



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott McCallum, Governor
Connie L. O'Connell, Commissioner

Wisconsin.gov

March 19, 2001

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Advanced Via Facsimile

Mr. Stephen E. Bablitch
Vice President and General Counsel
Blue Cross & Blue Shield United of Wisconsin
401 West Michigan Street
Milwaukee, WI 53203

Re: Blue Cross & Blue Shield United of Wisconsin ("Blue Cross")
Compliance with Conversion Order of March 28, 2000 (Case No. 99-C26038)

Dear Mr. Bablitch:

I am pleased to inform you that, with the filing of documentation with my Office today, Blue Cross & Blue Shield United of Wisconsin's application for approval of conversion is complete and conversion under the order of March 28, 2000 is approved. This approval is based on the representations and undertakings Blue Cross has filed, including those made by United Wisconsin Services, Inc., Bear Stearns, the University of Wisconsin, the University of Wisconsin Foundation, the Medical College of Wisconsin, Inc. and the documents that are attached to this letter. It is also supported by the Deutsche Banc Alex. Brown fairness opinion issued today.

This approval is conditioned on the following:

1. Blue Cross shall take the actions necessary to effectuate the combination and conversion within five (5) days for which the New York Stock Exchange is open for trading from the date of this letter.
2. Blue Cross' adherence to its representations in the record of this case, including execution of all the documents attached to this letter in the approved form.
3. Receipt by the Office, prior to conversion, of a letter from the Foundation certifying that its legal counsel has reviewed the Loan and Contribution Agreement, that the Agreement has been executed, and that the \$500,000 deposit has been transferred to the Foundation.

Upon my receipt of Blue Cross' restated articles of incorporation pursuant to s. 180.1007(4), Wis. Stat., the Office will issue a new certificate of authority effective on the date that Wisconsin United for Health Foundation, Inc. receives its endowment of UWS common stock. The issuance of the certificate of authority will constitute the act of conversion as provided by ss. 613.75 and 611.76(9), Wis. Stats.

Sincerely,

Connie L. O'Connell
Commissioner

Attachments