

Equipment Rental Agreement Terms and Conditions

Veritas Instrument Rental Incorporated and affiliated retailer shall herein be referred to as Veritas and/or Agent, and the customer shall herein be referred to as Renter.

- 1. Introductory Offer Agreement (if applicable):** This Introductory Offer Agreement is limited to students renting student level instruments.
- 2. Rental Purchase Option:** At the option of the Renter, by notice in writing, all rental monies, excluding the M&R fee and sales tax, can be applied to the purchase of the instrument. No credit will be given towards the purchase option for any payments received more than (5) five days late without late fee. Any factory warranty remaining on a new instrument will pass to the Renter at the time of final payment. All fees are to be paid in advance. There is no pre-payment penalty. Renter can purchase the instrument at any time. The instrument purchase price can be determined by taking the "Lease Purchase Price" and subtracting the "Base Rent x months paid" and then subtracting 10% for early payoff. Sales tax will then be added.
- 3. Return (Notice of Cancellation):** This is a month-to-month equipment rental agreement. The Renter may return the instrument to Veritas and/or Agent at any time. This agreement will be canceled, provided all fees have been paid up to and including date of return. No refund of money will be made if the instrument is returned, as all money received shall be considered rent until full payment is made. **NO OTHER PARTY IS PERMITTED TO ACCEPT THE RETURN OF THE INSTRUMENT. THE INSTRUMENT MUST BE RETURNED TO VERITAS AND/OR AGENT ONLY.**
- 4. Title:** Veritas is to retain full title and ownership of equipment until full payment has been made and Renter agrees not to sell, sublease, mortgage, pawn, pledge, encumber, remove from the state, or otherwise dispose of equipment until all payments stated in this contract have been made. This contract may be assigned by Veritas. This agreement and/or equipment is not transferable by Renter.
- 5. Late Charge:** The Instrument remains our property, until the purchase option has been exercised. You authorize us and our representatives to pick up the Instrument from school or any other mutually designated location in case of delinquency of payment. If any payment is more than five (5) days late (or minimum number of days permitted by law), we may charge an amount equal to \$10 (or maximum allowable by law), plus reasonable collection and attorney's fees (to the extent permitted by applicable law). Automatic drafts returned for insufficient funds will be debited back to your account plus a return check fee of \$25.00 (or such lower amount as may be established by applicable law).
- 6. Default:** A. Veritas can declare an "event of default" of this agreement if (i) Renter fails to pay a scheduled rental payment and late charge within 10 days after the due date of the rental payment. (ii) Renter breaches a promise/obligation under this agreement, (iii) Renter filed misleading or inaccurate information on this agreement, or (iv) anything happens that Veritas feels endangers the equipment in Renter's possession. B. If Veritas declares an "event of default", Veritas shall be entitled to repossess the equipment in accordance with State and Federal law. If Veritas does take possession of the equipment, it is agreed that this contract shall end, and the Renter shall have no further responsibility for further payments, but shall remain liable for past due payments, M&R charges (if applicable), late charges, (if any) and for any loss or damage which may have occurred to the equipment that are not covered by M&R. A 1.5% monthly (18% annually) service charge will be added to all balances carried over 30 days. Renter is also liable for any reasonable attorney and/or collection fees and all related costs necessary to remit the entire balance to Veritas and/or recover the equipment. C. If Veritas declares an "event of default", the equipment must be returned to Veritas and/or Agent within 24 hours (weekends and holidays excluded) or equipment will be subject to repossession. Failure to return rented equipment to Veritas and/or Agent at their request in the event of default, may, under the laws of this state, constitute theft which is a felony punishable by fine or imprisonment.
- 7. Credit Card Authorization and Returned Checks:** If Renter is more than ten (10) days late in paying any sums due under this agreement, Renter hereby authorizes Veritas to submit a credit card voucher in Renter's name for payment of any sums due under this agreement, to include remaining balance of purchase price less credit for previous rent paid, should equipment not be returned to Veritas and/or Agent upon demand. If Renter's check is returned unpaid, Renter hereby authorizes his/her account to be electronically debited for both the check amount and state-allowed return fee.
- 8. Reinstatement:** Renter who fails to make timely rental payments has the right to reinstate the original equipment rental agreement without losing any rights or options previously acquired under the equipment rental agreement if the Renter promptly surrenders the equipment to either Veritas and/or Agent upon request. Renter has 90 days to request reinstatement. Before Reinstatement, it is necessary to pay all rental payments, M&R, late charges, and a delivery charge, if any. If at time of reinstatement, the original equipment is not available, equipment of equal quality will be substituted.
- 9. Credit Report Authorization:** Renter authorizes Veritas to obtain a personal credit report. This equipment rental agreement is subject to approval within 30 days. Renter authorizes Veritas to contact spouse, student, and/or nearest relative regarding this agreement if past due. If paid, the security deposit (if any) will be returned to renter within thirty days less any deductions for excessive damage, missing items, past-due rent, and/or late fees.
- 10. Hygienic Condition of Rental Equipment:** Renter agrees not to hold Veritas and/or Agent responsible for the hygienic condition of rental equipment (including mouthpiece).
- 11. Responsibility for Loss, Damage, or Maintenance:** Renter is responsible and liable for all costs incurred by Veritas in the event of loss or damage to rented equipment for other than ordinary wear and tear. In the event of loss or theft of rented equipment, Renter will pay the purchase price Lease Purchase Price, plus tax, less any applicable rent payments to Veritas upon demand. Such liability will not exceed the cash price of the property at the time it is lost or damaged. No insurance is provided by Veritas for liability arising from Renter's use and operation of rented equipment. The Renter is responsible for the maintenance and servicing of the rental equipment including all adjustments & repairs and general cleaning. (*See optional Maintenance and Replacement Program below) The Renter is not required to purchase the Maintenance and Replacement Program. A security deposit will be required when the Maintenance and Replacement Program is waived by the Renter.
- 12. Entire Agreement/Time is of the Essence:** This rental agreement constitutes the entire agreement between Renter and Veritas, and shall not be amended, altered, or changed except by written agreement signed by the parties hereto. Time is of the essence. All payments are due and equipment returnable to Veritas and/or Agent.
- 13. AutoPay:** By initializing the AutoPay box on the front side, Renter authorize the automatic debiting of the credit card and/or Visa check card shown on the front for monthly payments under this Agreement.

