

Musical Elements LLC

3411 Howell St Suite B Duluth GA 30096

Instrument Rental Agreement & Insurance Terms

By entering into an instrument rental agreement with Musical Elements LLC (“Musical Elements”), the renter acknowledges that they have read, understood, and agreed to the terms and conditions below. If the renter is under 18 years of age, the renter’s parent or legal guardian must accept these terms and assume the responsibilities applicable to the renter.

1. Rental Agreement & Ownership

All instruments rented from Musical Elements remain the property of Musical Elements unless and until ownership is transferred pursuant to the applicable rent-to-own terms stated in the customer’s rental agreement.

The renter may not sell, transfer, assign, pledge, lend, or otherwise dispose of the rented instrument without the prior written consent of Musical Elements.

The renter is responsible for the instrument during the rental period and must use and care for it in accordance with this Agreement and any applicable manufacturer, school, instructor, or Musical Elements instructions.

2. Rental Term & Monthly Payments

Rental fees are billed monthly.

Payment is due on the same calendar date each month as specified in the rental agreement. If the applicable due date falls on a date that does not occur in a particular month, payment will be due on the applicable date designated by Musical Elements.

A payment not received by the due date is considered late.

Musical Elements may update its general rental payments from time to time.

Late Fees

A late fee of \$30 will be charged if payment remains unpaid for more than seven (7) days after the due date.

An additional \$30 late fee may be charged for each subsequent month in which the account remains delinquent, subject to applicable law.

Late fees and other amounts due must be paid before an account is considered current.

Continued nonpayment may result in suspension or termination of rental privileges, termination of the rental agreement, collection activity, recovery of the instrument, or other remedies permitted by law.

3. Account Delinquency & Failure to Return

An account may be considered delinquent after seven (7) days of nonpayment.

Rental charges may continue to accrue until the rental agreement is terminated and the instrument is physically returned to Musical Elements, subject to applicable law and the terms of the rental agreement.

If the renter stops making payments and fails to return the instrument after receiving a request to do so, Musical Elements may classify the account as a failure to return.

To the extent permitted by law, the renter may be responsible for:

- Unpaid rental charges;
- Applicable late fees;
- Repair costs for damage beyond normal wear and tear;
- The instrument's applicable replacement value if the instrument is lost, stolen, or not returned;
- Applicable insurance deductibles or amounts not covered by insurance; and
- Reasonable collection, legal, or court costs to the extent permitted by law.

Accounts that remain delinquent may be referred to a collection agency and may be reported to consumer reporting agencies when permitted by applicable law.

Musical Elements reserves all rights and remedies available under applicable law.

4. Rent-to-Own Purchase Option

Rental instruments may be eligible for ownership transfer under Musical Elements' rent-to-own program.

Ownership of the rented instrument transfers to the customer only after the customer has completed the required number of consecutive monthly rental payments at the regular rental rate, as specified in the customer's rental agreement.

The applicable ownership-transfer period will be stated in the customer's rental agreement and may range from 40 to 48 consecutive qualifying monthly payments, depending on the instrument and rental program.

Payments made under discounted, promotional, introductory, or special rental pricing do not count toward the required ownership-transfer payment period unless expressly stated otherwise in writing.

The instrument rented by the customer is the instrument that may transfer to the customer upon satisfaction of all ownership requirements. Musical Elements does not guarantee that the customer will receive a new, replacement, or different instrument at the time of ownership transfer.

All instruments are professionally inspected and prepared for use at the beginning of the rental period.

Where applicable, rental payments may accumulate purchase credit toward the rented instrument or an eligible upgraded instrument. Purchase credit may be limited to 40% of qualifying rental contributions, as specified in the applicable rental agreement.

Monthly insurance or LLI fees, including fees of approximately \$9 per month, do not count toward ownership or purchase credit.

Ownership does not transfer unless and until all applicable rent-to-own requirements have been satisfied.

5. Instrument Condition & Customer Responsibility

The renter acknowledges receipt of the instrument in the condition documented at the beginning of the rental period.

The renter must keep the instrument in good condition and use reasonable care to prevent loss, theft, misuse, or damage.

Normal wear and tear from ordinary, proper use is not considered damage.

The renter may be responsible for repair or replacement costs resulting from loss, theft, misuse, negligence, unauthorized repairs, improper storage, accident, or damage beyond normal wear and tear, subject to any applicable insurance or LLI coverage.

The renter may not make unauthorized modifications or repairs to the instrument.

6. Maintenance, Repairs & Exchanges

Routine maintenance covered under the applicable rental program may be performed by Musical Elements or an authorized service provider.

The renter should promptly notify Musical Elements of any mechanical problem, damage, or condition that may affect the instrument's safe or proper operation.

Unless specifically covered by the rental agreement or applicable LLI/insurance coverage, the following may be excluded from routine maintenance:

- String replacement;

- Bow rehairing;
- Replacement of consumable items;
- Mouthpieces and similar accessories;
- Major physical damage;
- Damage resulting from misuse or negligence; and
- Unauthorized repairs or modifications.

Rental Exchanges

Subject to availability and applicable program terms, rental customers may exchange an instrument without an additional exchange fee.

Instrument exchanges and upgrades should be guided by the student's music educator to ensure appropriate size, type, and suitability.

An exchange does not automatically restart, extend, or satisfy the rent-to-own ownership requirements unless expressly stated in writing.

7. Loss, Theft & Failure to Return

The renter must promptly notify Musical Elements of any lost or stolen instrument.

