

## Lease-Purchase Agreement – PARTNER and REDUCED Programs

### Terms & Conditions

Please Read Carefully

- 1. AGREEMENT:** This is a month-to-month **Lease-Purchase Agreement (“Agreement”)** between the applicant (The “Renter”) and The Gift of Music Foundation (“Gift of Music”)
- 2. TITLE TO INSTRUMENT:** Gift of Music owns the instrument until renter makes all program and other payments required under this Agreement or exercises the early purchase option. If Renter declares bankruptcy, Gift of Music retains title, and the instrument must be returned immediately. Renter does not have the right to keep the instrument if all of the payments necessary for ownership are not made. Renter agrees not to loan, rent, sell, pawn, encumber, or otherwise use the instrument for any other purpose than band/orchestra class, practices, and performances by the student while the lease agreement is in effect.
- 3. LIABILITY FOR LOSS OR DAMAGE:** Renter is fully responsible for loss, theft, damage to or destruction of the instrument from all causes in excess of normal wear and tear, up to a maximum of the fair market value of the instrument. You can choose the optional Comprehensive Coverage plan to cover some of your liability.
- 4. TAKING OWNERSHIP OF THE INSTRUMENT:** Each monthly program payment goes toward ownership of the instrument. However, if the instrument is returned at any time during the lease, this lease-purchase agreement shall become null & void, and all accrued value toward ownership is forfeited.

Renter may take full ownership of the instrument by:

1. Making all program payments over the term listed in your agreement
2. Paying off remaining balance at any time during the agreement period

If Renter elects to purchase the instrument at any time during this agreement period, Gift of Music will offer a 10% discount on the remaining principal balance at the time of purchase. Payment must be made in a single payment. Account must be current with no past-due rental balances to be eligible. If the instrument is returned or Agreement cancelled for any reason, this purchase option is no longer available.

- 5. INSTRUMENT CONDITION:** At any time during the rental program period, Gift of Music may require pictures of the instrument, from front and back, to be taken by Renter and provided to Gift of Music for verification of instrument condition.
- 6. INSTRUMENT MAINTENANCE:** Renter agrees to keep the instrument clean and in good working order for use by the student during the entire lease agreement. Renter agrees to take reasonable steps to protect the instrument from harm during use, transport, or storage.
- 7. REPAIRS:** Basic repair and maintenance of the instrument will be provided at no additional cost via our RAMP (Repair and Maintenance Program) during the regular school year (where available, per RAMP terms & conditions). Any repairs not covered by RAMP shall be the responsibility of the Renter, and only The Gift of Music Instrument Repair Center or our duly authorized repair facilities may be used for instrument repair. Any repair charges must be paid in full by Renter before the instrument will be returned for Renter’s use. In cases of damage beyond RAMP coverage, our standard repair rates apply and are the responsibility of the Renter. In cases of damage beyond RAMP coverage, or in cases of total loss or irreparable damage, the optional the Comprehensive Coverage plan may apply, if elected and in effect by Renter. (See Item 8).
- 8. COMPREHENSIVE COVERAGE PLAN:** Gift of Music offers optional protection to offset the costs of severe damage, catastrophic damage, loss, and theft of the instrument. This is a voluntary coverage program and the monthly fee does not apply toward purchase price of the instrument. However, if Renter declines this coverage, **renter agrees to be fully responsible and liable for “total cost to purchase” (less program payments made) in the event of theft, loss, or major damage up to the full Fair Market Value (FMV) of the instrument, even if by no fault of your own.**
- 9. EARLY TERMINATION:** Renter may return the instrument and essential components at any time, in good playing condition and free of any damage, at which time this agreement shall terminate. All original issue accessories such as strings, mouthpieces, drum pads, sticks, instrument parts, and bows must be returned with the instrument, or Renter will be obligated for purchasing replacements at the time of return. Do not leave any instrument at a school without proper advance authorization from us. No refunds shall be given for any program fees paid, and renter understands that all program payments toward ownership are, upon return of instrument, to be considered as simple rental payments paid for the term the Renter was in possession of the instrument.
- 10. PAYMENT:** Renter agrees to automatic monthly credit card charges as outlined below until the instrument is either returned or paid in full. Renter agrees to always maintain current credit or debit card information on file and notify Gift of Music of any changes in payment information.
- 11. DEFAULT:** If Renter fails to make a rental payment within 30 days of the due date or fails to observe any other term in this Agreement, all of which are material, Renter will be in default and this Agreement terminates. If default occurs, and after Renter is given any notice required by law, Gift of Music will be entitled to all legal remedies, including repossession of the instrument and any damages. Renter must pay for reasonable costs of collection and court costs. Upon default, all rental credit, if any, will be void, and renter will be liable for any amounts due and the immediate return of the instrument.

