***IRREVOCABLE STANDBY LETTER OF CREDIT FOR***

***INCLUSION IN THE PROVIDER NETWORK OF THE***

***INLAND EMPIRE HEALTH PLAN***

BENEFICIARY: Inland Empire Health Plan ISSUE DATE:

Governing Board

10801 Sixth Street, Suite 120

Rancho Cucamonga, CA 91730

APPLICANT: (IPA)

AMOUNT: (USD)

DATE AND PLACE OF EXPIRY:

LETTER OF CREDIT NO.:

**[Identification]**

Re: Irrevocable Standby Letter of Credit delivered as security for Inclusion of (IPA) in the Medical Provider Network of the Inland Empire Health Plan (“Agency”)

Members of the Board:

We hereby establish our Irrevocable Standby Letter of Credit in your favor available for payment by your draft(s) at sight drawn on (Name and Place of Financial Institution) ; and accompanied by documents as specified below:

1. This original Irrevocable Standby Letter of Credit and any amendments thereto.
2. A signed and dated certification worded as follows:
3. “The Undersigned, the Chief Executive Officer, or Designee of the Chief Executive Officer, of the Inland Empire Health Plan, hereby certifies that there exist unpaid liabilities incurred by the IPA on behalf of an IEHP member, the terms of the capitation IPA agreement with IEHP are breached, and the time frame to cure said breach have been exhausted.”

Special Conditions:

1. Partial Drawing allowed.
2. Multiple presentations allowed.
3. It is a condition of this Irrevocable Standby Letter of Credit that it shall be deemed automatically extended without amendment for additional one (1) year periods from the present or any future expiration date, not to exceed four (4) additional years after the initial term, unless, at least ninety (90) days prior to any expiration date (Name of Financial Institution) shall notify the beneficiary, Inland Empire Health Plan, Governing Board in writing by overnight courier service at the above address, that we elect not to extend this letter of credit for any such additional period. Upon such notice, IEHP may draw, at any time prior to the expiration date, up to the full amount then available. The parties agree that upon the passage of a five (5) year term, a new Irrevocable Standby Letter of Credit shall be issued on behalf of the Inland Empire Health Plan on the same terms and subject to the same conditions herein.

We hereby guarantee that all drafts drawn under and in compliance with the terms and conditions of this Irrevocable Standby Letter of Credit shall be duly honored if presented for payment at the office of (Financial Institution) on or before the expiration date of this Irrevocable Standby Letter of Credit.

Except so far as otherwise expressly stated, this Irrevocable Standby Letter of Credit is issued subject to the International Standby Practices 1998 (“ISP98”), ICC Publication no. 590. This Letter of Credit shall be deemed to be a contract made under the law of the State of California and shall, as to matters not governed by ISP98, be governed by and construed in accordance with the law of such State without regard to any conflicts of law provisions.

(Name of Financial Institution)

By:

By: