

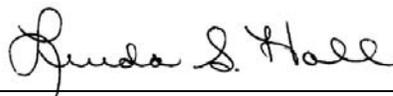


5. On March 3, 2003, Linda S. Hall became Director for the division. Director Hall has announced publicly that Alaska will be holding a hearing on PBC's Form A Statement and the proposed transaction. Since Director Hall will make the ultimate decision in Alaska on the proposed transaction, Director Hall also announced that she has walled herself off from the review that is being performed by division staff and retained experts of PBC's Form A Statement and the proposed transaction.

THEREFORE, IT IS HEREBY ORDERED:

1. A public hearing will held on PBC's Form A Statement pursuant to AS 21.06.180 and AS 21.22.030. The procedures in AS 21.06.170, 21.06.200, and 21.06.210 will apply.
2. PBC and division staff are presently designated as the parties in this proceeding.
3. A status conference is scheduled for **11:00 a.m. on Wednesday, July 23, 2003 in the Sixth Floor Conference Room, Suite 602, Atwood Building, 550 West Seventh Avenue, Anchorage, Alaska.** The director will accommodate telephonic participation to the extent feasible. If telephonic participation is desired, contact Barbara Karl at the division (907) 269-7919 no later than July 21, 2003.
4. The parties should be prepared to address the following matters at the status conference:
  - a. Status of division's examination/review of the Form A Statement and proposed transaction;
  - b. Completeness of the Form A Statement;
  - c. Status of expert review;
  - d. Prehearing procedures:
    - (1) Intervention;
    - (2) Document production and other discovery requirements;
    - (3) Prehearing motions;
    - (4) Projected hearing date(s);
  - e. Coordination with Washington proceeding.

Dated July 7, 2003



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Linda S. Hall  
Director

I hereby certify that a copy of the document(s) listed below was distributed to the below-listed parties and files by mail, fax, and/or personal delivery.

Order Scheduling Status/Prehearing Conference, signed by the Director of Insurance on July 7, 2003, In the Matter of Premera Blue Cross Conversion, R 03-07.

Gloria G. Glover  
Chief Financial Examiner  
Division of Insurance

Nathaniel B. Atwood  
Assistant Attorney General  
Department of Law

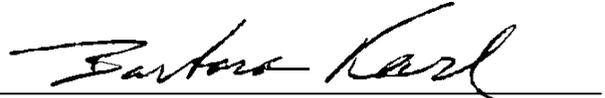
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Dated: July 8, 2003 in Anchorage, Alaska.



Barbara Karl