

Instrument Rental Agreement

THIS AGREEMENT IS MADE between "Customer" and Centreville Music Shop (the "Shop") whose notice address is 14215D Centreville Sq, Centreville, VA 20121 and contact phone number is 703-988-0002.

*RENTAL TERM. Minimum rental term is 1 month. Rental term will be automatically extended month to month basis until customer returns the instrument. Customer may return the instrument with original condition with all parts and accessories any time. *RENTAL FEE. Customer shall pay Shop a monthly rental fee plus applicable taxes which the first is due on the same date of each month thereafter. No pro-ration shall be made for Rental Payments based on the day of return. Shop has no obligation to contact Customer regarding the return of the Instrument. Early return on prepay rental will not be refunded.

*ACCIDENTAL DAMAGE INSURANCE. Customer shall pay additional \$4 (\$6 for cello,\$3 for guitar) insurance per month with rental fee. Customer shall not be responsible to the damage caused by any accident. Theft and fire should be claimed to customers home insurance. Shop shall bear the expenses of all necessary repairs or replacement. If customer has any over 30 day past due balance the damage will not be covered. If customer wants to opt out this fee customer needs to pay \$200 (cello \$250, guitar \$100, percussion kit \$150) refundable security deposit. If damage has been made to the instrument without insurance during the rental period, customer will be responsible for all the repair cost up to the cost of the instrument from the shop authorized repair shop. This plan does not cover any lost, intentional damages, damages by abuse/neglect and heat damages from storing in cars. 2 String breaks/a year will be covered.

*DEFAULT. If account is past due by 90 days all rental equity is forfeited and full price of instrument plus unpaid fees become due and may be submitted to 3rd party for collection. \$50 reposition fee, a 30% third party debt collection fee and \$15 3rd party administration fee plus any other court costs and/or legal fees as permitted by law. Returning the instrument in original condition does not waive unpaid fees. Reporting information changes including but not limited to payment methods, address, email, and phone numbers are customer's responsibility and non-reported changes or not receiving bills for any reason will not waive any legal responsibility. If customer makes engravings or unrecoverable alteration without shop's consent on the instrument customer must buy the instrument with purchase option.

*PURCHASE OPTION. Customer shall have an option to purchase an equal or higher value instrument anytime during the rental. The purchase price will be Manufacturer's Suggested Retail Price or Store's list price at the time of payoff. 100% rental fee excluding tax and damage insurance will be applied to the purchase for the first 30 months. Early payoff discount of 20% will be applied if purchased within 12 months from the date of this contract. Customer will payoff the same instrument being rented if the instrument was new. If customer is renting a used instrument, the instrument will be switched to a new one at the time of payoff. If the same model is not available at the time of payoff or customer wants to change to any other model the price shall be MSRP of the instrument provided at the time of purchase. Upgrade may be available for customer who pays 100% of MSRP of a upgrading instrument. MSRP can be verified by contacting the manufacturer and store's list price will be listed on the front desk. This option shall not be combined with instrument trade-in, or another instrument rentals by the same customer. Exercising this option is customer's choice and shop has no obligation to notify customer when the rental equity reached the instrument price and credit that exceeds instrument price will have no cash value. Free rental months will not be

accumulated to the credit. This option will be automatically forfeited 30days after the instrument is returned.

*RENTAL VALUE. The value of a rental instrument is MSRP or shop's list price unless specified. The value of a used instrument is 80% of MSRP or shop's list price of a new instrument unless specified. The rental value minus accumulated rent to own credit shall be paid if the instrument is lost or stolen.

*EXCHANGE. Instrument can only be exchanged if the instrument is not repairable or for size changes and customer want a different instrument. A new rental agreement need to be made if the instrument is exchanged by other than these reasons the purchase option of this rental agreement will be automatically forfeited.

*ACKNOWLEDGMENT. By checking the terms on this agreement, I acknowledge that I have read and fully understand and accept the all conditions and terms of this agreement.

*TITLE. Shop owns the instrument until customer makes all rental and other payments required to pay off under this Agreement or exercises customer's early purchase option. If customer declares bankruptcy, shop retains title, and the instrument must be returned to us immediately. Customer does not have the right to keep the instrument if customer does not make all of the payments necessary for ownership.

*INSTRUMENT LOCATION. Customer must not move the instrument from the address shown in this Agreement without our written consent. Customer must not sell, pawn, dispose of or pledge the instrument as security while this Agreement is in effect. Note: Do not leave the instrument in school. Customer remains liable under this Agreement unless customer have received a return receipt/email confirmation from shop.

*CREDIT AND COLLECTIONS. Customer agrees to allow shop to obtain a personal credit report at any time if past due over 90 days. Customer agrees to allow shop or agents and assigns, including debt collectors, to contact customer via telephone, text message or e-mail, directly or by using a dialer, automatic telephone dialing system, interactive voice recognition system, or artificial or prerecorded voice or message, at any number or e-mail customer have given us or that we have on file (whether home, cell, or mobile service), even if customers charged for the call or e-mail service. Customer expressly agrees to be contacted via such automated calls.

*GOVERNING LAW. This agreement shall be governed by and construed in accordance with the laws of the State of Virginia.