A police report or other documentation may be required for stolen instruments.

The renter remains responsible for the instrument and applicable rental obligations until the instrument is returned, replaced, or the rental agreement is otherwise terminated, subject to applicable law and any applicable insurance or LLI coverage.

If an instrument is lost, stolen, destroyed, or not returned, the renter may be responsible for the applicable replacement value, less any amount properly covered by applicable insurance or LLI coverage.

8. Instrument Damage Insurance (LLI)

If included in the customer's rental agreement, Instrument Damage Insurance (LLI) provides coverage for certain accidental damage to the rented instrument, subject to the applicable policy, certificate, terms, conditions, exclusions, coverage limits, and deductible.

The applicable deductible is currently \$120, unless otherwise stated in the customer's rental agreement or applicable insurance documentation.

LLI fees are separate from rental payments and do not count toward rent-to-own ownership or purchase credit.

LLI does not automatically cover all loss or damage.

Unless specifically covered by the applicable policy, LLI may exclude damage resulting from negligence, intentional acts, misuse, unauthorized repairs or modifications, loss, theft, or other excluded circumstances.

The following accessories and consumable items are not covered unless expressly stated otherwise in the applicable policy:

- Strings;
- Bridges;
- Mouthpieces;
- Bow hair; and
- Other consumable or accessory items.

The customer is responsible for reviewing the applicable insurance documentation and following all claim-reporting requirements.

9. Injury, Assumption of Risk & Liability

To the fullest extent permitted by applicable law, the renter, and the renter's parent or legal guardian if the renter is a minor, acknowledges and assumes the ordinary risks associated with the use, handling, transportation, cleaning, maintenance, and playing of the rented instrument.

These risks may include, but are not limited to:

- Cuts, bruises, sprains, or other bodily injuries;
- Repetitive strain injuries, including tendinitis or carpal tunnel syndrome;
- Hearing loss or other auditory damage;
- Respiratory issues associated with wind or brass instruments;
- Allergic reactions to instrument materials or components; and
- Illness or infection associated with the use or sharing of an instrument.

To the fullest extent permitted by law, the renter agrees to release and hold harmless Musical Elements LLC and its owners, officers, employees, agents, and representatives from claims arising from the renter's ordinary use, handling, transportation, cleaning, maintenance, or playing of the instrument.

The renter is responsible for using the instrument safely and appropriately and for following applicable manufacturer, school, instructor, and Musical Elements instructions.

Nothing in this Agreement is intended to waive or limit liability that cannot legally be waived or limited, including liability arising from gross negligence, willful or wanton misconduct, or other conduct for which liability cannot legally be excluded.

10. Returns & Cancellation

To end a rental, the renter must return the instrument to Musical Elements or an authorized return location.

The instrument must be physically returned and received by Musical Elements before rental billing will stop, unless otherwise agreed in writing.

The renter should obtain confirmation of the return.

No refunds or prorated credits will be issued for partial rental months unless expressly stated otherwise in the rental agreement or required by applicable law.

Returning an instrument does not automatically eliminate outstanding balances, applicable late fees, repair charges, replacement charges, or other amounts previously incurred.

11. Parent/Guardian Responsibility for Minors

If the renter is under 18 years of age, the parent or legal guardian signing the rental agreement agrees to be responsible for the renter's obligations under the Agreement to the fullest extent permitted by law.

The parent or legal guardian acknowledges responsibility for payment, proper care and return of the instrument, and compliance with the applicable rental terms.

12. Communications & Notices

The renter is responsible for providing Musical Elements with accurate and current contact information, including mailing address, telephone number, and email address.

The renter agrees that Musical Elements may use the contact information provided by the renter for account-related communications, payment reminders, rental notices, service communications, and other communications permitted by law.

The renter should promptly notify Musical Elements of any changes to contact information.

13. Policy Changes

Musical Elements may update its general rental policies from time to time.

Changes to general policies will not automatically modify the material terms of an existing signed rental agreement unless the change is permitted under the agreement or applicable law.

The version of the policy applicable to a customer will be the version incorporated into or otherwise made applicable to that customer's rental agreement.

14. Governing Law & Severability

This Agreement shall be governed by the laws of the State of Georgia, except to the extent otherwise required by applicable law.

If any provision of this Agreement is determined to be invalid or unenforceable, that provision shall be enforced to the maximum extent permitted by law, and the remaining provisions shall remain in effect.

15. Entire Agreement

This Agreement, together with the customer's signed rental agreement and any applicable insurance or LLI documentation, constitutes the agreement between the parties concerning the rental of the instrument.

If there is a conflict between this policy and the customer's signed rental agreement, the terms of the signed rental agreement will control to the extent stated therein.

No modification, waiver, or exception is effective unless authorized by Musical Elements in writing.

16. Customer Acknowledgment

By completing the online rental application and checkout process with Musical Elements LLC, the renter acknowledges that they have been provided access to, have had the opportunity to review, and agree to be bound by this Instrument Rental Agreement & Insurance Terms.

By selecting the applicable acknowledgment box and completing the rental transaction, the renter provides electronic acceptance of this Agreement. No separate handwritten signature is required for the Agreement to become effective, to the extent permitted by applicable law.

If the renter is under 18 years of age, the renter's parent or legal guardian must complete the required online rental process and provide the required electronic acceptance on behalf of the renter.

This Agreement becomes effective upon completion of the online rental checkout process and applies to the rented instrument and the associated rental account.