to Present

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Corporation	Position	Dates Served
United Concordia Services, Inc. 4775 Indian School Road, NE Albuquerque, NM 87109	Director	06/30/2010 to Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Executive Vice President, Chief Human Resources Officer	10/02/10 – Present

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Nanette Paden DeTurk

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? None

3. Affiant's Occupation or Profession. Executive Vice President, Chief Administrative and Financial Officer and Treasurer

4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Ohio State University	Columbus, OH	6/80	BSBA Major-Accounting

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Pennsylvania State University	Capital Campus, Harrisburg, PA	05/95	MBA

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
PA Inst. Of Certified Public Accountants		1650 Arch Street, 17th Floor, Philadelphia, PA 19103	215-496-9272
American Institute of Certified Public Accountants		1121 Avenue of the Americas, NY, NY 10036	212-596-6200

7. Present or proposed position with the applicant entity. Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 03/06 – Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held Ex. V.P., Chief Administrative and Financial Officer and Treasurer

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY)08/93 – 03/06 Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-8322 Offices/Positions Held Sr. V.P., Finance & Corp. Controller

Supervisor / Contact Robert C. Gray

Beginning/Ending
Dates (MM/YY)04/92 - 08/93 Employer's Name The Patriot Group

Address Linglestown Road City Harrisburg State/Province PA

Country USA Postal Code 17110 Phone None Offices/Positions Held VP and CFO

Supervisor / Contact Company no longer exists

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

Beginning/Ending Dates (MM/YY) 03/91 – 04/92 Employer's Name Summit National Life Insurance Company

Address Erin Street City Lancaster State/Province PA

Country USA Postal Code 17601 Phone 717-396-8511 Offices/Positions Held Controller

Supervisor / Contact Company no longer exists

Please see attachment for additional information

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

See Attached for Additional Information

Organization/Issuer of License Ohio Board of Accountancy Address 77 South High Street, 18th Floor

City Columbus State/Province Ohio Country USA Postal Code 43215

License Type CPA License License # 04-3-15109 Date Issued (MM/YY) 10/82

Date Expired (MM/YY) 12/2007 Reason for Termination No longer needed

Non-insurance Regulatory Phone Number (if known) 614-466-4135

Organization /Issuer of License PA Board of Accountancy Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type CPA License License # CA028824R Date Issued (MM/YY) 01/90

Date Expired (MM/YY) N/A Reason for Termination N/A

Non-insurance Regulatory Phone Number (if known) 717-787-8503

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

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b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity?
No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

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13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – See Attached

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – see attached

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 12th day of October 20 10 at Pgh Pa I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Nanette P DeTurk
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 12th day of October, 20 10 By Nanette Paden DeTurk, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

COMMONWEALTH OF PENNSYLVANIA
[SEAL] Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M. Malara
Notary Public

SARA M. MALARA
Printed Notary Name

Sept 12, 2014
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Nanette Paden DeTurk

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
05/1958 - 08/1990	Nanette Lynn Paden	Maiden Name
08/1990 - 09/2003	Nanette Paden Kline	Marriage
09/2003 - Present	Nanette Paden DeTurk	Marriage
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 05/29/1958 Place of Birth: City Bowling Green
State/Province Ohio Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
01/09 - Present	[redacted]		SC	USA	[redacted]
05/05 – 01/09	198 Pleasant Valley Road	Lancaster	NH	USA	03584
Secondary Residence					
01/10 – Present	[redacted]			USA	[redacted]
Secondary Residence					
3/07 – 01/10	881 Thorn Street	Sewickley	PA	USA	15143
Secondary Residence					
05/05 – 3/07	807 Sonie Drive	Sewickley	PA	USA	15143
12/02 – 05/05	305 Thorn Street	Sewickley	PA	USA	15143
06/99 – 12/02	1806 Willow Oak Drive	Wexford	PA	USA	15090
01/93 – 06/99	4003 Pamay Drive	Mechanicsburg	PA	USA	17050
04/90 – 01/93	252 Buckfield Drive	Lititz	PA	USA	17543

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

Dated and signed this 12th day of October, 2010 at Pgh Pa I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Nanette P DeTurk
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 12th day of October, 2010 By Nanette Paden DeTurk, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
[SEAL] Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M. Malara
Notary Public

SARA M. MALARA
Printed Notary Name

Sept 12, 2014
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 – Phone: 717-302-4204.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Nanette Paden DeTurk, [redacted]

(Printed Full Name and Residence Address)

Nanette PDeTurk
(Signature)

10/12/2010
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 12th day of October 2010 By Nanette Paden DeTurk, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]
COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M Malara
Notary Public

SARA M MALARA
Printed Notary Name

Sept 12, 2014
My Commission Expires

Nanette P. DeTurk
Attachment to
Biographical Affidavit

In addition to the preceding information, I serve or have served in the capacities noted opposite the corporations listed below:

Corporation	Position	Dates Served
Highmark Ventures, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	President Director	5/11/06-Present 5/11/06-08/10
Don Mayes and Associates, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	03/05/01-01/21/05
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	5/23/07 – 6/30/10
JustDental of Delmarva, Inc. 1220 B East Joppa Road, Suite 421 Towson, MD 21286-5811	Director	03/05/01-05/26/04
MIDA Dental Plans of California, Inc. 21700 Oxnard Street, Suite 500 Woodland Hills, CA 91367	Director	03/05/01-05/15/00
United Concordia Dental Plans, Inc. 309 International Circle, Suite 130 Hunt Valley, MD 21030	Director	03/05/01-12/12/07
United Concordia Dental Corporation Of Alabama 400 Vestavia Parkway, Ste. 205 Birmingham, AL 35216	Director	2/26/02 – 12/12/07
United Concordia Dental Plans of California, Inc. 21700 Oxnard Street, Suite 500 Woodland Hills, CA 91367	Director	03/05/01-12/12/07
United Concordia Dental Plans of Delaware, Inc. 309 International Circle, Suite 130 Hunt Valley, MD 21030	Director	03/05/01-12/12/07

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Corporation	Position	Dates Served
United Concordia Dental Plans of Florida, Inc. HQ Westshore Center 2202 North Westshore Blvd., Ste. 200 Tampa, FL 33607	Director	03/05/01-12/12/07
United Concordia Dental Plans of Illinois, Inc. 801 Adlai Stevenson Drive Springfield, IL 62703	Director	03/05/01-12/12/07
United Concordia Dental Plans of Kentucky, Inc. 421 West Main Street Frankfort, KY 40601	Director	03/05/01-12/12/07
United Concordia Dental Plans of Pennsylvania, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director	03/05/01-12/12/07
United Concordia Dental Plans of Texas, Inc. 8214 Westchester Drive, Suite 600 Dallas, TX 75225	Director	03/05/01-12/12/07
United Concordia Dental Plans of Washington, Inc. 520 Pike Street Seattle, WA 98101	Director	03/05/01-12/12/07
United Concordia Insurance Company 2198 East Camelback Road, Suite 260 Phoenix, AZ 85016	Director	03/05/01-12/12/07
United Concordia Life and Health Insurance Company 4401 Deer Path Road Harrisburg, PA 17110	Director	03/05/01-12/12/07
United Concordia Insurance Company of New York 159 Express Street Plainview, NY 11803	Director	03/18/03-12/12/07

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Corporation	Position	Dates Served
United Concordia Services, Inc. 4775 Indian School Road, NE Albuquerque, NM 87109	Director	09/28/04-12/12/07
United Concordia Dental Plans of the Midwest, Inc. 3250 West Big Beaver, Ste. 327 Troy, MI 48084	Director	03/04/05-6/30/10
KV Holdings, Inc. 1800 Center Street Camp Hill, PA 17089	Director Treasurer	6/1/98 – 4/9/09 6/1/98 – 4/9/09
Keystone Health Plan Central, Inc. PO Box 898812 Camp Hill, PA 17089-8812	Director	06/98-06/99
Highmark Health Ventures Investment Fund, LP HHV Management, Inc. Forbes Tower, Suite 10097 200 Lothrop Street Pittsburgh, PA 15213	Committee Member	12/31/02-08/30/06
VivoQuest, Inc. 711 Executive Boulevard Valley Cottage, NY 10989	Director	02/01/03-Present
Revivicor Holdings, Inc. 1700 Kraft Drive Blacksburg, VA 24060	Director Treasurer	04/01/03-8/06 04/01/03-8/06
Revivicor, Inc. 1700 Kraft Drive Blacksburg, VA 24060	Director	04/01/03-8/06
Immunosite 605 William Pitt Way Building B-3 Pittsburgh, PA 15238	Director	04/03-12/04
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Chairman President & CEO Director Treasurer	1/2/08 - Present 1/2/08 – 7/1/08 02/17/05-Present 02/17/05-09/1/06

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Corporation	Position	Dates Served
DVSC, Inc. 1800 Center Street Camp Hill, PA 17089	Director	02/17/05- 8/4/08
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Chairperson Director	1/3/08 – 7/1/08 02/17/05-Present
Davis Vision IPA, Inc. 159 Express Street Plainview, NY 11803	Director	02/17/05- 8/4/08
Empire Vision Center, Inc. 2921 Erie Boulevard East Syracuse, NY 13324	Director	02/17/05- 8/4/08
Davis Vision of Nevada, Inc. 333 South Maryland Parkway Las Vegas, NV 89103	Director	02/17/05-12/31/07
Davis Vision of Michigan, Inc. 3250 West Big Beaver, Ste. 327 Troy, MI 48084	Director	02/17/05-11/17/06
Viva Optique, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	02/17/05-Present
Viva International, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	07/24/06 – 8/4/08
Viva IP Corp. 3140 Route 22 West Somerville, NJ 08676	Director	07/24/06 – 8/4/08
Viva Europa, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	1/1/08 – 8/4/08
Miracle Optics, Inc. 709 Brea Canyon Rd., Ste. 7 Walnut, CA 91789	Director	07/24/06 – 8/4/08
ECCA Holdings Corporation 2711 Centerville Road, Ste. 400 Wilmington, DE 19808	Director Treasurer	08/01/06 – Present 08/01/06 – 5/12/08

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Corporation	Position	Dates Served
Eye Care Centers of America, Inc. 11103 West Avenue San Antonio, TX 78213	Chairperson Director	1/3/08 – 7/1/08 08/01/06 – Present
HealthGuard of Lancaster, Inc. 1800 Center Street Camp Hill, PA 17011	Treasurer	08/02/04-Present
HealthGuard Management Services Company 1800 Center Street Camp Hill, PA 17011	Treasurer	08/04-10/21/08
Keystone Health Plan West 120 Fifth Avenue Pittsburgh, PA 15222	Exec. Vice Pres. Treasurer & CFO Senior Vice Pres. Director	03/30/06-12/5/07 03/30/06-12/5/07 04/29/04-03/30/06 5/11/06-12/5/07
Western PA Chapter of Juvenile Diabetes Research Foundations Western PA Chapter Convention Tower 960 Penn Avenue, Ste. 1000 Pittsburgh, PA 15222	Director	01/05-Present
Sharon Primary Care, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	01/03/05-8/30/05
JEA, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Treasurer Director	1/27/00 – 12/3/07 1/27/00 – 12/3/07 4/26/10 - Present
Standard Property Corp. 120 Fifth Avenue Pittsburgh, PA 15222	Director Treasurer Director	1/27/00 – 12/3/07 1/27/00 – 12/3/07 4/26/10 - Present
Inter-County Health Plan, Inc. 720 Blair Mill Road Horsham, PA 19044	Director	01/28/05-11/12/07
Inter-County Hospitalization Plan, Inc. 720 Blair Mill Road Horsham, PA 19044	Director	01/28/05-11/12/07

