



**AGREEMENT FOR EARLY OUT COLLECTION SERVICES**

AGREEMENT, made this \_\_\_ day of \_\_\_\_\_, 20\_\_ between \_\_\_\_\_ (hereinafter referred to as “Client”), whose principal place of business is \_\_\_\_\_

and SARMA COLLECTIONS, INC. (hereinafter referred to as “SARMA”), whose principal place of business is 1801 Broadway, San Antonio, Texas 78215.

WITNESSETH:

WHEREAS, Client desires, from time to time during the term of this Agreement, to submit to SARMA for Early Out Collection Services certain claims, accounts or other evidences of indebtedness (hereinafter called “Accounts”), and

WHEREAS, SARMA desires to provide Client with Early Out Collection Services with respect to said Accounts,

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter set forth, it is mutually agreed by and between the parties hereto as follows:

1. SARMA agrees that all activities of SARMA shall be carried out in compliance with all applicable federal, state and local laws.
2. Client hereby warrants that all Accounts forwarded to SARMA will be valid and legally enforceable debts, and that Client will, both before and after forwarding said Accounts, comply with all applicable federal, state and local laws with respect thereto. Further, Client agrees to provide, whenever requested to do so by SARMA, a written verification of Accounts, copy of the judgment, if any, or other written evidence of indebtedness, on which an Account is based; the name and address of the person or entity to whom the debt was originally owed, if different from Client.
3. If any court of competent jurisdiction shall rule that any provision of this Agreement is invalid or unenforceable, the remaining provision shall remain in full force and effect and shall not be affected by said ruling.
4. This Agreement shall be binding on the heirs, legal representatives, and successors and assigned of the parties hereto.
5. Client and SARMA agree that all actions taken by Client and SARMA pursuant to this Agreement shall be in accordance with the TERMS AND CONDITIONS set forth on the reverse side hereof. Thus, whenever the term “Agreement” is used herein, it shall be construed to include said TERMS AND CONDITIONS. This Agreement, including the TERMS AND CONDITIONS, contains the entire agreement between the parties hereto and



cannot be amended or modified in any respect except by an amendment in writing signed by both parties.



## TERMS AND CONDITIONS

The parties agree as follows:

1. SARMA shall undertake, through proper and lawful means the Early Out Collection Services of all Accounts assigned by Client. Client agrees to furnish SARMA with names, correct balances and other information it may have pertaining to Accounts assigned.
2. SARMA shall be and stand in as the relationship of independent contractor and does exercise sole authority over the method and manner of performance of this Agreement.
3. SARMA shall not file any legal suit on any Account referred without prior written approval from Client.
4. SARMA agrees that Client may cancel Accounts at any time, provided, the request is made in writing and contains a detailed explanation of the cancellation. Accounts that have received any payment within the previous 180 days, will not be considered for cancellation.
5. SARMA will defend, indemnify and hold harmless Client and their employees from any threatened or actual action, suit or proceeding whether civil, criminal, administrative, investigative or otherwise, arising out of SARMA's performance of this Agreement, and against any and all expenses including attorney's fees, expert's fees, judgments, fines and amounts paid in settlement. However, the foregoing indemnification will in no way apply to any claim or liability resulting entirely from the negligence of Client or its employees.
6. Client agrees to acknowledge to SARMA within (3) working days, any payments and amounts made to Client or his authorized representative on all Accounts assigned to SARMA and SARMA shall be entitled to compensation for such Early Out Collection Services as provided.
7. Client may at any reasonable time, examine SARMA records pertaining to Accounts referred by Client.
8. Client agrees to compensate SARMA on all monies collected on Accounts, including but not limited to, funds received from private pay, government agencies, or third party organizations. Compensation to SARMA will remain in effect until such time Account is removed from credit bureau files.
9. SARMA shall remit to Client \_\_\_% of all monies collected on or before the 15<sup>th</sup> day of the following month.
10. Client agrees to compensate SARMA for their services, on all monies collected on Accounts assigned at the rate of \_\_\_% plus any and all applicable federal and state taxes.
11. Client agrees to repay SARMA for any monies collected on its Accounts, in which funds have been dishonored by payer's financial institution (NSF), should SARMA be unable to recoup said monies from payer within (30) days from date funds are dishonored.
12. SARMA will bill or re-bill Accounts to third party payers, i.e. Medicare, Medicaid, Commercial Insurance carriers, Workman's Compensation, etc. as necessary. Client agrees to furnish SARMA, upon request, all required documentation including, but not limited to itemized bills, diagnosis codes, and explanation of benefits. Any monies paid on accounts billed or re-billed will be due applicable fees as outlined in this Agreement.

This Agreement may be terminated by either party upon 30 days written notice of intent to terminate; however, SARMA shall be entitled to compensation as provided in the Agreement for



Early Out Collection Services received by Client or SARMA for a period of thirty (30) days from date of such termination.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seal the day and year first above written.

\_\_\_\_\_  
Client

SARMA Collections, Inc.

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name \_\_\_\_\_

Approved By: \_\_\_\_\_

Phone \_\_\_\_\_