



**WEST PENN ALLEGHENY
HEALTH SYSTEM**

10 FRIENDSHIP AVENUE, PITTSBURGH, PA 15224

412-578-5000

June 11, 2007

Ms. Nanette DeTurk
Chief Financial Officer
Highmark, Inc.
Fifth Avenue Place
120 Fifth Avenue
Pittsburgh, Pennsylvania 15222-3099

Re: Credit Agreement and Related Supplement for Obligation No. Marz-1 dated as of July 1, 2000 by and between West Penn Allegheny Health System, Inc. ("WPAHS") and Highmark Inc., d/b/a Highmark Blue-Cross Blue Shield and Chase Manhattan Trust Company, National Association, as succeeded by Bank of New York, as Master Trustee (the "Credit Agreement").

Dear Ms. DeTurk:

This letter serves as notice of optional prepayment of the Loan pursuant to Section 2.5 of the Credit Agreement and in accordance with Section 2.4 of the Credit Agreement. WPAHS intends to prepay in full the Highmark Obligations on June 19, 2007 (the "Prepayment Date").

According to our calculations, as of the Prepayment Date, the total amount of the Highmark Obligations will be \$121,092,602.74 (*one-hundred twenty-one million ninety-two thousand six-hundred two dollars and seventy four cents*); with \$3,592,602.74 (*three million five-hundred ninety-two thousand six-hundred two dollars and seventy four cents*) representing accrued unpaid interest; and \$117,500,000.00 (*one-hundred seventeen million five-hundred thousand dollars and no cents*) representing outstanding principal. If you believe the total amount of outstanding Highmark Obligations will be different on the Prepayment Date, please advise the undersigned at your earliest convenience. None of the Senior Obligations shall be deemed Outstanding when the prepayment is made on the Prepayment Date.

WPAHS reserves the right to revoke this notice of prepayment at any time prior to prepayment through a written notice of revocation.

WPAHS will wire transfer the prepayment amount using current Highmark wire transfer instructions unless you provide different instructions. Please note that you will be receiving two wires from Bank of New York, the sum of which will equal the total amount outstanding above.

Capitalized terms used herein without definition are used as defined in the Credit Agreement.

Sincerely,

David A. Samuel
Senior Vice President and
Chief Financial Officer

UPE-0001353



An Independent Licensee of the
Blue Cross and Blue Shield Association

Edward A. Bittner, Jr.
Senior Counsel

Telephone: 412-544-8529
Fax: 412-544-7423
e-mail: ed.bittner@highmark.com

June 18, 2007

Charles R. Brodbeck, Esquire
Cohen & Grigsby
11 Stanwix Street, 15th Floor
Pittsburgh, PA 15222

Dear Chuck:

We have been advised by Tom Albanesi of West Penn Allegheny Health System ("WPAHS") that you are acting as counsel to WPAHS in connection with the refinancing of the outstanding indebtedness of WPAHS, including, without limitation, the indebtedness of WPAHS in favor of Highmark Inc. represented by WPAHS's Obligation Mezz-1 dated August 9, 2000 (the "Obligation"). We understand that the refinancing is to close tomorrow. Mr. Albanesi asked that we deliver the original Obligation to you. He has indicated to us that this is a required step in order to enable you to proceed with the refinancing.

On the basis of the foregoing, we are delivering to you herewith the original Obligation for you to hold in escrow pending consummation of the refinancing and payment to Highmark of all amounts due and owing to it with respect thereto. Such amounts are set forth in the letter dated June 11, 2007 from David Samuel, Senior Vice President and Chief Financial Officer, WPAHS, to Nanette P. DeTurk, Chief Financial Officer, Highmark, and Highmark hereby confirms its agreement with such numbers (assuming a June 19 closing). Upon such repayment, we will authorize you to release the Obligation to WPAHS. Please do not release the Obligation to WPAHS without confirmation from one of either Kevin Marpoe of Highmark or me that we have received payment. Kevin's phone number is 412-544-8091. My number appears above. If for any reason the refinancing should not be consummated or the Obligation otherwise should not be repaid on or before the close of business tomorrow, please return the original Obligation to me immediately.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Edward A. Bittner, Jr.

cc: Kevin Marpoe (w/o enc.)

WEST PENN ALLEGHENY HEALTH SYSTEM, INC.

Obligation No. Mezz-1

\$125,000,000

KNOW ALL BY THESE PRESENTS that WEST PENN ALLEGHENY HEALTH SYSTEM, INC. ("WPAHS"), a nonprofit corporation organized and existing under the laws of the Commonwealth of Pennsylvania, for value received hereby acknowledges itself and each Member of the Obligated Group (as such terms are defined in the Master Indenture (hereinafter defined)) obligated to, and promises to pay to Highmark Inc., d/b/a Highmark Blue Cross Blue Shield ("Highmark"), under the Credit Agreement and Related Supplement, dated as of July 1, 2000 (the "Credit Agreement"), between WPAHS, Highmark and Chase Manhattan Trust Company, National Association, as Master Trustee, the principal sum of One Hundred Twenty-Five Million Dollars (\$125,000,000), and to pay interest on the unpaid balance of said sum from the date hereof on the dates and in the manner hereinafter described.

This Obligation No. Mezz-1 is a single Obligation limited to One Hundred Twenty-Five Million Dollars (\$125,000,000) in principal amount (except as provided in the Master Indenture hereinafter identified), designated as "West Penn Allegheny Health System Obligation No. Mezz-1" ("Obligation No. Mezz-1" and, together with all other obligations issued under the Master Indenture hereinafter identified, "Obligations"), issued under and pursuant to the Credit Agreement. The Master Indenture of Trust, as supplemented and amended in accordance with its terms, is hereinafter called the "Master Indenture."

Subject to Section 2.8(b) of the Credit Agreement, principal hereof, interest hereon and any other applicable amounts, are payable in any coin or currency of the United States of America which on the payment date is legal tender for the payment of public and private debts, on or before the day specified and in an amount equal to the amounts required to be paid by WPAHS pursuant to the Credit Agreement. All payments to be made by WPAHS, on behalf of the Obligated Group, whether in respect of principal, interest or other amounts due to the Holder hereof hereunder or under any other Credit Document, shall be payable in lawful money of the United States of America at 12:00 o'clock Noon, Pittsburgh time, on the day when due, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and no action therefor shall immediately accrue. All payments shall be made in immediately available funds to the Holder hereof at such account or accounts as Highmark shall specify (prior to the date such payments are due) to WPAHS from time to time, without setoff, counterclaim, withholding or other deduction of any kind or nature. Any payment received by the Holder hereof after 12:00 o'clock Noon, Pittsburgh time, on any day shall be deemed to have been received on the next succeeding Business Day. WPAHS shall give the Master Trustee notice of each payment of principal, interest or other amounts on Obligation No. Mezz-1, specifying the amount paid and identifying such payment as a payment on Obligation No. Mezz-1.

WPAHS shall receive credit for payment on Obligation No. Mezz-1, in addition to any credits resulting from payment or prepayment from other sources on installments of principal of or interest on Obligation No. Mezz-1 pursuant to Section 2.9(g) of the Credit Agreement to the extent such amounts have not previously been credited against payments on Obligation No. Mezz-1.

In the manner and with the effect provided in the Credit Agreement, Obligation No. Mezz-1 will be subject to prepayment prior to maturity.

Upon payment by WPAHS of a sum, in cash sufficient, together with any other cash held by the Holder hereof and available for such purpose, to cause the Highmark Obligations to be deemed to have been paid and to pay all other amounts owed to the Holder hereof, accrued and to be accrued to the date of discharge of the Credit Agreement, Obligation No. Mezz-1 shall be deemed to have been paid and to be no longer Outstanding under the Master Indenture.

Copies of the Master Indenture and the Credit Agreement are on file at the corporate trust office of the Master Trustee, in Pittsburgh, Pennsylvania, and reference is hereby made to the Master Indenture (as amended and supplemented, including, without limitation, by the Credit Agreement) for the provisions, among others, with respect to the nature and extent of the rights of the Holders of Obligations issued under the Master Indenture, the terms and conditions on which, and the purposes for which Obligations are to be issued and the rights, duties and obligations of WPAHS and the Master Trustee under the Master Indenture, to all of which the Holder hereof, by acceptance of this Obligation No. Mezz-1 assents.

The Master Indenture permits the issuance of Senior Obligations under the Master Indenture to be secured by the provisions of the Master Indenture, all of which, regardless of the times of issue or maturity, are to be of higher rank than Obligation No. Mezz-1, except as expressly provided or permitted in the Master Indenture and Related Supplements thereto. The Master Indenture also permits the issuance of Subordinate Obligations, in accordance with the terms thereof.

To the extent permitted by and as provided in the Master Indenture, modifications or changes to the Master Indenture, of any indenture or Related Supplement supplemental thereto, and of the rights and obligations of WPAHS and of the Holders of Obligations in any particular may be made by the execution and delivery of an indenture or indentures or Related Supplement or Related Supplements supplemental to the Master Indenture or any supplemental indenture or Related Supplement. Certain modifications or changes that would affect the rights of the Holder of this Obligation No. Mezz-1, may be made only with the consent of the Holder hereof. Without limiting any other restrictions on amendments, modifications, supplements, restatements, replacements or other alterations set forth in the Master Indenture or the Credit Agreement, no modification or change shall be made which will (i) extend the stated maturity of or time for paying interest on any Obligation or reduce the principal amount of or the redemption premium or rate of interest payable on any Obligation without the consent of the Holder of such Obligation; (ii) modify, alter, amend, add to or rescind any of the terms or provisions contained in the Master Indenture in any manner which would materially and adversely affect the interests of Holders of any Obligations in default as to payment to compel the Master Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of all Obligations then Outstanding; or (iii) reduce the aggregate principal amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such modifications or changes without the consent of the Holders of all Obligations then Outstanding. Any such consent by the Holder of this Obligation No. Mezz-1, shall be conclusive and binding upon the Holder and all future Holders and owners hereof irrespective of whether or not any notation of such consent is made upon this Obligation No. Mezz-1, unless such consent is revoked as provided in the Master Indenture.