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Corporation	Position	Dates Served
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Treasurer & CFO Assistant Treasurer EVP, Chief Administrative & Financial Officer & Treasurer	3/13/06-12/4/07 3/13/06-12/4/07 10/17/05 – 3/27/06 7/28/10 - Present
Highmark Senior Resources Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Treasurer & CFO Exe. V.P. Director	3/13/06-12/4/07 3/13/06-12/4/07 6/2/06-12/4/07
Highmark West Virginia Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director	5/11/06-Present
Parker Benefits, Inc. 700 Market Street P.O. Box 1948 Parkersburg, WV 26101	Director	5/1/07 – 7/1/09
Gateway Health Plan, L.P. US Steel Tower, Floor 41 600 Grant Street Pittsburgh, PA 15219	Executive Committee	6/22/06 – Present
Gateway Health Plan of Ohio, Inc. US Steel Tower, Floor 41 600 Grant Street Pittsburgh, PA 15219	Director	6/22/06 – Present
Employee Benefit Data Services Company (eBDS) One Gateway Center, 12th Floor Pittsburgh, PA 15222	Director Treasurer	08/01/06 – 12/13/07 08/01/06 – 12/13/07
Union Benefit Management, Inc. One Gateway Center, 12th Floor Pittsburgh, PA 15222	Director Treasurer	08/01/06 – 12/5/07 08/01/06 – 12/5/07
Highmark Foundation 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	07/21/07 – 12/6/07
KHP Inc. 100 Senate Avenue Camp Hill, PA 17011	Director, President & Treasurer	11/14/08 – Present

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

Nanette P. DeTurk
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient.

Continued...

Beginning/Ending
Dates (MM/YY) 11/89 - 03/91 Employer's Name Price Waterhouse and Company

Address 17th Street City Philadelphia State/Province PA

Country USA Postal Code 19103 Phone 215-575-5000 Offices/Positions Held Senior Manager

Supervisor/Contact Contact Human Resources Dept.

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license(s) issued. Attach additional pages if the space provided is insufficient.

Organization/Issuer of License NJ Board of Accountancy Address P.O. Box 45000

City Newark State/Province NJ Country USA Postal Code 07101

License Type CPA License License # Date Issued (MM/YY) 10/86

Date Expired (MM/YY) 01/90 Reason for Termination Moved

Non-insurance regulatory Phone Number (if known) 973-504-6380

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Nanette P. DeTurk
Attachment to
Biographical Affidavit

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – see below

Davis Vision, Inc. License Revocations:
Certain certificates of authority held by Davis Vision, Inc. were revoked by the states of Maryland, Arkansas and Oklahoma due primarily to administrative errors related to tax, annual report or other required filings. The revocations had no material adverse effect on the business and all certificates of authority were subsequently reinstated.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below

HealthGuard of Lancaster, Inc.
On November 3, 2004, HealthGuard of Lancaster, Inc. entered into a Consent Order issued by the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, arising out of a follow-up review required as a condition of an April 20, 2004 Consent Order which revealed Act 159 violations. In June 2004, HealthGuard reported numerous additional group premium rates that were not compliant with Act 159 requirements. As a result, the Company agreed to the Consent Order and paid a civil fine in the amount of $1.6 million to settle the matter. HealthGuard has also agreed to offer transitional rates that are subject to approval by the Insurance Department, which will provide relief that could be valued up to $10.1 million to affected groups which were undercharged. The terms of the Consent Order contained a Cease and Desist from engaging in the described activities.

United Concordia Life and Health Insurance Company
Case No. MIA-2008-09-015
MIA File No. 15608-A-2008-SSJ-C
On September 10, 2008, the Maryland Insurance Administration entered an Order taking disciplinary action against the Company arising out of a complaint proceeding alleging improper denial of payment for restoration of a crown. The Company authorized payment in accordance with the Order and in full settlement of the action.

United Concordia Dental Plans of California, Inc.
In August 2005, United Concordia Dental Plans of California, Inc. was notified by the California Department of Managed Health Care that it had not timely filed annual reports describing the Plan's efforts to deter, detect, investigate, and report fraud to law enforcement agencies for the years 2003 and 2004, by January 31st following each reporting year. The Corporation agreed to payment of an administrative penalty in the amount of $2,500 in settlement of the matter and corrective actions were taken.

United Concordia Dental Plans, Inc.
$50,000 – Commissioner's Case No. MIA-578-11/01 dated November 1, 2001. United Concordia Dental Plans, Inc. (UCDP) consented, via a Consent Order, to an administrative penalty in the amount of $50,000. The penalty was assessed as the result of a market conduct examination performed by the Maryland Insurance Administration for the period January 1, 1998 through December 31, 2000. The Consent Order also imposed a requirement for UCDP to fund efforts and/or projects designed to educate and assist MD health care consumers concerning their health care rights and responsibilities in an amount up to but not to exceed $50,000. The Consent Order set forth

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21 determinations, which the Insurance Administration/Commissioner found to be in violation of Maryland insurance laws and regulations. UCDP paid the $50,000 administrative penalty and implemented procedures to comply with the remainder of the Commissioner's orders within the timeframes prescribed therein.

JustDental of Delmarva, Inc.
Settlement Order
Case No. INS020011 dated March 20, 2002.
On March 20, 2002, the State Corporation Commission of the Commonwealth of Virginia issued a Settlement Order arising out of a target market conduct examination performed for the period March 1, 2001 through December 6, 2001. The findings alleged violations of Virginia laws regarding provider contract provisions and claims payment processing procedures. The Company agreed to settlement in the matter and paid a sum of $1,500 to the State Corporation Commission of the Commonwealth of Virginia.

Settlement Order
Case No. INS-2002-01285
On November 21, 2002, the State Corporation Commission of the Commonwealth of Virginia issued a Settlement Order arising out of a market conduct examination performed as of December 31, 2001. The findings alleged violations of Virginia laws regarding provider and member contract and claim administration procedures. The Company agreed to settlement in the matter and paid a sum of $18,000 to the State Corporation Commission of the Commonwealth of Virginia.

Settlement Order
Case No. INS-2003-00001
On January 24, 2003, the State Corporation Commission of the Commonwealth of Virginia issued a Settlement Order arising out an investigation regarding commission payments to unappointed agents. The Company agreed to settlement in the matter and paid a sum of $500 to the State Corporation Commission of the Commonwealth of Virginia.

United Concordia Insurance Company:
Arizona: In January 2009, the Arizona Department of Insurance issued a Consent Order arising out of a market conduct examination performed as of June 30, 2006, concluded on August 19, 2008. The findings alleged violations of Arizona insurance laws regarding claims administration procedures. The Company was ordered to Cease and Desist from the violative activities and was required to implement corrective actions which included performing a self-audit and reprocessing any incorrectly denied claims. The Company paid a civil penalty of $30,000 in settlement of the matter.

Nevada: On December 31, 2007, United Concordia Insurance Company was notified by the Nevada Department of Business and Industry that the Company had not filed an Annual Quality of Health Care report in accordance with Nevada law requiring such reports to be filed by March 1 of each year. The Company consented to a fine in the amount of $500 and corrective actions were taken.

Arkansas: On August 13, 2004, United Concordia Insurance Company was notified by the Arkansas Insurance Department that the Company did not remit its annual Financial Regulatory Fee in accordance with Arkansas law requiring such reports to be filed by July 1, 2004. The Company consented to a fine in the amount of $500 and corrective actions were taken.

Keystone Health Plan Central, Inc.:
On September 30, 1999, Keystone Health Plan Central, Inc. entered into a consent order with the Insurance Commissioner of the Commonwealth of Pennsylvania, due to violations assessed as the result of a market conduct examination covering the period January 1, 1998 through December 31, 1998, which included a review of the Company's compliance with prompt payment of claims provisions contained in PA Act 68 of 1998 (the Quality Health Care and Accountability and Protection Act) for the period January 1, 1999 through March 31, 1999. The consent order noted violations of Pennsylvania insurance laws and regulations. The terms of the Consent Order

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contained a Cease and Desist from engaging in the described activities. The Company agreed to the Consent Order and paid a civil fine in the amount of $65,000, in settlement of the matter.

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

HM Health Insurance Company

Trigon Health and Life Insurance Company (now HM Health Insurance Company) failed to submit a 2003 Annual Certification of Advertisement Report as required by a provision of Nevada Insurance Code that requires insurers to file an Annual Certification of Advertisement Report on or before December 31st of each year. The failure to submit the Report occurred under prior ownership. The Corporation submitted to the Nevada Division of Insurance an executed Consent to Fine, a penalty of $500 and the 2003 Annual Certification of Advertisement Report.

Davis Vision, Inc.:

New York: In June 2010, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Connecticut Insurance Department within the 30 day timeframe from final date of disposition. The Company entered into a Stipulation which included a fine in the amount of $750.

Connecticut: In December 2008, Davis Vision, Inc. entered an Order with the State of Connecticut Insurance Department arising out of an examination conducted of Davis Vision's utilization review practices in the State of Connecticut covering the period from January 1, 2007 through December 31, 2007. The findings alleged a violation of Connecticut laws regarding timely notice of a utilization review determination and a failure to provide sufficient documentation for regulatory review. The Company admitted to the allegations and consented, via a Complaint, Stipulation and Final Order to an administrative fine in the amount of $2,000. The Company revised its policies and procedures to avoid future recurrences.

New York: In September 2007, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Nevada Division of Insurance in 2002 in a renewal application for a life/accident and health license under section 2103(a) of New York insurance law. The Company entered into a Stipulation which included a fine in the amount of $500. The Company implemented corrective action measures to avoid future inadvertent omissions.

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Maine: In September 2006, Davis Vision, Inc. was notified by the State of Maine Bureau of Insurance that it had not disclosed the administrative proceeding to which it was a party with the State of Nevada upon submission of an application to the State of Maine for a Non-Resident Producer Business Entity license. In August 2007, Davis Vision entered into a Consent Agreement and remitted an administrative penalty in the amount of $250, following which the Producer license was issued.

