



**INSTRUMENT RENTAL AND SECURITY AGREEMENT**

INSTRUMENT TYPE	SERIAL NUMBER	ACCOUNT NUMBER

This agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

The renter agrees to deposit a down payment of \$ \_\_\_\_\_ upon execution of this Agreement which will be applied toward rent, and which will be forfeited to MOORE MUSIC COMPANY upon default.

I hereby acknowledge RENTAL of a \_\_\_\_\_ (instrument) from Moore Music Company for a **minimum** one month (30 days) rental period, and for any following rental period where payment of the monthly rental payment is made after the monthly due date. This agreement automatically renews for subsequent 30 day period upon each monthly payment. I understand that the rental fee is payable each month in advance. I further understand that **the instrument may be returned at any time to Moore Music Company** with no further obligation to pay RENT, so long as the account is current and no unpaid RENTAL balance remains. If the instrument is returned prior to payment of the **deferred payment price** (Total Cash Price + Finance Charge + Replacement/Service/Repair Coverage Charge), all payments are RENT PLUS REPLACEMENT, SERVICE AND REPAIR COVERAGE for the use of the instrument. Any over payments will be refunded. Moore Music Company retains a purchase money security interest in the above instrument until the entire deferred payment price is paid.

**PAYMENT SCHEDULE**

The monthly payment includes \$5.00 for Replacement Coverage. Service and Repair Coverage are also included in the above-described payment in the amount of \$5.00 for all Saxophones, Oboes and Cellos. For all other instruments the Service and Repair Coverage is \$3.00 per month. \_\_\_\_\_ payments of \$ \_\_\_\_\_ are due on the \_\_\_\_\_ day of each month beginning \_\_\_\_\_.

Please note that a late fee of \$5.00 per month will be added to any payment not received within 25 days of the due date. All instruments remain the property of Moore Music Company until the contract is paid in full.

**EARLY PAYOFF OPTION**

Under the law, you have the right, among others, to pay in advance the full amount due and to obtain under certain conditions a partial refund of the FINANCE CHARGE, based on the Rule of 78.

- A. Within the first 3 months of your contract, if you elect to purchase your instrument you will pay no insurance or finance charges AND receive a 20% discount off of the price of the instrument.
- B. Between the 4<sup>th</sup> month to the 6<sup>th</sup> month of your contract, if you elect to purchase your instrument you will pay no insurance or finance charges.
- C. After the 6<sup>th</sup> month of your contract, if you elect to purchase your instrument, you may prepay the remaining principal amount, and purchase the instrument at any time without penalty, so long as your payments are current at the time your instrument is paid off.

**COMPREHENSIVE REPLACEMENT, SERVICE AND REPAIR COVERAGE**

**REPLACEMENT:** In the event of loss by fire, theft or irreparable damage, the instrument will be replaced with one of equal quality at no charge. Proof of theft must be substantiated by reporting same to local police or sheriff's department. A copy of police or sheriff's investigation report must be sent to Moore Music Company before replacement can be made. **PLEASE NOTE THAT YOUR INSURANCE COVERAGE WILL BE VOID IF A MISSING INSTRUMENT IS NOT REPORTED AS STOLEN TO THE PROPER LAW ENFORCEMENT AGENCY WITHIN SEVEN (7) DAYS OF LOSS.** Moore Music must receive this report within ten (10) days of the loss. Our staff will investigate your claim, prepare the additional forms that must be signed by you to complete your claim, and replace the instrument for you as quickly as possible. We do not want any student to lose interest in the music program because of a stolen instrument. Judgment of irreparable damage will be made by Moore Music Company. Loss caused by Renter's negligence will not be covered under this section.

**SERVICE:** All adjustments and repairs necessary to keep the instrument in playing condition will be made at no cost to Renter. Coverage does not include replacement of expendable accessories, restoration of finish, or cosmetic damage such as minor dents or abrasions. Case not included.