Maintenance & Replacement Coverage (M&R)

REPAIR: Veritas and/or Agent will make all appropriate repairs and adjustments to keep the equipment in proper playing condition (if account is current). This does not include the restoration of finish, willful damage, damage due to careless handling, cleanings or the replacement of expendable accessories such as mouthpieces (broken or lost), ligatures, mouthpiece caps, reeds, oil, swabs, strings, rosin, drum heads, drum sticks, etc...

LOANER: In the event that the rented equipment needs to be returned to Veritas and/or Agent for repairs taking more than three (3) working days (Excluding Legal Holidays and weekends), a loaner may be provided for the renter by Veritas and/or Agent free of charge (subject to availability).

REPLACEMENT (Loss/Damage Waiver): If the equipment is damaged beyond repair or stolen by forcible entry, VERITAS will replace it with one of equal quality for a deductible charge of \$50.00 or 20% of the Value (whichever is greater). Proof of loss and circumstances satisfactory to VERITAS will be required. For M&R coverage, the rental account **must be current** and the renter must file a police report within 24 hours and notify Veritas within 48 hours.

NOTICE

You are renting this property. You will not own it until you make all of the regularly scheduled payments or you use the early purchase option. You do not have the right to keep the property if you do not make the required payments or do not use the early purchase option. Subject to your grace periods and reinstatement rights, the lessor (Veritas and/or Agent) may repossess the property if you fail to make rental payments as scheduled. Your rights and responsibilities are fully explained in this equipment rental agreement.