Nevada: In March 2006, Davis Vision, Inc. was notified by the State of Nevada Department of Business and Industry that the Company's annual report required in connection with its third party administrator activities in that state was not timely filed and was incomplete, in violation of Nevada laws governing third party administrators. The Company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

Nevada: In September 2002, Davis Vision, Inc. was notified by the State of Nevada Department of Business and Industry that the Company had not filed a report stating the total amount of money received and distributed during the preceding fiscal year as required under Nevada law in connection with its third party administrator activities in that state. The company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

Empire Vision Center, Inc.
Massachusetts: Docket No. OP-07-2002
In November 2006, Empire Vision Center, Inc. (Empire) entered into a Consent Agreement with the Commonwealth of Massachusetts, Board of Registration of Optometrists (the Board) arising out of the Board's complaint alleging that Empire had violated Massachusetts General Laws governing the unlicensed practice of optometry, by controlling or directing the actions or decisions of optometrists. Empire agreed to enumerated conditions in the Consent Agreement and paid a fine in the amount of $10,000.

Eye Care Centers of America
Illinois (2010): Consent Order dated March 26, 2010 by the State of Illinois, Department of Financial and Professional Regulations, Division of Professional Regulations. On September 28, 2009, the Department of Financial and Professional Regulations filed a complaint against Eye Care Centers of America, Inc. d/b/a Visionworks, in Illinois alleging that an advertisement by Visionworks placed in the Chicago Tribune Newspaper violated Illinois statutes on the unlicensed practice of optometry. Visionworks denied the allegation. However, the parties entered a consent order whereby Visionworks (1) agreed to pay the sum of $10,000 as a civil penalty and (2) agreed to take actions to scrutinize future advertisements that it places in print media for optometric services to eliminate what may be construed as misleading or inaccurate information concerning Illinois law. This matter is resolved.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Elizabeth Ann Farbacher

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Executive Vice President, Chief Auditor and Compliance Officer

4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Indiana University of Pennsylvania	Indiana, PA	09/77 – 05/81	B.S.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Institute of Certified Public Accountants		1211 Ave. of the Americas, New York, NY 10036	212-596-6200
Institute of Internal Auditors		247 Maitland Avenue, Altamonte Springs, FL 32701	407-937-1100

7. Present or proposed position with the applicant entity. Officer – EVP, Chief Auditor & Compliance Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY)12/1996- Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held EVP, Chief Auditor & Compliance Officer; SVP, Chief Audit Executive; SVP & General Auditor

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY)1991 - 12/96 Employer's Name Blue Cross of Western Pennsylvania

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7705 Offices/Positions Held Sr. Vice President

Supervisor / Contact Contact Human Resources Department

Beginning/Ending
Dates (MM/YY)1981 - 1991 Employer's Name KPMG Peat Marwick

Address One Mellon Bank Center City Pittsburgh State/Province PA

Country USA Postal Code 15219 Phone 412-232-1570 Offices/Positions Held Asst. Auditor to Sr. Manager

Supervisor / Contact Contact Human Resources

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

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10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Commonwealth of PA
Organization/Issuer of LicenseBureau of Prof. & Occupational Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type CPA License # CA018383L Date Issued (MM/YY) 05/83

Date Expired (MM/YY) Active Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known 717-787-8503

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

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h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see attachment

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 19 day of October 2010 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Elizabeth A Farbacher
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 19th day of October 2010 By

Elizabeth Ann Farbacher, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5, 2011
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Elizabeth Ann Farbacher

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
09/11/59 - 10/17/87	Elizabeth Ann Aufman	Maiden Name
10/18/87 - Present	Elizabeth Ann Farbacher	Marriage
-		
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 09/11/59 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
5/08 – Present	[redacted]		PA	USA	[redacted]
1987 – 5/08	3826 Grove Road	Gibsonia	PA	USA	15044

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 19 day of October 2010 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Elizabeth A. Farbacher
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 19th day of October 2010 By Elizabeth Ann Farbacher, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

Sept. 5, 2011
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Elizabeth Ann Farbacher, [redacted]

(Printed Full Name and Residence Address)

Elizabeth A. Farbacher — 10-19-10

(Signature) (Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 19th day of October 2010 By Elizabeth Ann Farbacher, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen — Notary Public

Patricia F. Woltjen — Printed Notary Name

Sept. 5, 2011 — My Commission Expires

Elizabeth Ann Farbacher
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served as referenced below:

Company	Position Held	Date
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	EVP, Chief Auditor & Compliance Officer	7/28/10 – Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see Attachment

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Blue Cross of Western Pennsylvania (a predecessor corporation to Highmark Inc.) entered into a Consent Order with the Pennsylvania Insurance Department in March of 1993 regarding allegations of violations of the Pennsylvania Hospital Plan Corporation Law and the Pennsylvania Unfair Insurance Practices Act. The violative practices included failure to obtain prior approval of contract forms and corresponding rates and notifying agents that certain sales of medical coverage must include the sale of life and accidental death and dismemberment coverage. The order contained a cease and desist from the violative activities and the assessment of a $5,000 penalty.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Maureen Loftus Hogel

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Executive Vice President, Chief Legal Officer and Corporate Secretary

4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Wheeling College	Wheeling, WV	9/78 – 5/82	BA Theology

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
	University of Pittsburgh, School of Law	Pittsburgh, PA	9/82 – 5/85	JD

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
American Bar Association		321 N. Clark St., Chicago, IL 60654	312-988-5000
Allegheny Bar Association		436 7th Avenue, Ste. 400, Pittsburgh, PA 15219	412-261-6161

7. Present or proposed position with the applicant entity. Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 08/10 - Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held EVP, Chief Legal Officer and Corporate Secretary

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 02/96 - 08/10 Employer's Name Duquesne Light Company

Address 411 7th Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15219 Phone 412-393-4150 Offices/Positions Held Sr. V.P. & Chief Operating Officer

Supervisor / Contact Morgan K. O'Brien

Beginning/Ending Dates (MM/YY) 09/88 - 02/96 Employer's Name Drinker Biddle & Reath

Address #1 Logan Square, Ste. 2000 City Philadelphia State/Province PA

Country USA Postal Code 19103-6996 Phone 215-988-2700 Offices/Positions Held Attorney

Supervisor / Contact J. Freedley Hunsicker, Jr.

Beginning/Ending Dates (MM/YY) _____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License PA Supreme Court Address 200 N. Third Street

City Harrisburg State/Province Pennsylvania Country USA Postal Code 17101

License Type Attorney's License License # 55201 Date Issued (MM/YY) 1989

Date Expired (MM/YY) None Reason for Termination None – Active License

Non-insurance Regulatory Phone Number (if known 717-772-1599

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA

FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 11th day of November 2010 at Camp Hill I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Maureen L Hogel

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 11th day of November, 2010 By

Maureen Loftus Hogel, and:

☑ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Maureen Loftus Hogel

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)		Name(s)	Reason (If None, indicate such)
7/12/60	- 8/31/85	Maureen Ann Loftus	Maiden Name
8/31/85	- Present	Maureen Loftus Hogel	Marriage
	-		
	-		
	-		
	-		
	-		
	-		
	-		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 07/12/60 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
08/96 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 11th day of November, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Maureen L Hogel
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 11th day of November, 2010 By Maureen Loftus Hogel, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public
Robin L McKoy
Printed Notary Name
11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Belinda A. Clouser, Paralegal, Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4204.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Maureen Loftus Hogel, [redacted]
(Printed Full Name and Residence Address)

Maureen L Hogel
(Signature)

11/11/2010
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 11th day of November 2010 By Maureen Loftus Hogel, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). David Lynn Holmberg

2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No

3. Affiant's Occupation or Profession. Executive Vice President, Vision Services/CEO, HVHC

4. Affiant's business address. 11103 West Avenue, San Antonio, Texas 78213-1392

   Business telephone. [redacted]

5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
University of Texas at Dallas	Dallas, TX	09/98 – 05/00	MBA

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Harvard Business School		Boston, MA	2003	Advanced Management Program

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer, EVP, Vision Services

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 11/07 - Present Employer's Name HVHC

Address/City 11103 West Avenue, San Antonio State/Province Texas

Country USA Postal Code 78213 Phone [redacted] Offices/Positions Held Chief Executive Officer

Supervisor / Contact [redacted] Phone: [redacted]

Beginning/Ending Dates (MM/YY) 11/04 - 08/07 Employer's Name Jo-Ann Stores, Inc.

Address/City 5555 Darrow Road, Hudson State/Province Ohio

Country USA Postal Code 44236 Phone 303-656-2600 Offices/Positions Held EVP, Operations

Supervisor / Contact Mr. Alan Rosskamm and Mr. Darrell Webb

Beginning/Ending Dates (MM/YY) 4/01 - 11/04 Employer's Name Cole National Corp.

Address/City 1925 Enterprise Parkway, Twinsburg State/Province Ohio

Country USA Postal Code 44087 Phone 330-486-3100 Offices/Positions Held President

Supervisor / Contact Larry Pollock

Beginning/Ending Dates (MM/YY) 5/94 - 4/01 Employer's Name Zale Corporation

Address/City 901 West Walnut Hill Lane, Irving State/Province Texas

Country USA Postal Code 75038 Phone 972-580-4000 Offices/Positions Held President – Zale Canada

Supervisor / Contact Beryl Raff

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9. a. Have you ever been in a position which required a fidelity bond? Yes, all employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY)_____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY)_____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? _____
No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details Not applicable

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – See Attached

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – See Attached

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 2 day of November 2010 at San Antonio TX.
I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Texas County of Bexar

The foregoing instrument was acknowledged before me this 2 day of November, 20 10 By David Lynn Holmberg, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

TRACI PIERCE
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
12-07-2013

Traci Pierce
Notary Public

Traci Pierce
Printed Notary Name

see stamp/seal
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). David Lynn Holmberg

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen Not Applicable

5. Foreign Student ID# (if applicable) Not Applicable

6. Date of Birth: (MM/DD/YY) 09/21/58 Place of Birth: City Louisville
State/Province Kentucky Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
07/09 – Present	[redacted]		TX	USA	[redacted]
11/07-07/09	1115 N Loop 1604 #109 San Antonio Tx				78L09 78L32
07/07 - Present	[redacted]		Ohio	USA	[redacted]
09/01 – 07/07	1718 Royal Oaks Road	Hudson	Ohio	USA	44236
08/99 – 09/01	412 Bryn Meadows	Southlake	Texas	USA	
09/94 – 08/99	215 Silverwood Circle	Southlake	Texas	USA	

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

Dated and signed this 2 day of November, 2010 at _____.
I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Texas County of Bexar

The foregoing instrument was acknowledged before me this 2 day of November, 2010 By David Lynn Holmberg, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

TRACI PIERCE
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
12-07-2013

Notary Public

Traci Pierce
Printed Notary Name

see stamp/seal
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Davis Vision, Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Belinda A. Clouser, Paralegal, Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 – Phone: 717-302-4204. Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

David Lynn Holmberg, [redacted]
(Printed Full Name and Residence Address)

(Signature)

11/2/10
(Date)

State of Texas County of Bexar

The foregoing instrument was acknowledged before me this 2 day of November, 20 10 By David Lynn Holmberg, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

Notary Public

Traci Pierce
Printed Notary Name

See stamp/seal
My Commission Expires

TRACI PIERCE
NOTARY PUBLIC STATE OF TEXAS
COMMISSION EXPIRES:
12-07-2013

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David L. Holmberg
Attachment to
Biographical Affidavit

