

DESCRIPTION OF PROXY SOLICITATION PROCESS

As part of the overall transaction process, BCBSLA was advised by outside counsel to engage a proxy solicitation vendor who would be knowledgeable of a well-run process consistent with publicly traded companies and good corporate governance and standard practices typically followed in matters involving a corporate vote. BCBSLA interviewed and selected MacKenzie Partners for this purpose. MacKenzie Partners' address is: 1407 Broadway, New York, NY 10018. A copy of the contract with MacKenzie Partners is attached. During the process of establishing our process, MacKenzie Partners provided BCBSLA verbal guidance on standard practices. While no written procedures were drafted, various discussions were held to ensure understanding between the parties. We also point out that proxy submission may take place electronically or telephonically pursuant to LSA R.S. 22:236.5(E).

Voting Policyholders (VP) have been given three channels to grant their proxy prior to the Special Policyholder Meeting. Those channels are phone, internet and mail. Further, to ensure integrity, each VP has been provided an 11-digit PIN that is required prior to accepting a valid proxy as an authentication control.

Mail – the initial mailing of the member information statement packet included the Proxy Form and a postage paid return envelope for the convenience of the VP. Returned Proxy Forms are returned to a sub-vendor of MacKenzie Partners for tabulation purposes and those results shared with MacKenzie Partners daily. The subvendor is Hummel Integrated Solutions, 850 Springfield Rd., Union, NJ 07083.

Internet – MacKenzie Partners setup a URL specific to this proxy solicitation using standard processes they use for other publicly traded company proxy solicitation projects. BCBSLA provided verbiage for the internet proxy process. The operations of the URL were solely under the guidance and direction of MacKenzie Partners to remain consistent with standard practice.

Phone – MacKenzie Partners advised that typical practice involves two forms of calling; inbound customer service to respond to questions of VPs and outbound calls to ensure VPs received their packets, be able to respond to questions and assist if they preferred to offer their proxy while on the call. Also, anyone who did not receive a packet was identified and a new packet was mailed to them.

Mackenzie Partners subcontracted the call center operator to Dial America, with address of 960 MacArthur Blvd., Mahwah, NJ 07430. Because Dial America could receive Protected Health Information, a Business Associate Agreement was entered into with Dial America, a copy is attached. Dial America management explained how their typical process operates and their requirements. We did not request any changes to their standard process. They explained that two rounds of outbound calls would be executed and would use the call script we provided. The first round of calls would either end in a VP being reached or call ending without a voice message. Once all VP phone numbers were called as part of the first round, a second round would begin and if the VP was not reached, a voice mail would be left to advise the VP they could contact the call center with any questions.

To minimize disruption and avoid irritating VP, we agreed to provide the call center with daily lists of VP who had granted their proxy and no longer required outreach. The call center would remove those VP within 24 hours. If the call center successfully received the proxy over the phone, then their system immediately reflected to no longer reach out to the VP or if the VP was reached and instructed the call center to stop calling them. The guiding principle was to avoid upsetting VP while ensuring they were properly advised of the impending vote and their ability to participate. To be clear, no guidance was received by or given to Dial America or Mackenzie Partners to engage VP once they granted their proxy, conversely the guidance was to then cease all calls to the VP. If VPs sent their proxy by mail, the call center may have called the VP while the proxy was in the mail and until the proxy is recovered.

The final phone option is a toll-free-touch-tone option where VPs can make a call and grant their proxy via touch-tone and never speak with a live person. Again, this was recommended by MacKenzie Partner as best practice.

Mackenzie Partners stated that best practice was to run this process for 4 weeks to allow all VP the opportunity to receive and respond timely. Our process permitted 4 weeks for the process.

At all times, we sought and were advised as to best practices, standard to publicly traded entities and we agreed with and followed those practices for this process.

Proxy Form – Louisiana Health Service & Indemnity Company d/b/a Blue Cross And Blue Shield of Louisiana (the “Company”)

Dear Voting Member,

You have been identified as a Policyholder Voting Member of the Company. This proxy form is being provided in connection with the Special Policyholder Meeting to vote on the Plan of Reorganization. To successfully complete this form please be sure to carefully review both pages and follow all instructions.

