



8860 Fallbrook Drive
Houston, Texas 77064

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LETTER OF UNDERSTANDING

Medco Medical Supply, Inc.; hereinafter, referred to as Seller, and _____; hereinafter, referred to as Buyer, on this the _____ day of _____ in the year _____; agree to the following terms and conditions.

A. Identities of the Parties

Seller, whose business address is **8860 Fallbrook Drive**, in the city of **Houston**, state of **Texas**, is in the business of providing disposable medical supplies, referred to as Supplies. Buyer, whose business address is _____, in the city of _____, state of _____, zip _____.

B. Description of the Goods

Seller agrees to transfer and deliver to Buyer, disposable medical supplies as requested per a Purchase Order, or a Medco approved document in lieu of a Purchase Order, signed by an authorized representative of the Buyer.

C. Buyer's Rights and Obligations

- Buyer agrees to accept the Supplies and pay for them according to the terms further set out below.
- Buyer agrees to pay for the Supplies:
 - Within 30 days of receipt of billing claim from Seller
 - Interest of 1 ½% per month will be charged for any late payments
 - Buyer will incur shipping cost for minimum orders of \$20.00 per month/per client (to avoid shipping charges, quarterly orders are preferred)
 - Buyer will be held responsible for any and all collection fees should they arise
 - Supplies are deemed received by Buyer upon delivery to Buyer's address as set forth above

Buyer has the right to examine the Supplies, upon receipt and has two (2) working days in which to notify seller of any claim for damages based on the condition, grade, quality or quantity of the goods. Such notice must specify in detail the particulars of the claim. Failure to provide such notice within the requisite time period constitutes irrevocable acceptance of the supplies.

D. Seller's Obligations

- Until received by Buyer, all risk of loss to the above described Supplies is borne by the Seller.
- Seller warrants that the supplies are free from any and all security interests, liens, and encumbrances.
- Seller will be in compliance with CMS Supplier Standards.
- Seller will submit billing claims to Buyer on a weekly basis, unless otherwise stated.

E. Accepted and Agreed to:

Individuals signing this Letter of Understanding certify that each are authorized to act and sign on behalf of the respective companies.

Medco Medical Supply, Inc.

Signature

Printed Name

Title

(Company/Agency)

Signature

Printed Name

Title