In addition to the preceding information, I presently serve, or have served, in the capacities noted opposite each corporation below:

Corporation	Position Held	Dates
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Director President & CEO	07/01/08-Present 07/01/08-Present
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Director Chairman of the Board	07/01/08-Present 07/01/08-Present
Viva Optique, Inc 3140 Route 22 West Somerville, NJ 08076	Director Chairperson of the Board	07/01/08-Present 07/01/08-Present
ECCA Holdings Corporation 2711 Centerville Road Suite 400 Wilmington, DE 19808	Director Chairman of the Board President	07/01/08-Present 07/01/08-Present 07/01/08 – 05/24/10
Eye Care Centers of America 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board, CEO President	01/01/08-Present 01/01/08-Present 05/12/09-12/03/09
DVSC, Inc. 1800 Center Street Camp Hill, PA 17089	Director Chairman of the Board	05/14/08-Present 08/04/08-Present
DavisVision IPA, Inc. 159 Express Street Plainview, NY 11803	Director Chairman of the Board	08/04/08-Present 08/04/08-Present
Empire Vision Center, Inc. 2921 Erie Boulevard East Syracuse, NY 13324	Director Chairman of the Board President	08/04/08-Present 08/04/08-Present 08/04/08 – 07/22/09
Viva Europa, Inc. 3140 Route 22 West Somerville, NJ 08876	Director Chairperson of the Board	08/08-Present 08/08-Present
Viva International, Inc. 3140 Route 22 West Somerville, NJ 08876	Director Chairperson of the Board	08/08-Present 08/08-Present

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Corporation	Position Held	Dates
Viva IP Corp. 3140 Route 22 West Somerville, NJ 08876	Director Chairman of the Board	08/08-Present 08/08-Present
Viva Canada 3140 Route 22 West Somerville, NJ 08876	Director Chairman of the Board	03/11/09-Present 03/11/09 - Present
Miracle Optics, Inc. 709 Brea Canyon Road Suite 7 Walnut, California 91789	Director Chairman of the Board	08/08-Present 08/08-Present
Enclave Advancement Group, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
ECCA Managed Vision Care, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Eye Care Holdings, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Hour Eyes, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/10-Present 09/30/10-Present 03/10/09-05/24/10
Metropolitan Vision Services, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Visionworks Holdings, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Visionworks, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Visionary Retail Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 01/01/09-05/24/10

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Corporation	Position Held	Dates
Vision World, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Stein Optical, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Eye DRx Retail Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/10-Present 03/10/09-05/24/10
ECCA Enterprises, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
EyeMasters, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
ECCA Distribution Investments, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
ECCA Distribution Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Visionary Lab Investments, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Visionary Lab Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
EyeMasters of Texas Investments, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
EyeMasters of Texas Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
ECCA Management Investments, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/17/08-Present 09/17/08-Present 03/10/09-05/24/10

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Corporation	Position Held	Dates
ECCA Management, Inc. 11103 West Avenue San Antonio, TX 78213	Director Chairman of the Board President	09/30/08-Present 09/30/08-Present 03/10/09-05/24/10
Highmark Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Executive Vice President, Vision Services	05/27/09-Present
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Executive Vice President, Vision Services	07/28/10 – Present

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? Yes – See Below

Certain certificates of authority held by Davis Vision, Inc. were revoked by the states of Maryland, Arkansas and Oklahoma due primarily to administrative errors related to tax, annual report or other required filings. The revocations had no material adverse effect on the business and all certificates of authority were subsequently reinstated

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – See Below

Davis Vision, Inc.:

New York: In June 2010, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Connecticut Insurance Department within the 30 day timeframe from final date of disposition. The Company entered into a Stipulation which included a fine in the amount of $750.

Connecticut: In December 2008, Davis Vision, Inc. entered an Order with the State of Connecticut Insurance Department arising out of an examination conducted of Davis Vision's utilization review practices in the State of Connecticut covering the period from January 1, 2007 through December 31, 2007. The findings alleged a violation of Connecticut laws regarding timely notice of a utilization review determination and a failure to provide sufficient documentation for regulatory review. The Company admitted to the allegations and consented, via a Complaint, Stipulation and Final Order to an administrative fine in the amount of $2,000. The Company revised its policies and procedures to avoid future recurrences.

Eye Care Centers of America
Illinois (2010): Consent Order dated March 26, 2010 by the State of Illinois, Department of Financial and Professional Regulations, Division of Professional Regulations. On September 28, 2009, the Department of Financial and Professional Regulations filed a complaint against Eye Care Centers of America, Inc. d/b/a Visionworks, in Illinois alleging that an advertisement by Visionworks placed in the Chicago Tribune Newspaper violated Illinois statutes on the unlicensed practice of optometry. Visionworks denied the allegation. However, the parties entered a consent order whereby Visionworks (1) agreed to pay the sum of $10,000 as a civil penalty and (2) agreed to take actions to scrutinize future advertisements that it places in print media for optometric services to eliminate what may be construed as misleading or inaccurate information concerning Illinois law. This matter is resolved.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Thomas William Kerr
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President, Chief Communications & Strategy Officer
4. Affiant's business address. 120 Fifth Avenue, Ste. 3015, Pittsburgh, PA 15222

   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Duquesne University	Pittsburgh, PA	08/73 – 05/77	BA

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
None				

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer, EVP, Chief Communications & Strategy Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 12/96 - Present Employer's Name Highmark Inc.

Address/City 120 Fifth Avenue, Pittsburgh State/Province Pennsylvania

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held EVP, SVP, VP

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY) 08/83 - 12/96 Employer's Name Blue Cross of Western Pennsylvania

Address/City 120 Fifth Avenue, Pittsburgh State/Province Pennsylvania

Country USA Postal Code 15222 Phone 412-544-8157 Offices/Positions Held Director of Marketing

Supervisor / Contact Human Resources

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes If any claims were made on the bond, give details.
All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits and exclusions.

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY)_____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY)_____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? _____
No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity?
No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not applicable

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – Please see attached

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 8th day of November 2010 at Pgh PA.

I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Thomas W. Kerr
(Signature of Affiant)

State of Pennsylvania County of _____

The foregoing instrument was acknowledged before me this 8th day of Nov, 2010 By Thomas William Kerr, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M. Malara
Notary Public

SARA M. MALARA
Printed Notary Name

9/12/2014
My Commission Expires

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BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

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Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Thomas William Kerr

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 10/30/51 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
6/84 - Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 8th day of Nov, 20 10 at Pgh Pa.
I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Thomas W. Kerr
(Signature of Affiant)

State of Pennsylvania County of

The foregoing instrument was acknowledged before me this 8th day of Nov, 20 10 By

Thomas William Kerr, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]
COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M. Malara
Notary Public

SARA M. MALARA
Printed Notary Name

9/12/2014
My Commission Expires

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Applicant Name (Company) Highmark Inc.

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FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 – 717:302-4226.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Thomas William Kerr, [redacted]
(Printed Full Name and Residence Address)

Thomas W. Kerr
(Signature)

11/8/2010
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 8th day of Nov 2010 By Thomas William Kerr, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Sara M. Malara, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 12, 2014
Member, Pennsylvania Association of Notaries

Sara M. Malara
Notary Public

SARA M. MALARA
Printed Notary Name

9/12/2014
My Commission Expires

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Thomas W. Kerr
Attachment to
Biographical Affidavit

8. In addition to the preceding information, I presently serve or have served in the capacities noted opposite each corporation below:

Company	Title	Dates Held
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Executive Vice President, Chief Communications & Strategy Officer	07/28/10 – Present

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – Please see below

HIGHMARK INC.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Consent Order – December 26, 2003
Highmark Inc., a health plan corporation, inadvertently caused a coding error in one of its claims processing systems. As a result of this error, six claims for childhood immunizations were initially denied, although after review, were later paid. Highmark has corrected the coding error, and has agreed to a $3,000 penalty.

Consent Order – December 2, 2002
Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Daniel Jay Lebish
2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President
4. Affiant's business address. 120 Fifth Avenue, Suite P6112, Pittsburgh, PA 15222

   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
St. Norbert College	DePere, WI	09/1972 – 05/1976	B.B.A.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
	Ohio State University	Columbus, OH	09/1976 – 05/1978	M.H.A.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/ Association	Contact Name	Address of Society/Association	Telephone Number of Society/Assoc.
American Hospital Assoc.		One North Franklin, Chicago, IL 60606	312-422-3000
Healthcare Financial Management Assoc.		Two Westbrook Corp. Ctr., Ste. 700 Westchester, IL 60154-5700	1-800-252-4362
American College of Healthcare Executives		One North Franklin, Ste. 1700, Chicago, IL 60606-3491	312-424-2800

7. Present or proposed position with the applicant entity. Officer, EVP, Subsidiary Business

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 4/18/09 - Present Employer's Name Highmark Inc.

Address/City 120 Fifth Avenue, P6112, Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held Executive Vice President, Subsidiary Business (Elected Principal Officer – 5/27/09)

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY) 01/03 - Present Employer's Name HM Life Insurance Company

Address/City 120 Fifth Avenue, P6112 State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held President and CEO

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY) 09/1997 - 01/2003 Employer's Name Highmark Inc.

Address City 120 Fifth Avenue State/Province PA

Country USA Postal Code 15222 Phone 412-544-2565 Offices/Positions Held Executive Vice President

Supervisor / Contact Contact Human Resources Dept.

Beginning/Ending
Dates (MM/YY) 04/1993 - 06/1997 Employer's Name HealthAmerica

Address/City 5 Gateway Center, Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 800-788-6445 Offices/Positions Held Executive Vice President

Supervisor / Contact Contact Human Resources Department

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9. a. Have you ever been in a position which required a fidelity bond? Yes If any claims were made on the bond, give details.
All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions.

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License None Address

City State/Province Country Postal Code

License Type License # Date Issued (MM/YY)

Date Expired (MM/YY) Reason for Termination

Non-insurance Regulatory Phone Number (if known

Organization/Issuer of License Address

City State/Province Country Postal Code

License Type License # Date Issued (MM/YY)

Date Expired (MM/YY) Reason for Termination

Non-insurance Regulatory Phone Number (if known

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action?
No

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d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

Not applicable

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. Not applicable

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

Not Applicable

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details Not Applicable

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes-please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 27th day of October 20 10 at Camp Hill PA. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 27th day of Oct., 20 10 By Daniel Jay Lebish, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Daniel Jay Lebish

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen Not Applicable

5. Foreign Student ID# (if applicable) Not Applicable

6. Date of Birth: (MM/DD/YY) 04/03/54 Place of Birth: City Amityville
State/Province New York Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
12/98 - Present	[redacted]		PA	USA	[redacted]
09/97 – 12/98	625 Robinwood Drive	Pittsburgh	PA	USA	15216
05/96 – 09/97	709 Ridgefield Avenue	Pittsburgh	PA	USA	15216
07/87 – 04/97	1330 Arrowood Drive	Pittsburgh	PA	USA	15243

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

Dated and signed this 27th day of Oct, 20 10 at Camp Hill Pa. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 27th day of Oct, 20 10 By Daniel Jay Lebish, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

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Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Daniel Jay Lebish [redacted]

(Printed Full Name and Residence Address)

(Signature) 10/27/10 (Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 27th day of Oct 20 10 By Daniel Jay Lebish, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Daniel Jay Lebish
Attachment to
Biographical Affidavit

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

In addition to the preceding information, I serve or have served in the capacities noted opposite the corporations listed below:

Corporation	Position	Dates Served
HCI, Inc. One Church Street Burlington, VT 05402	Director	02/28/03-Present
HM Insurance Group Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	01/08/03-Present 05/25/07-Present 01/08/03-Present 01/08/03 – 4/22/09
HM Broker Services, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	01/08/03-Present 05/27/07-Present 01/08/03-Present 01/08/03 – 04/22/09
Highmark Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	01/08/03-Present 05/27/07-Present 01/08/03-Present 01/08/03 – 04/22/09
HM Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	05/07-Present 05/07-Present 05/07-Present 05/07 – 04/22/09
HM Life Insurance Company 120 Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	01/08/03-Present 05/25/07-Present 01/08/03-Present 01/08/03 – 04/22/09
HM Life Insurance Company of New York 420 Fifth Avenue New York, NY 10018	Director Chairman CEO President	01/08/03-Present 05/25/07-Present 01/08/03 - Present 01/08/03 – 5/28/09

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Corporation	Position	Dates Served
HM Benefits Administrators, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director Chairman CEO President	01/08/03-Present 05/25/07-Present 01/08/03-Present 01/08/03 – 04/22/09
HM Captive Insurance Company 120 Fifth Avenue Place Pittsburgh, PA 15222	Chairman Director/ CEO President	08/09/07-Present 1/8/03 - Present 01/08/03 – 08/11/09
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	EVP, Subsidiary Business	07/28/10 – Present
Industrial Medical Consultants LLC 2740 Smallman Street, Ste. 300 Pittsburgh, PA 15222	Chairman	4/23/09 - Present
Inter-County Health Plan 720 Blair Mill Road Horsham, PA 19044-2244	Director	10/31/07-Present
Inter-County Hospitalization Plan 720 Blair Mill Road Horsham, PA 19044	Director	10/31/07-Present
Risk Based Solutions, LC d/b/a RBS 7301 SW 57th Court, Suite 450 South Miami, FL 33143	Chairman Board of Managers CEO	10/13/06-Present 10/13/06-Present 10/13/06-11/10/09
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director Chairman of the Board CEO President	02/27/08-Present 02/27/08-Present 02/27/08-Present 02/27/08 – 4/21/09
United Concordia Dental Corporation of Alabama 400 Vestavia Parkway, Suite 205 Birmingham, AL 35216	Director and Chairman of the Board President Executive Committee	02/27/08-Present 02/27/08-Present 02/27/08-Present 02/27/08-Present
United Concordia Dental Plans, Inc. 309 International Circle, Suite 130 Hunt Valley, MD 21030	Director and Chairman of the Board & CEO President	02/27/08-Present 02/27/08-Present 02/27/08-9/11/09
United Concordia Dental Plans of California, Inc. 21700 Oxnard Street, Suite 500 Woodland Hills, CA 91367	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-6/22/09 6/22/09 - Present

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Corporation	Position	Dates Served
United Concordia Dental Plans of Delaware, Inc. 309 International Circle, Suite 130 Hunt Valley, MD 21030	Director and Chairman of the Board President	02/27/08-7/21/08 02/27/08-7/21/08 02/27/08-7/21/08
United Concordia Dental Plans of Florida, Inc. 1408 N. Westshore Blvd., Ste. 512 Tampa, FL 33607	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-8/21/09 8/21/09 - Present
United Concordia Dental Plans of Kentucky, Inc. 4169 Westport Rd. Louisville, KY 40207	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-8/21/09 8/21/09 - Present
United Concordia Dental Plans of the Midwest, Inc. 3250 West Big Beaver, Suite 327 Troy, MI 48084	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-5/26/09 05/26/09 - Present
United Concordia Dental Plans of Pennsylvania, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-08/21/09 08/21/09 - Present
United Concordia Dental Plans of Texas, Inc. 8214 Westchester Drive, Suite 600 Dallas, TX 75225	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-09/02/09 09/02/09 - Present
United Concordia Insurance Company 2198 East Camelback Road Suite 260 Phoenix, AZ 85016	Director and Chairman of the Board President CEO	02/27/08-Present 02/27/08-Present 02/27/08-06/22/09 06/22/09 - Present
United Concordia Insurance Company of New York 159 Express Street Plainview, NY 11803	Director Chairman of the Board CEO	02/27/08-Present 02/27/08-Present 09/16/09 - Present
United Concordia Life and Health Insurance Company 4401 Deer Path Road Harrisburg, PA 17110	Director and President Chairman of the Board CEO	02/27/08-Present 02/27/08-06/22/09 02/27/08-Present 06/22/09 - Present
United Concordia Services, Inc. 4775 Indian School Road, NE Albuquerque, NM 87109	Director Chairman of the Board	02/27/08-Present 02/27/08-Present

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Corporation	Position	Dates Served
Magee Womens Hospital 300 Halket Street Pittsburgh, PA 15213	Vice President & CFO	04/1982-04/1993
WQED Multimedia 1300 Fifth Avenue Pittsburgh, PA 15213	Director	09/02-Present
YMCA of Greater Pittsburgh 330 Boulevard of the Allies Pittsburgh, PA 15222	Director	03/15/07-Present
Downtown YMCA 330 Boulevard of the Allies Pittsburgh, PA 15222	Director Chairman Director	08/07-Present 09/05-08/07 08/02-09/05
Pittsburgh Dance Council The Pittsburgh Cultural Trust 803 Liberty Avenue Pittsburgh, PA 15222	Advisory Board	09/12/06-Present

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below

Highmark Inc.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Consent Order – December 26, 2003

Highmark Inc., a health plan corporation, inadvertently caused a coding error in one of its claims processing systems. As a result of this error, six claims for childhood immunizations were initially denied, although after review, were later paid. Highmark has corrected the coding error, and has agreed to a $3,000 penalty.

Highmark Life Insurance Company

On February 16, 2005, pursuant to the Consent Order at Docket No. UPA-04-03-8544-AP, Highmark Life Insurance Company paid a civil penalty to the California Department of Insurance.

New Hampshire: On April 14, 2009 the New Hampshire Insurance Department ("NHID") issued an Order to Show Cause and Notice of Hearing against HM Life Insurance Company. In the Order, the NHID alleged that HM Life violated New Hampshire's insurance laws by (1) issuing stop loss policies to

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small groups where the policies specified aggregate attachment points were less than the minimum aggregate attachment point required by the New Hampshire insurance laws and (2) submitting two (2) actuarial certifications to the NHID certifying that all stop loss policies issued by HM Life in New Hampshire complied with the applicable statutes when the policies did not comply with the statutes. On September 11, 2009, HM Life and the NHID entered into a Consent Order resolving all matters referenced in the Order to Show Cause. In the Consent Order, HM Life agreed to pay an administrative penalty in the amount of $25,000 in final settlement of all claims with the understanding that the payment of the penalty would not constitute an acknowledgement or admission of wrongdoing by HM Life.

United Concordia Insurance Company:
Arizona: In January 2009, the Arizona Department of Insurance issued a Consent Order arising out of a market conduct examination performed as of June 30, 2006, concluded on August 19, 2008. The findings alleged violations of Arizona insurance laws regarding claims administration procedures. The Company was ordered to Cease and Desist from the violative activities and was required to implement corrective actions which included performing a self-audit and reprocessing any incorrectly denied claims. The Company paid a civil penalty of $30,000 in settlement of the matter.

United Concordia Dental Plans, Inc.

Maryland: *$13,500 – Commissioner's Case No. MIA-2009-11-041 dated November 30, 2009.* United Concordia Dental Plans, Inc. consented, via a Consent Order, to an administrative penalty in the amount of $13,500. The penalty was assessed as a result of a market conduct examination performed by the Maryland Insurance Administration for the period January 1, 2008 through December 31, 2008. The Consent Order set forth eight determinations which the Insurance Administration/Commissioner found to be in violation of Maryland insurance laws and regulations. UCDP paid the $13,500 administrative penalty and implemented corrective actions.

United Concordia Life and Health Insurance Company

Maryland: Case No. MIA-2009-09-018
MIA File No. 16756-A-2009-MM-C
On September 22, 2009, the Maryland Insurance Administration entered an Order taking disciplinary action against the Company arising out of a complaint related to the Company's failure to provide the proper statutory time frame within which the member might file a complaint with the Commissioner. The Company agreed to the Order and payment of an administrative penalty of $2,500 for the purpose of settling the matter.

Maryland: Case No. MIA-2009-09-022
MIA File No. 82776-L-2008-ELW-C
On September 24, 2009, the Maryland Insurance Administration entered an Order taking disciplinary action against the Company arising out of a complaint proceeding alleging improper denial of payment for a partial denture. The Company authorized payment in accordance with the Order and in full settlement of the action. The Company agreed to the Order and payment of an administrative penalty of $2,000 for the purpose of settling the matter.

Case No. MIA-2008-09-015
MIA File No. 15608-A-2008-SSJ-C
On September 10, 2008, the Maryland Insurance Administration entered an Order taking disciplinary action against the Company arising out of a complaint proceeding alleging improper denial of payment for restoration of a crown. The Company authorized payment in accordance with the Order and in full settlement of the action.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222
Phone: 412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Kenneth Rudolph Melani
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. President and Chief Executive Officer
4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222
   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Washington & Jefferson College	Washington, PA	09/71 – 05/75	B.A.

Graduate Studies: College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Bowman Gray School of Medicine Wake Forest Univ.	Winston-Salem, NC	09/75 – 06/79	M.D.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
Please see Attachment			

7. Present or proposed position with the applicant entity. Officer and Director

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 01/1/03 - Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held President and CEO

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY) 12/96 - 12/31/02 Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7245 Offices/Positions Held Exec. VP, Strategic Business Dev.