Respond Online, by Phone or Mail

Name: [FIRST NAME LAST NAME]

PIN Number: [Unique PIN]

Total Number of Votes Granted by This Proxy Based on the Total Number of eligible Policies Held by You on [], the record date for the Special Policyholder Meeting to vote on the Plan of Reorganization: [Votes]



ONLINE: www.fcrvote.com/BCBS

You may respond online until 11:59 p.m. (CT) on [].



PHONE: 1-866-402-3905

Use a touch-tone telephone to respond until 11:59 p.m. (CT) on [].



MAIL: Mark, sign and date your proxy form (see reverse side of this form) and return it in the postage-paid envelope provided. If you respond online or through the phone, you do NOT need to mail back your proxy form. All mailed proxy forms must be received no later than [] to be counted for the Special Policyholder Meeting. This form can also be delivered in person at the Special Policyholder Meeting. If you do not use the postage-paid envelope, please address your correspondence to:

Blue Cross and Blue Shield of Louisiana
C/O First Coast Results
PO BOX 3672, Ponte Vedra Beach, FL 32004-9911

ASSISTANCE: If you need assistance with your proxy election process you may call 1-800-356-8906.

[First Name Last Name]
[ADDR1] [ADDR2]
[CITY, STATE ZIP]

Proxy Form – Louisiana Health Service & Indemnity Company d/b/a Blue Cross And Blue Shield of Louisiana (the “Company”)

This proxy is solicited by the Board of Directors of the Company for the Special Policyholder Meeting on [] (the “Special Policyholder Meeting”) to vote on the Plan of Reorganization.

The undersigned Voting Member of the Company hereby appoints I. Steven Udvarhelyi, M.D., Jerome Greig and Judy P. Miller (the “Proxies”), each of whom is a member of the board of directors of the Company and each of them, with full power to act alone, the true and lawful proxies of the undersigned, with full power of substitution and revocation, to exercise all votes that such Voting Member is entitled to vote at the Special Policyholder Meeting and at any adjournments or postponements thereof, with all powers the undersigned would possess if personally present.

The Company’s Board of Directors Recommends You Grant Your Proxy to Vote FOR Approval of the Plan of Reorganization.

Name: [FIRST NAME LAST NAME]

PIN Number: [Unique PIN]

Total Number of Votes Granted by This Proxy Based on the Total Number of eligible Policies Held by You on [], the record date for the Special Policyholder Meeting to vote on the Plan of Reorganization: [Votes]

The undersigned authorizes the named Proxies above to vote on the Plan of Reorganization:

☐ **FOR** ☐ **AGAINST**

*This proxy will be voted in accordance with the directions of the undersigned. If you sign and return your proxy form but **do not check either “for” or “against”** above, your proxy will be **voted “for” the approval** of the Plan of Reorganization as recommended by the board of directors of the Company. If you held multiple eligible policies with the Company on [], the proxy you grant pursuant to this proxy form will be voted on behalf of all such policies. If you do not respond online or by phone, you must sign and return your proxy form in order for your vote to be counted.*

IF ANY OTHER BUSINESS IS PRESENTED AT THE SPECIAL POLICYHOLDER MEETING, INCLUDING MATTERS INCIDENTAL TO THE CONDUCT OF THE SPECIAL POLICYHOLDER MEETING OR OTHERWISE, THIS PROXY WILL BE VOTED IN THE DISCRETION OF THE NAMED PROXIES.

The undersigned acknowledges receipt of the Notice of Special Policyholder Meeting and the Member Information Statement.

Signature: _____

Date: _____

Please sign exactly as your name appears in this proxy form. Trustees, administrators, etc., should include title and authority. Corporations, partnerships and LLCs should provide full name of the entity and title of authorized officer signing this proxy form. If you choose to respond online or by phone please see the reverse side. **000581**