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August 24, 2011

VIA E-MAIL & FIRST-CLASS MAIL

The Honorable Battle R. Robinson
104 W. Market Street
Georgetown, DE 19947

Re: Proposed Affiliation of BCBSD, Inc. with Highmark Inc.

Dear Judge Robinson:

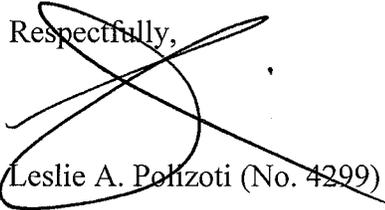
Pursuant to the parties' August 5 teleconference and Mr. Finizio's August 8 email, I write on behalf of the Delaware Department of Insurance to inform Your Honor about the following agreement of the parties concerning various pre-hearing deadlines:

Date	Deadline
September 2	All parties file (i.e. submit copies to the Hearing Officer and her counsel) and serve expert reports.
September 16	All parties file and serve pre-hearing memoranda, which shall include the identity of witnesses (including experts, consultants and other witnesses) each party will offer at the hearing.
September 23	The parties jointly file stipulated facts.
September 23	The parties exchange exhibit lists. Highmark will create a single exhibit list, noting which exhibits are joint and which are not, and will promptly circulate the single exhibit list to all parties.
September 30	Highmark will submit a final exhibit list (with any exceptions that any party has to particular exhibits) and stickered copies of exhibits to the Hearing Officer, her counsel, and other parties.

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Additionally, the Applicants will provide a detailed description of their respective enterprises, including corporate organization, governance, and lines of business, prior to September 30. The parties are working to figure out the best way to present this information, whether in the Applicants' pre-hearing memoranda, the stipulation of facts or some other document.

We believe that this pre-hearing schedule comports with Your Honor's August 5, 2011 Order. The parties are available to discuss this or any other matter at Your Honor's convenience.

Respectfully,

Leslie A. Polizoti (No. 4299)

cc: See Attached Service List (by email only)

SERVICE LIST

<p>The Honorable Battle R. Robinson 104 W. Market Street Georgetown, DE 19947 Phone: 302.856.2248 Email: robinsonr@ce.net <i>Hearing Officer</i></p> <p>and</p> <p>GianClaudio Finizio, Esquire Bayard, P.A. 222 Delaware Avenue, Suite 900 P.O. Box 25130 Wilmington, DE 19801 Phone: (302) 429-4240 Fax: (302) 658-6395 Email: gfinizio@bayardlaw.com <i>Counsel to Hearing Officer Robinson</i></p>	<p>Timothy P. Mullaney, Sr., Esquire Delaware Department of Justice P.O. Box 1227 Dover, DE 19901 Phone: 302.577.8341 Fax: 302.577.6499 Email: Tim.Mullaney@state.de.us</p> <p>and</p> <p>Ian R. McConnell, Esquire Meredith Stewart Tweedie Delaware Department of Justice Carvel State Office Bldg 820 N. French Street Wilmington, DE 19801 Phone: 302.577.8533 Fax: 302.577.6499 Email: ian.mcconnel@state.de.us Email: meredith.stewart@state.de.us</p>
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