Any prepayment, either in whole or in part, shall be made upon notice thereof in the manner and upon the terms and conditions provided in the Credit Agreement. If the Highmark Obligations shall have been irrevocably prepaid, as more fully set forth in the Credit Agreement, a corresponding amount of this Obligation No. Mezz-1 shall be deemed not to be Outstanding, as defined in the Master Indenture, and shall no longer be entitled to the benefits of the Master Indenture.

Upon the occurrence of certain "Highmark Events of Default" (as defined in the Credit Agreement), the principal of all Obligations then outstanding may be declared, and thereupon shall become, due and payable as provided in the Credit Agreement and the Master Indenture.

The Holder of this Obligation No. Mezz-1, shall have no right to enforce the provisions of the Master Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default under the Master Indenture, or to institute any suit or other proceeding with respect to any default under the Master Indenture, or to institute any suit or other proceeding with respect thereto, except as provided in the Credit Agreement and the Master Indenture.

Obligation No. Mezz-1 is issuable only as a registered Obligation without coupons.

This Obligation No. Mezz-1 shall be registered on the register to be maintained by the Master Trustee at the corporate trust office of the Master Trustee and this Obligation No. Mezz-1 shall be transferable only upon presentation of this Obligation No. Mezz-1 at said office by the Holder hereof or by its duly authorized attorney and subject to the limitations, if any, set forth in the Credit Agreement. Such transfer shall be without charge to the Holder hereof, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Holder requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, WPAHS shall execute and the Master Trustee shall authenticate and deliver in exchange for this Obligation No. Mezz-1 a new registered Obligation without coupons, registered in the name of the transferee.

Prior to due presentment hereof for registration of transfer, WPAHS, the Master Trustee, any paying agent and any registrar with respect to this Obligation No. Mezz-1 may deem and treat the person in whose name this Obligation No. Mezz-1 is registered as the absolute owner hereof for all purposes; and neither WPAHS, any paying agent, the Master Trustee nor any Obligation registrar shall be affected by any notice to the contrary. All payments made to the registered owner hereof shall be valid, and to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable on this Obligation No. Mezz-1.

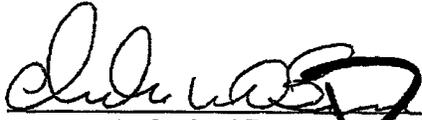
No covenant or agreement contained in this Obligation No. Mezz-1 or the Master Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of WPAHS or of the Master Trustee in his individual capacity, and no incorporator, member, officer or member of the governing board of WPAHS shall be liable personally on this Obligation No. Mezz-1 or be subject to any personal liability or accountability by reason of the issuance of this Obligation No. Mezz-1.

This Obligation No. Mezz-1 is issued pursuant to, and is entitled to the benefits of, the Master Indenture and the Credit Agreement. The terms of the Credit Agreement are incorporated by reference into this Obligation No. Mezz-1, and the terms of this Obligation No. Mezz-1 are incorporated by reference into the Credit Agreement. This Obligation No. Mezz-1 shall be interpreted and construed in accordance with the Credit Agreement. Terms used in this Obligation No. Mezz-1 but not defined herein have the meanings given to such terms in the Credit Agreement.

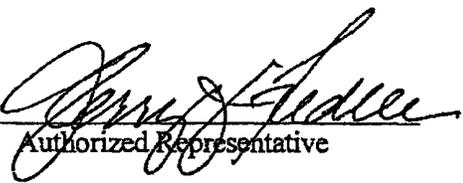
This Obligation No. Mezz-1 shall not be entitled to any benefit under the Master Indenture, or be valid or become obligatory for any purpose, until this Obligation No. Mezz-1 shall have been manually authenticated by the execution by an authorized officer of the Master Trustee, or its successor as Master Trustee, of the Certificate of Authentication inscribed hereon.

IN WITNESS WHEREOF, the Corporation has caused this Obligation to be executed in its name and on its behalf and attested by the signature of its duly authorized officers all as of July 1, 2000.

WEST PENN ALLEGHENY HEALTH SYSTEM,
INC., as Obligated Group Representative

By: 
Authorized Representative

ATTEST:

By: 
Authorized Representative

MASTER TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Master Trustee hereby certifies that this Obligation is one of the Obligations described in the within-mergended Master Indenture.

DATED: August 9, 2000

CHASE MANHATTAN TRUST COMPANY,
NATIONAL ASSOCIATION, as Master Trustee

By: 
Authorized Officer