Supervisor/Contact John S. Brouse (Contact Human Resources)

Beginning/Ending Dates (MM/YY) 1989 - 12/96 Employer's Name Blue Cross of Western Pennsylvania

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7245 Offices/Positions Held Executive Vice President

Supervisor/Contact Jim Klingensmith (Contact Human Resources)

Beginning/Ending Dates (MM/YY) 1988 - 1989 Employer's Name West Penn Cares

Address City Pittsburgh State/Province PA

Country USA Postal Code Phone Offices/Positions Held President & CEO

Supervisor/Contact

Please see attachment for additional information

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark Inc. and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

PA Dept. of State
Organization/Issuer of License Bureau of Prof. & Occup. Affairs Address P.O. Box 2649

City Harrisburg State/Province PA Country USA Postal Code 17105

License Type Medical Phy. & Surgeon License # MD023844-E Date Issued (MM/YY) 7/11/80

Date Expired (MM/YY) Not Expired Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known 717-787-8503

Organization /Issuer of License Drug Enforcement Administration Address P.O. Box 28083

City Washington State/Province DC Country USA Postal Code 20038-8083

License Type DEA License # BM2892241 Date Issued (MM/YY) Not Available

Date Expired (MM/YY) Not Expired Reason for Termination Not applicable

Non-insurance Regulatory Phone Number (if known) 800-882-9539

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details _____

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes. Please see attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 31st day of October 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Kenneth Rudolph Melani
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Kenneth Rudolph Melani, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

1. Affiant's Full Name (Initials Not Acceptable). Kenneth Rudolph Melani

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 10/08/53 Place of Birth: City New Kensington
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
1985 – Present	[redacted]		PA	USA	[redacted]

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 31st day of October, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Kenneth R. Melani
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of October, 2010 By Kenneth Rudolph Melani, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Applicant Name (Company) Highmark Inc. NAIC No. 54771-PA
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Kenneth Rudolph Melani, [redacted]
(Printed Full Name and Residence Address)

Kenneth R Melani
(Signature)

10/31/10
(Date)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 31st day of Oct 2010 By Kenneth Rudolph Melani, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L. McKoy
Printed Notary Name

11/29/2013
My Commission Expires

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Kenneth R. Melani, M.D.
Attachment

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Assoc.
American Medical Association		515 N. State St., Chicago, IL 06010	800-621-8335
Pennsylvania Medical Society		777 East Park Dr., Harrisburg, PA 17105	717-558-7750
Allegheny County Medical Society		713 Ridge Ave., Pittsburgh, PA 15212	412-321-5030
American Society of Internal Medicine American College of Physicians		190 N. Independence Mall West, Phila., PA 19106	800-338-2746
American College of Physician Executives		4890 West Kennedy Blvd., Tampa, FL 33609	800-562-8088

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates, or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 1982 - 1988 Employer's Name Melani & Wilfong, P.C.

Address Mellon Pavilion, Liberty Ave. City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone Not Available Offices/Positions Held Practicing Physician

Supervisor/Contact Not Available

In addition to the preceding information, I currently serve or have served as referenced below.

Corporation/Association	Position Held	Dates
Caring Foundation 120 Fifth Avenue Pittsburgh, PA 15222-3099	Director	2/28/03 – 6/07
Gateway Health Plan, L.P. Two Chatham Center, Ste. 500 Pittsburgh, PA 15219	Director/Secretary	1/97 - 12/10/02
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	President & CEO	5/98 - 2/28/03
Highmark West Virginia Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director Chairperson	5/98 – 5/07 5/12/05 – 5/07
Davis Vision, Inc. 159 Express Street Plainview, NY 11803	Director	02/17/05-6/11/07

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Corporation/Association	Position Held	Dates
HVHC Inc. 1013 Centre Road Wilmington, DE 19805	Director Chairman	02/17/05-6/11/07 09/11/06-6/11/07
DVSC, Inc. 1800 Center Street Camp Hill, PA 17089	Director	02/17/05-5/16/06
Davis Vision IPA, Inc. 159 Express Street Plainview, NY 11803	Director	02/17/05-5/16/06
Davis Vision of Nevada, Inc. 333 South Maryland Parkway Las Vegas, NV 89109	Director	02/17/05-5/16/06
Empire Vision Center, Inc. 2921 Erie Boulevard East Syracuse, NY 13224	Director	02/17/05-5/16/06
Viva Optique, Inc. 3140 Route 22 West Somerville, NJ 08676	Director	02/17/05-6/11/07
ECCA Holdings Corporation 2711 Centerville Rd., Ste. 400 Wilmington, DE 19808	Director	8/1/06 – 6/11/07
Eye Care Centers of America, Inc. 11103 West Avenue San Antonio, TX 78213	Director	8/1/06 – 6/11/07
United Concordia Companies, Inc. 4401 Deer Path Road Harrisburg, PA 17110	Chairman Director	9/26/06 – 5/24/07 02/21/05-5/23/07
Parker Benefits, Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director	5/12/05 – 5/07
HM Life Insurance Company of New York 420 Fifth Avenue, 3rd Floor New York, NY 10018	Director Chairman	04/19/05-5/25/07 6/26/06 – 5/25/07
Highmark Casualty Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	04/19/05-5/25/07 9/26/06 – 5/25/07
HM Life Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	04/19/05-5/25/07 6/26/06 – 5/25/07

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Corporation/Association	Position Held	Dates
HM Insurance Group 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
HM Broker Services, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
HM Benefits Administrators, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairman	4/19/05 – 5/25/07 9/26/06 – 5/25/07
Highmark Senior Resources, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	02/08/05-06/02/06
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Director President President & CEO	08/01/05 – 9/18/06 06/30/10 - Present 08/01/05 – 9/18/06 06/30/10 - Present
HMO Northeastern Pennsylvania, Inc. d/b/a First Priority Health 19 North Main Street Wilkes-Barre, PA 18711	Director	4/29/05 – 5/31/06
First Priority Life Insurance Company, Inc. d/b/a First Priority Life 19 North Main Street Wilkes-Barre, PA 18711	Director	4/29/05 – 5/31/06
Highmark Medicare Services, Inc. 1800 Center Street Camp Hill, PA 17089	Director	9/21/06 – 11/10/06
Highmark Ventures Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director	8/16/10 – Present
National Institute for Health Care Management, Inc. 1225 19th St., NW, Ste. 710 Washington, DC 20036-2454	Director	Present

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Kenneth R. Melani, M.D.
Attachment

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – please see below

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Blue Cross of Western Pennsylvania (a predecessor corporation to Highmark Inc.) entered into a Consent Order with the Pennsylvania Insurance Department in March of 1993 regarding allegations of violations of the Pennsylvania Hospital Plan Corporation Law and the Pennsylvania Unfair Insurance Practices Act. The violative practices included failure to obtain prior approval of contract forms and corresponding rates and notifying agents that certain sales of medical coverage must include the sale of life and accidental death and dismemberment coverage. The order contained a cease and desist from the violative activities and the assessment of a $5,000 penalty.

Keystone Health Plan West, Inc.

Market Conduct Examination that covered the period July 1, 1998 to June 30, 1999 - Payment of $200,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

Market Conduct Examination that covered the period May 1, 2001 to July 31, 2001. Focused on the Company's operation in areas addressed by the recommendations made as a result of the last examination, requirements of Act 68 of 1998 and coverage of mandated benefits. Payment of $30,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

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Davis Vision, Inc. License Revocations:
Certain certificates of authority held by Davis Vision, Inc. were revoked by the states of Maryland, Arkansas and Oklahoma due primarily to administrative errors related to tax, annual report or other required filings. The revocations had no material adverse effect on the business and all certificates of authority were subsequently reinstated.

Davis Vision, Inc.:

New York: In September 2007, Davis Vision, Inc. was notified by the State of New York Insurance Department that it had not identified the assessment of a fine by the Nevada Division of Insurance in 2002 in a renewal application for a life/accident and health license under section 2103(a) of New York insurance law. The Company entered into a Stipulation which included a fine in the amount of $500. The Company implemented corrective action measures to avoid future inadvertent omissions.

Maine: In September 2006, Davis Vision, Inc. was notified by the State of Maine Bureau of Insurance that it had not disclosed the administrative proceeding to which it was a party with the State of Nevada upon submission of an application to the State of Maine for a Non-Resident Producer Business Entity license. In August 2007, Davis Vision entered into a Consent Agreement and remitted an administrative penalty in the amount of $250, following which the Producer license was issued.

Nevada: In March 2006, Davis Vision, Inc. was notified by the State of Nevada Department of Business and Industry that the Company's annual report required in connection with its third party administrator activities in that state was not timely filed and was incomplete, in violation of Nevada laws governing third party administrators. The Company consented, via a Consent to Fine, to an administrative penalty in the amount of $500.

Empire Vision Center, Inc.

Massachusetts: Docket No. OP-07-2002
In November 2006, Empire Vision Center, Inc. (Empire) entered into a Consent Agreement with the Commonwealth of Massachusetts, Board of Registration of Optometrists (the Board) arising out of the Board's complaint alleging that Empire had violated Massachusetts General Laws governing the unlicensed practice of optometry, by controlling or directing the actions or decisions of optometrists. Empire agreed to enumerated conditions in the Consent Agreement and paid a fine in the amount of $10,000.

HM Health Insurance Company

Trigon Health and Life Insurance Company (now HM Health Insurance Company) failed to submit a 2003 Annual Certification of Advertisement Report as required by a provision of Nevada Insurance Code that requires insurers to file an Annual Certification of Advertisement Report on or before December 31st of each year. The failure to submit the Report occurred under prior ownership. The Corporation submitted to the Nevada Division of Insurance an executed Consent to Fine, a penalty of $500 and the 2003 Annual Certification of Advertisement Report.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). David Michael O'Brien
2. a. Are you a citizen of the United States? Yes
   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President, Government Services and External Affairs
4. Affiant's business address. 120 Fifth Avenue, Pittsburgh, PA 15222
   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
John Carroll University	Cleveland, OH	1972	B.S. Business Admin.

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Robert Morris College		Pittsburgh, PA	1980	M.B.A.

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer – EVP, Government Services and External Affairs

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 01/03 - Present Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone [redacted] Offices/Positions Held EVP, Government Services and External Affairs

Supervisor / Contact [redacted]

Beginning/Ending Dates(MM/YY) 10/98 - 01/03 Employer's Name Highmark Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-5250 Offices/Positions Held EVP

Supervisor / Contact James Klingensmith (Contact Human Resources)

Beginning/Ending Dates (MM/YY)1993 - 10/98 Employer's Name Gateway Health Plan, Ltd.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 800-392-1147 Offices/Positions Held President & CEO

Supervisor / Contact Contact Human Resources Department

Beginning/Ending Dates (MM/YY) 1990 - 1993 Employer's Name Alliance Ventures, Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7000 Offices/Positions Held President

Supervisor / Contact Contact Human Resources Department

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9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

None

Organization/Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known _____

Organization /Issuer of License _____ Address _____

City _____ State/Province _____ Country _____ Postal Code _____

License Type _____ License # _____ Date Issued (MM/YY) _____

Date Expired (MM/YY) _____ Reason for Termination _____

Non-insurance Regulatory Phone Number (if known) _____

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action? No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – Please see attached

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 26th day of October 20 10 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David M. O'Brien
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 26th day of October, 20 10 By David Michael O'Brien, and:

☑ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

9-5-2011
My Commission Expires

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). David Michael O'Brien

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 09/13/50 Place of Birth: City Pittsburgh
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
2003 – Present	[redacted]		PA	USA	[redacted]
1994 – 2003	210 Carriage Court	Pittsburgh	PA	USA	15238
1988 – 1994	745 Heathergate Drive	Pittsburgh	PA	USA	

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 26th day of October, 2010 at Pittsburgh, PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

David M. O'Brien
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 26th day of October 20 10 By David Michael O'Brien, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

9-5-2011
My Commission Expires

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc.("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

David Michael O'Brien, [redacted]
(Printed Full Name and Residence Address)

David M. O'Brien 10-26-2010
(Signature) (Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 26th day of October 20 10 By David Michael O'Brien, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public
Patricia F. Woltjen
Printed Notary Name
9-5-2011
My Commission Expires

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David Michael O'Brien
Attachment to
Biographical Affidavit

Employment History Continued

Beginning/Ending
Dates (MM/YY) 1984 - 1990 Employer's Name Health Related Services, Inc.

