

## TERMS AND CONDITIONS

**PREMIUM AND DELUXE RENTAL PROGRAM:** These Programs include the instrument with the recommended accessories (i.e. mouthpiece, horsehair bow, synthetic core strings). \*Fire / Theft\* replacement agreement and Repair / Maintenance agreement is optional. If the Rental package does not include the Fire / Theft and Repair / Maintenance agreement the Renter is responsible for maintaining the instrument in playing condition and is financially responsible for the replacement price in case of loss of instrument.

**EXCHANGE OPTION:** The Renter may exchange the instrument for a larger size as the need may arise, as related to orchestra string instruments. All base rental, (100% rent to principal) will be credited towards the purchase of the next size instrument. There will be no refund for partial monthly rental fee should the instrument taken in exchange be less expensive than the original. There will be an increase in rental payments if the instrument taken in exchange is more expensive than the original instrument. Rental fees may NOT be applied towards an instrument of a different type (i.e., violin for guitar, etc.). Discounts towards purchase or upgrade must be applied within 10 days of termination of this contract. Discounts are not held for future applications. 100% of paid in principal may be applied only toward list price purchase of step up (pro-line) instrument.

**RENTAL FEES:** The total monthly rental is an accumulation of fixed charges. Rent to principal is determined by deducting the monthly sales tax, maintenance / replacement fee and service charge. (Service charge equals 1% per month of the original or replacement cost of instrument.)

**RETURN OPTION:** After the four month minimum rental period, the instrument may be returned to the Company at any time and the contract will be canceled. However, all payments must be current. Instrument and case must be in good condition. Repair fees will be charged to Renter for excessive damages due to negligence or abuse. No rental fees will be prorated or refunded. Instrument must be returned to the store and / or company representative. All returns must be documented and a receipt secured by Renter. Renter will be charged each month the instrument is in the Renter's possession even if the instrument is not being used or the instrument is returned to unauthorized location.

**RENTAL RENEWAL OPTION:** The Renter will receive via U.S. Postal Service a payment coupon book for the Renter's reminder and payment convenience. To automatically renew the rental on a monthly basis, the Renter should mail the appropriate coupon along with correct payment amount to the address printed on the coupon / contract. Failure to receive the payment coupon book does not release the Renter from the responsibility of making timely payments. Payments received 10 days after payment due date are subject to a late charge of 1.5% of the amount due or \$5.00 which ever is greater. Repair / Maintenance and Fire / Theft protection, if applicable, will be suspended until the charges are paid in full. There will be \$30.00 handling fee for checks returned to us unpaid for any reason. Company has the option to terminate this contract after the account becomes 30 days past due with no further notice to the Renter.

**TITLE TO PROPERTY:** The Company owns the instrument. Renter has no ownership rights to the instrument until Renter acquires ownership as stated in this agreement. The Renter grants to the company the right to recover the Company's instrument from school or any other location, anytime by any legal means for non-payment of charges. Filing of any form of bankruptcy WILL NOT discharge a customer's rent to own agreement with the Montgomery County Music Center, Inc. (MUSIC CENTER). As owner and creditor of our rent to own accounts, the MUSIC CENTER objects to any bankruptcy plan. By doing so, we seek possession of our property and/or complete payment of the rent to own agreement. The renter is obligated to the repayment terms and/or return of the property (instrument) to the MUSIC CENTER. The Company reserves the right to charge the Renter for the full value of the instrument if the account is delinquent 120 days or more. In addition the renter will be liable for reasonable collection and Attorney's fees when this contract is referred to a collection agent or attorney who is not a salaried employee of the company, and court cost. It is a criminal offense under the Texas penal code 31.04 if rental instrument is not returned upon termination of this agreement. Renter can not pawn, sell, mortgage or otherwise dispose of the instrument or assign any rights in this agreement. Renter may not take instrument across state boundaries without prior Company approval.

**REPAIR AND MAINTENANCE AGREEMENT:** When Repair and Maintenance are included in the contract, the Company will maintain the instrument in playing condition, provided damages are not willful or due to negligence and provided the payments are current at the time of damages. Maintenance coverage shall include the following: dents on brass instruments that effect the performance of the instrument, brace solder; adjustments, pads as required on woodwind instruments; repair of cracked joints on wood clarinets; adjustment of bells and replacement of practice pad heads on percussion kits; replace broken bridges, strings, rehair bow on violins, violas, cellos and basses once per year. Maintenance does NOT include restoration of finishes or replacement or expendable items such as reeds, broken mouthpiece, straps, lubricants, drum sticks, etc. Any and all repairs and replacements must be made by the Company or our designated agent. This Repair and Maintenance agreement is paid monthly and will be canceled if payments are not current. No other repair shop may work on this instrument and any repairs, damages or other alterations so incurred shall be fully chargeable to the Renter. This Repair / Maintenance agreement will terminate when rental agreement is terminated or canceled. Common and ordinary care of the instrument (i.e. swabbing, greasing, oiling, and polishing) is the responsibility of the renter.

**FIRE AND THEFT REPLACEMENT AGREEMENT:** When the Fire and Theft agreement is included in this contract, the following applies: In the event of THEFT BY FORCED ENTRY OR FIRE, sustained by a notarized Police report, the instrument will either be replaced with like condition at the time of loss or the agreement canceled at the Company's discretion so long as payments are current. There is a \$25.00 loss deduction payable by the Renter. Theft by forced entry does not include mysterious disappearance from school band or orchestra rooms, lockers or by any circumstances in which breaking and entering is not a factor. This agreement does not cover partial loss such as bows, or other expendable items such as reeds, mouthpieces, straps, lubricants, mallets, drum sticks, etc. If this instrument should be destroyed by fire or loss due to forced entry Renter must provide the mallets, drum sticks, etc. If this instrument should be destroyed by fire or loss due to forced entry, Renter must provide the Company a police report within 14 working days of the incident. The Replacement Agreement will terminate when the rental instrument agreement is terminated or canceled.

**CREDIT INQUIRY:** Your signature on this agreement authorized the Company to make whatever credit inquiries the Company deems necessary in connection with rental agreement. The Company is also authorized to retain this application whether or not it is approved.

**AUTHORIZATION OF CHARGE CARD:** The customer herein authorized the Company to bill against the credit card account listed on the reverse of this contract, BUT ONLY IF the account becomes more than 30 days past due.

**MCMC**