**REPAIR:** With any accidental damage to the instrument which interferes with its performance, the instrument will be restored to playing condition including replacement of parts at no cost to Renter. Case not included. Damage due to abuse by the Renter is not covered under this section.

If your instrument is damaged as a result of an accident, we must have a note explaining the accident from the teacher, school principal, or other responsible adult. Bring us the instrument and note so that we may determine if your situation qualifies for coverage under insurance. Only Moore Music Company can make this determination of what qualifies as an accident and what does not qualify for insurance purposes.

**PLEASE NOTE THAT YOU ARE RESPONSIBLE FOR ALL RENTAL PAYMENTS UP TO THE DATE MOORE MUSIC COMPANY RECEIVES THE WRITTEN REPORT OF THE LOSS AND/OR DAMAGE. CLAIMS CAN ONLY BE SETTLED ON ACCOUNTS THAT ARE NOT PAST DUE.**

**ADDITIONAL TERMS:**

**SECURITY:** To protect us, you give us a purchase money security interest created under the Uniform Commercial Code of North Carolina in the Property sold and described above. You also give us a security interest in the proceeds from any unauthorized sale of the Property, and the proceeds of any insurance you request. We waive any other security interest or lien which may arise by operation of law except the lien of any judgment which we may obtain if this Contract is not paid in accordance with its terms.

**REPOSSESSION:** If we repossess the Property; we have the right to sell it at public or private sale and apply the proceeds of the sale to what you owe. You agree to pay any difference between the sale proceeds and what you owe.

**REMOVAL OF PROPERTY:** The property must remain principally based at your address shown below. If you plan to use the property at another location temporarily, you must get our written permission in advance. This clause acknowledges that the instrument will be used outside the home for purposes like school music programs and lessons.

**DEFAULT:** You are in default if:

- A. We do not receive an installment payment from you on or before the date it is due; or
- B. You break one of your promises under this Contract; or
- C. You make any statement or representation in connection with this Contract which is false or incorrect in any material respect; or
- D. Insolvency actions are begun by or against you. Insolvency includes situations where you are unable to pay all your debts as they become due.

**ACCELERATION:** If you default, we may demand immediate payment of the entire amount you owe. This includes all of the remaining monthly payments you must pay. We shall have rights and remedies given by the Uniform Commercial Code. This includes the right to retake the Property.

**ENTIRE CONTRACT:** No oral promises or statements are part of this Contract. No warranties or representations, whether they are written or arise by operation of law, are part of this Contract unless we give you a written warranty in connection with this Contract.

**NO WAIVER OF RIGHTS:** We do not waive our right to have future payments made when due if we accept a late or partial payment or delay the enforcement of our rights on any occasion.

**INVALID PROVISIONS:** If any part of this Contract becomes invalid or unenforceable, the remainder of the Contract will be valid and enforceable.

**NOTICE TO RENTER**

1. **ATTORNEY'S FEES, COSTS AND VENUE.** In the event of any breach or default under this Agreement, if MOORE MUSIC is obligated to retain an attorney in order to obtain compliance or recover damages, the prevailing party is entitled to receive reimbursement for attorney's fees and court costs. The venue of any action filed shall be in Guilford County or the Central District of the United States District Court for North Carolina.
2. If the collateral is consumer goods, Moore Music Company shall comply with all applicable provisions of Chapter 35 of the North Carolina General Statutes.
3. All notices under this agreement shall be sent to the addresses listed on this agreement.

Accepted: The foregoing contract is hereby accepted under the terms of the assignment.

Seller: Moore Music Company, 615 W. Market Street, Greensboro, NC 27401

By \_\_\_\_\_

Renter acknowledges receipt of a complete copy of this retail installment contract with lease privileges:

**SIGNATURE** \_\_\_\_\_ (L.S.)

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

**DATE** \_\_\_\_\_

Address \_\_\_\_\_

Salesman-Witness \_\_\_\_\_

\_\_\_\_\_