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-937-4000 Offices/Positions Held Vice President

Supervisor/Contact Contact Human Resources Department (Company merged with Keystone Health Plan West, Inc.)

Beginning/Ending
Dates (MM/YY) 1979 - 1984 Employer's Name Blue Cross of Western Pennsylvania

Address 120 Fifth Avenue City Pittsburgh State/Province PA

Country USA Postal Code 15222 Phone 412-544-7000 Offices/Positions Held Vice President

Supervisor/Contact Contact Human Resources Department

In addition to the preceding information, I also serve or have served in the following positions.

Corporation/Association	Position	Date
Caring Foundation 120 Fifth Avenue Pittsburgh, PA 15222	Director Executive Director Interim Executive Director	7/31/06 – Present 7/31/06 – Present 2/21/06 – 7/31/06
Highmark Foundation 120 Fifth Avenue Pittsburgh, PA 15222	Chairman/Director	7/1/09 – Present
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director, President & CEO Chairman of the Board	6/11/02 – 6/30/09 6/11/02 – 3/29/07 3/29/07 – 5/26/09
Highmark Senior Resources Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director President & CEO Chairman	2/8/05 – 6/2/09 2/8/05 – 5/22/08 2/8/05 – 5/26/09
Inter-County Health Plan, Inc. 720 Blair Mill Road Horsham, PA 19044-2244	Highmark, Inc./ PBS Director	2/28/06 - Present
Inter-County Hospitalization Plan, Inc. 720 Blair Mill Road Horsham, PA 19044-2244	Highmark, Inc./ PBS Director	2/28/06 - Present

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Corporation/Association	Position	Date
HM Health Insurance Co. 120 Fifth Avenue Pittsburgh, PA 15220-3099	Director Chairman President & CEO EVP, Government Services And External Affairs	7/27/06 – 6/2/09 09/06 – 5/26/09 09/06 – 5/22/08 07/28/10 - Present
Highmark Medicare Services Inc. 1800 Center Street Camp Hill, PA 17089	Chairperson Director	09/21/06 – Present 09/21/06 – Present
Employee Benefit Data Services Company (eBDS) One Gateway Center, 12th Floor Pittsburgh, PA 15222	Director	08/01/06 – 12/13/07
Union Benefit Management, Inc. One Gateway Center, 12th Floor Pittsburgh, PA 15222	Director	08/01/06 – 12/13/07

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes, please see below

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

Keystone Health Plan West, Inc.: Market Conduct Examination that covered the period July 1, 1998 to June 30, 1999 - Payment of $200,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

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Keystone Health Plan West, Inc.: Market Conduct Examination that covered the period May 1, 2001 to July 31, 2001. Focused on the Company's operation in areas addressed by the recommendations made as a result of the last examination, requirements of Act 68 of 1998 and coverage of mandated benefits. Payment of $30,000 made to the Commonwealth of Pennsylvania in settlement of all violations contained in the report.

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Applicant Name (Company) Highmark Inc.

NAIC No.54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Matthew Vincent Thomas Ray
2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President and Chief Information Officer
4. Affiant's business address. Highmark Inc, Fifth Avenue Place, Suite 3011, Pittsburgh, PA 15222

   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Boston College	Chestnut Hill, MA	9/85 – 5/89	BS

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
None				

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained
None			

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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Applicant Name (Company) Highmark Inc. NAIC No.54771
FEIN: 23-1294723

6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer - Executive Vice President and Chief Information Officer

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending Dates (MM/YY) 07 /89 - 11/10 Employer's Name Accenture LLP

Address One Financial Plaza City Hartford State/Province CT

Country USA Postal Code 06103 Phone 860-756-2613 Offices/Positions Held Managing Director

Supervisor / Contact [redacted]

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending Dates (MM/YY)_____ - _____ Employer's Name _____

Address _____ City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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Applicant Name (Company) Highmark Inc. NAIC No.54771

FEIN: 23-1294723

9. a. Have you ever been in a position which required a fidelity bond? Yes. All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, limits, conditions and exclusions. If any claims were made on the bond, give details. None

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

State of New York Department of Insurance – Agent's License under Section 2103(a)

Organization/Issuer of License State of New York Insurance Department Address

City Albany State/Province NY Country USA Postal Code 12257

License Type Individual License # LA-718673 Date Issued (MM/YY) July 1, 1993

Date Expired (MM/YY) June 30, 1995 Reason for Termination Not renewed

Non-insurance Regulatory Phone Number (if known

Organization /Issuer of License Address

City State/Province Country Postal Code

License Type License # Date Issued (MM/YY)

Date Expired (MM/YY) Reason for Termination

Non-insurance Regulatory Phone Number (if known)

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action?
No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses?
No

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f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details.

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

    a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

    b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

    c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? No

    Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 29th day of November 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Matthew V T R
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 29th day of November, 2010 By Matthew Vincent Thomas Ray, and:

☒ who is personally known to me, or

☐ who produced the following identification:

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No.54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable).Matthew Vincent Thomas Ray

2. Have you ever used any other name including nickname, maiden name or aliases? No If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		
_____ - _____		

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 07/13/1967 Place of Birth: City Buffalo
State/Province NY Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
08/2005 - Present	[redacted]		CT	USA	[redacted]
07/1992 – 08/2005	12 Candlewood Lane	Farmington	CT	USA	06032

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one address to another.

Dated and signed this 29th day of November, 2010 at Camp Hill PA I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Matthew VTR
(Signature of Affiant)

State of Pennsylvania County of Cumberland

The foregoing instrument was acknowledged before me this 29th day of November, 2010 By Matthew Vincent Thomas Ray, and:

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie J. Pecht, Esq., Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 717-302-4226

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Matthew Vincent Thomas Ray, [redacted]

(Printed Full Name and Residence Address)

Matthew V Ray
(Signature)

11/29/2010
(Date)

State of PA County of Cumberland

The foregoing instrument was acknowledged before me this 29th day of November 2010 By Matthew Vincent Thomas Ray, and

☒ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

NOTARIAL SEAL
ROBIN L MCKOY
Notary Public
SUSQUEHANNA TWP, DAUPHIN COUNTY
My Commission Expires Nov 29, 2013

Robin L McKoy
Notary Public

Robin L McKoy
Printed Notary Name

11/29/2013
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

(Print or Type)

Full Name, Address and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names). Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222

412-544-7000

In connection with the above-named entity, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space hereon is insufficient to answer any question fully.) IF ANSWER IS "NO" OR "NONE," SO STATE.

1. Affiant's Full Name (Initials Not Acceptable). Deborah Lynn Rice
2. a. Are you a citizen of the United States? Yes

   b. Are you a citizen of any other country, if so, what country? No
3. Affiant's Occupation or Profession. Executive Vice President, Health Services
4. Affiant's business address. 120 Fifth Avenue, Ste. 3128, Pittsburgh, PA 15222

   Business telephone. [redacted]
5. Education and Training:

College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained
Carlow College	Pittsburgh, PA		Business

Graduate Studies:	College/ University	City/ State	Dates Attended (MM/YY)	Degree Obtained

Other Training: Name	City/ State	Dates Attended (MM/YY)	Degree/Certification Obtained

(Note: If affiant attended a foreign school, please provide full address and telephone number of the college/university. If applicable, provide the foreign student Identification Number in the space provided in the Biographical Affidavit Supplemental Information.)

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6. List of memberships in professional societies and associations.

Name of Society/Association	Contact Name	Address of Society/Association	Telephone Number of Society/Association
None			

7. Present or proposed position with the applicant entity. Officer – EVP, Health Services

8. List complete employment record for the past twenty (20) years, whether compensated or otherwise (up to and including present jobs, positions, partnerships, owner of an entity, administrator, manager, operator, directorates or officerships). Please list the most recent first. Attach additional pages if the space provided is insufficient. It is only necessary to provide telephone numbers and supervisory information for the past ten (10) years.

Beginning/Ending
Dates (MM/YY) 04/82 - Present Employer's Name Highmark Inc.

Address/City 120 Fifth Avenue, Pittsburgh State/Province PA

Country USA Postal Code 15222-3099 Phone 412-544-4700 Offices/Positions Held
Executive Vice President (5/27/09 – Present) Senior Vice President

Supervisor / Contact [redacted]

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

Beginning/Ending
Dates (MM/YY)_____ - _____ Employer's Name _____

Address City _____ State/Province _____

Country _____ Postal Code _____ Phone _____ Offices/Positions Held _____

Supervisor / Contact _____

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9. a. Have you ever been in a position which required a fidelity bond? Yes If any claims were made on the bond, give details.
All employees, directors and officers of Highmark and its subsidiary corporations are covered under a fidelity policy, subject to certain policy terms, conditions and exclusions.

b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond canceled or revoked? If yes, give details. No

10. List any professional, occupational and vocational licenses (including licenses to sell securities) issued by any public or governmental licensing agency or regulatory authority or licensing authority that you presently hold or have held in the past. For any non-insurance regulatory issuer, identify and provide the name, address and telephone number of the licensing authority or regulatory body having jurisdiction over the license (s) issued.. If your professional license number is your Social Security Number (SSN) or embeds your SSN or any sequence of more than five numbers that are reasonably identifiable as your SSN, then write SSN for that portion of the professional license number that is represented by your SSN. (For example, "SSN", "12-SSN-345" or "1234-SSN" (last 6 digits)). Attach additional pages if the space provided is insufficient

Organization/Issuer of License Producer's License Address Room 1209, Strawberry Square

City Harrisburg State/Province PA Country USA Postal Code 17120

License Type Annuity - PA License # 365837 Date Issued (MM/YY) 9/26/06

Date Expired (MM/YY) Not applicable Reason for Termination None

Non-insurance Regulatory Phone Number (if known None

Organization/Issuer of License Producer's License Address Room 1209, Strawberry Square

City Harrisburg State/Province PA Country USA Postal Code 17120

License Type Casualty/Accident & Health License # 365837 Date Issued (MM/YY) 09/26/06

Date Expired (MM/YY) Not applicable Reason for Termination None

Non-insurance Regulatory Phone Number (if known None

11. In responding to the following, if the record has been sealed or expunged, and the affiant has personally verified that the record was sealed or expunged, an affiant may respond "no" to the question. Have you ever:

a. Been refused an occupational, professional, or vocational license or permit by any regulatory authority, or any public administrative, or governmental licensing agency?
No

b. Had any occupational, professional, or vocational license or permit you hold or have held, been subject to any judicial, administrative, regulatory, or disciplinary action?
No

c. Been placed on probation or had a fine levied against you or your occupational, professional, or vocational license or permit in any judicial, administrative, regulatory, or disciplinary action?
No

d. Been charged with, or indicted for, any criminal offense(s) other than civil traffic offenses? No

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e. Pled guilty, or nolo contendere, or been convicted of, any criminal offense(s) other than civil traffic offenses? No

f. Had adjudication of guilt withheld, had a sentence imposed or suspended, had pronouncement of a sentence suspended, or been pardoned, fined, or placed on probation, for any criminal offense(s) other than civil traffic offenses? No

g. Been subject to a cease and desist letter or order, or enjoined, either temporarily or permanently, in any judicial, administrative, regulatory, or disciplinary action, from violating any federal, state law or law of another country regulating the business of insurance, securities or banking, or from carrying out any particular practice or practices in the course of the business of insurance, securities or banking? No

h. Been, within the last ten (10) years, a party to any civil action involving dishonesty, breach of trust, or a financial dispute? No

i. Had a finding made by the Comptroller of any state or the Federal Government that you have violated any provisions of small loan laws, banking or trust company laws, or credit union laws, or that you have violated any rule or regulation lawfully made by the Comptroller of any state or the Federal Government? No

j. Had a lien or foreclosure action filed against you or any entity while you were associated with that entity? No

If the response to any question above is answered "Yes", please provide details including dates, locations, disposition, etc. Attach a copy of the complaint and filed adjudication or settlement as appropriate.

None

12. List any entity subject to regulation by an insurance regulatory authority that you control directly or indirectly. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, ten percent (10%) or more of the voting securities of any other person. None

If any of the stock is pledged or hypothecated in any way, give details. None

13. Do [Will] you or members of your immediate family individually or cumulatively subscribe to or own, beneficially or of record, 10% or more of the outstanding shares of stock of any entity subject to regulation by an insurance regulatory authority, or its affiliates? An "affiliate" of, or person "affiliated" with, a specific person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. If the answer is "Yes", please identify the company or companies in which the cumulative stock holdings represent 10% or more of the outstanding voting securities.
No

If any of the shares of stock are pledged or hypothecated in any way, give details.

None

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Applicant Name (Company) Highmark Inc. NAIC No. 54771
FEIN: 23-1294723

14. Have you ever been adjudged a bankrupt? No If yes, provide details None

15. To your knowledge has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c) affiant should also include any events within twelve (12) months after his or her departure from the entity.

a. Been refused a permit, license, or certificate of authority by any regulatory authority, or Governmental-licensing agency? No

b. Had its permit, license, or certificate of authority suspended, revoked, canceled, non-renewed, or subjected to any judicial, administrative, regulatory, or disciplinary action (including rehabilitation, liquidation, receivership, conservatorship, federal bankruptcy proceeding, state insolvency, supervision or any other similar proceeding)? No

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – See Attachment

Note: If an affiant has any doubt about the accuracy of an answer, the question should be answered in the positive and an explanation provided.

Dated and signed this 25 day of Oct 2010 at Highmark Inc.. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Deborah Lynn Rice
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 25th day of October, 2010 By Deborah Lynn Rice, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

9-5-11
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority.

Full Name, Address, and telephone number of the present or proposed entity under which this biographical statement is being required (Do Not Use Group Names).

Highmark Inc.

120 Fifth Avenue

Pittsburgh, PA 15222 Phone: 412-544-7000

1. Affiant's Full Name (Initials Not Acceptable). Deborah Lynn Rice

2. Have you ever used any other name including nickname, maiden name or aliases? Yes If yes, give the reason if any, if none indicate such, and provide the full name(s) and date(s) used.

Beginning/Ending Date(s) Used (MM/YY)	Name(s)	Reason (If None, indicate such)
1963 - 1982	Deborah Lynn Removchik	Maiden Name
1982 - 1993	Deborah Lynn Kitchen	Marriage
1994 - Present	Deborah Lynn Rice	Marriage
-		
-		
-		
-		
-		
-		

Note: Dates provided in response to this question may be approximate, except for current address. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

3. Affiant's Social Security Number [redacted]

4. Government Identification Number if not a U.S. Citizen None

5. Foreign Student ID# (if applicable) None

6. Date of Birth: (MM/DD/YY) 4/29/63 Place of Birth: City McKeesport
State/Province PA Country USA

7 Name of Affiant's Spouse (if applicable) [redacted]

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Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

8. List your residences for the last ten (10) years starting with your current address, giving:

Beginning/Ending Dates (MM/YY)	Address	City	State/ Province	Country	Postal Code
6/1/08 - Present	[redacted]		PA	USA	[redacted]
08/01 – 6/08	1313 Samantha Way	North Huntington	PA	USA	15642
06/95 – 8/01	104 Newman Circle	North Versailles	PA	USA	15137

Note: Dates provided in response to this question may be approximate. Parties using this form understand that there could be an overlap of dates when transitioning from one name to another.

Dated and signed this 25 day of Oct, 20 10 at Highmark Inc. I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

Deborah Rice
(Signature of Affiant)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 25th day of October, 20 10 By Deborah Lynn Rice, and:

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

9-5-11
My Commission Expires

©2000-2009 National Association of Insurance Commissioners

Applicant Name (Company) Highmark Inc.

NAIC No. 54771
FEIN: 23-1294723

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS (*All states except California, Minnesota and Oklahoma)*

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of Highmark Inc. ("Company") for licensure or a permit to organize ("Application") with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both)("Background Reports") regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative ("Affiant") of Company or of any business entities affiliated with Company ("Term of Affiliation") for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency ("CRA") that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact Carrie Pecht, Highmark Inc., 1800 Center Street, Camp Hill, PA 17089 Phone: 717-302-4226.

Attached for your information is a "Summary of Your Rights Under the Fair Credit Reporting Act."

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) twelve (12) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

Deborah Lynn Rice, [redacted]
(Printed Full Name and Residence Address)

Deborah L Rice
(Signature)

10/25/10
(Date)

State of Pennsylvania County of Allegheny

The foregoing instrument was acknowledged before me this 26th day of October 20 10 By:

Deborah Lynn Rice, and

☑ who is personally known to me, or

☐ who produced the following identification: _____

[SEAL]

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Patricia F. Woltjen, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Sept. 5, 2011
Member, Pennsylvania Association of Notaries

Patricia F. Woltjen
Notary Public

Patricia F. Woltjen
Printed Notary Name

9-5-11
My Commission Expires

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Deborah Lynn Rice
Attachment to Biographical Affidavit

8. In addition to the preceding information, I presently serve, or have served, in the capacities noted opposite each corporation below:

Corporation	Position Held	Dates
Industrial Medical Consultants LLC 2740 Smallman Street, Ste. 300 Pittsburgh, PA 15222	Board of Managers	3/13/07 – 5/28/09
Highmark Casualty Insurance Co. Fifth Avenue Place Pittsburgh, PA 15222	Director	4/15/08 – 6/30/10
Highmark West Virginia, Inc. 700 Market Square P.O. Box 1948 Parkersburg, WV 26101	Director	5/14/07 – Present
HM Insurance Group Fifth Avenue Place Pittsburgh, PA 15222	Director	9/18/07 – 6/30/10
HM Benefits Administrators, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	9/18/07 – 6/30/10
HM Broker Services, Inc. Fifth Avenue Place Pittsburgh, PA 15222	Director	9/18/07 – 6.39.19
HM Casualty Insurance Company Fifth Avenue Place Pittsburgh, PA 15222	Director	9/18/07 – 6/30/10
HM Life Insurance Company Fifth Avenue Place Pittsburgh, PA 15222-3099	Director	9/18/07 – 6/30/10
HM Life Insurance Company of New York 420 Fifth Avenue New York, NY 10018	Director	9/18/07 – 9/16/10
Inter-County Health Plan, Inc. 720 Blair Mill Road Horsham, PA 19044- 2244	Director	10/31/07 - Present
Inter-County Hospitalization Plan, Inc. 720 Blair Mill Road Horsham, PA 19044-2244	Director	10/31/07 - Present
Keystone Health Plan West, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairperson	4/1/09 – Present 5/29/09 – Present
Highmark Senior Resources, Inc. 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairperson	5/26/09 - Present 9/15/09 – Present

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Corporation	Position Held		Dates
HM Health Insurance Company 120 Fifth Avenue Pittsburgh, PA 15222	Director Chairperson Executive Vice President, Health Services		6/1/09 - 6/30/10 9/15/09 – 7/28/10 7/28/10 - Present
Leadership Pittsburgh 425 Sixth Avenue, Ste. 1120 Pittsburgh, PA 15219	Board Member	Term:	7/1/06 – 7/1/12
The Botanic Gardens of Western PA 850 Poplar Street Pittsburgh, PA 15220	Board Member	Term:	12/2005 – 6/30/06
United Way of Allegheny County 1250 Penn Avenue P.O. Box 735 Pittsburgh, PA 15230-0735	Board Member	Term:	4/15/08 – 4/15/11
Pittsburgh Symphony Orchestra Heinz Hall 600 Penn Avenue Pittsburgh, PA 15222	Board Member	Term:	10/31/06 - Present
Gwen's Girls 7230 McPherson Blvd. Lexington Park, PA 15208	Board Member	Term:	6/30/02 – 6/30/06
Pittsburgh Public Theater O'Reilly Theater 621 Penn Avenue Pittsburgh, PA 15222	Board Member	Term:	9/00 – 9/07

15. To your knowledge, has any company or entity for which you were an officer or director, trustee, investment committee member, key management employee, or controlling stockholder, had any of the following events occur while you served in such capacity? If yes, please indicate and give details. When responding to questions (b) and (c), affiant should also include any events within twelve (12) months after his or her departure from the entity.

c. Been placed on probation or had a fine levied against it or against its permit, license, or certificate of authority in any civil, criminal, administrative, regulatory, or disciplinary action? Yes – see below

Highmark Inc.

On November 15, 2005, Highmark entered into a Conciliation Agreement with the Federal Election Commission ("FEC"). The Conciliation Agreement was entered to resolve an issue relating to improper corporate contributions in violation of the Federal Election Campaign Act. The violations stemmed from the unauthorized activities of a former employee who caused approximately $54,000 of Highmark corporate funds to be used to defray expenses of fundraising events sponsored by the campaign finance or political action committees of an elected federal official. This conduct was self-disclosed by Highmark to the FEC in March 2004. As part of the Conciliation Agreement, Highmark agreed to pay a civil penalty of $54,078 to the FEC.

Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 23, 2002 regarding allegations of issuance of provider contract forms that had not yet been approved by that Department. A civil penalty of $300,000 was paid at the time in settlement of the allegations. The Consent Order included a cease and desist prohibiting use of unapproved provider contract forms.

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Highmark Inc. entered into a Consent Order with the Pennsylvania Insurance Department dated December 26, 2003 as a result of an inadvertent coding error in Highmark Inc.'s claims processing system. Six claims for childhood immunizations were initially denied and, after further review, were later paid. A civil penalty of $3,000 was paid at the time in settlement of the allegations and the coding error was corrected. The Consent Order included a cease and desist provision prohibiting activities of this type subject to the Consent Order.

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