12. **REINSTATEMENT:** If Renter defaults on payment, this Agreement and any coverages expire. Renter may be eligible to reinstate the Agreement without losing any rights previously acquired by making any and all past due payments to bring account current, and by agreement of Gift of Music.
13. **CHANGES IN INFORMATION:** Renter agrees to notify Gift of Music within thirty (30) days of any changes in school, address, or other contact or instrument location information while the lease agreement is in effect.
14. **INSTRUMENT LOCATION:** Renter may not move the instrument from the home address originally submitted with this Agreement without our written consent. Note: **Do not leave the instrument at any school if you wish to cancel this Agreement.** Renter remains fully liable for all terms under this Agreement unless a Cancellation Confirmation has been received and the instrument is in physical possession of Gift of Music. Your school is not a party to this transaction.
15. **INSTRUMENT EXCHANGES:** Upon request, Renter may exchange to a comparable student-level instrument of the same type, or from one student-level instrument to another of equal or greater value, apply all rental principal payments made to date (excluding taxes, fees or Comprehensive Coverage), and agree to modify the original Agreement to reflect the appropriate terms as required. If changing to a lower-priced instrument, the Agreement will be modified to reflect the lower monthly rental rate and the term of the Agreement prorated to a possible shorter term, based on the selected instrument. If changing to a higher-priced instrument, the Agreement will be modified to reflect the higher monthly rental rate and possible longer term, based on the selected instrument. This policy is only available if your account remains current throughout the term of the Agreement. Rental rates in effect at the time of exchange will apply. Gift of Music will exchange the instrument requested to a brand and condition solely at our discretion.
16. **CREDIT, COLLECTIONS, and REPOSSESSION.** Renter agrees to allow Gift of Music or our agents and assigns, including debt collectors, to make contact via telephone, text message or e-mail, at any number or e-mail you provided to us or that is on file (whether home or mobile service), even if there is a charge for the call or message service. Renter expressly agrees to be contacted via such methods without restriction. Gift of Music may, after reasonable attempts to work with Renter to find an amicable solution, repossess (take back) the instrument from the school should this contract become severely past due for non-payment of program fees, or other breach of this contract.
17. **TAXES:** Applicable state and local taxes are in addition to listed prices and rates.

Rev. JUL 2024

### Terms & Conditions of Agreement:

Please Read Carefully

1. **AGREEMENT:** This is a “per school year” **gifted rental and use agreement** (the “Agreement”) between the applicant(s) (The “Recipient”) and The Gift of Music Foundation (“Gift of Music”)
2. **TITLE TO INSTRUMENT : Recipient does not have or develop an ownership interest in the instrument.** The instrument remains property of Gift of Music at all times. Recipient agrees not to loan, rent, sell, pawn, or otherwise use the instrument for any other purpose than band/orchestra class, practices, and performances by the student.
3. **LIABILITY FOR LOSS OR DAMAGE:** Renter is fully responsible for loss, theft, damage to or destruction of the instrument from all causes in excess of normal wear and tear, up to a maximum of the fair market value of the instrument.
4. **PROGRAM QUALIFICATION:** Gift of Music reserves the right to independently verify all qualifying information (such as income, household size, and need) submitted by the program recipient at any time during this agreement.
5. **ANNUAL TERM:** The term of the Agreement run from the date in which the application is approved and the last day of the current school year for the Recipient’s student. Agreement must be renewed or cancelled at the conclusion of each school year. Recipient may keep, use, and enjoy the instrument for additional school years as long as annual administration fees are paid, the Agreement renewed, and all other terms & conditions are met.
6. **INSTRUMENT CONDITION:** Recipient agrees to keep the instrument clean and in good working order for use by the student. At any time during the rental program period, Gift of Music may require pictures of the instrument, from front and back, to be taken by Recipient and provided to Gift of Music for verification of instrument condition.
7. **INSTRUMENT MAINTENANCE:** Recipient agrees to keep the instrument clean and in good working order for use by the student during the entire lease agreement. Recipient agrees to take reasonable steps to protect the instrument from harm during use, transport, or storage.
8. **REPAIRS:** Basic repair and maintenance of the instrument will be provided at no additional cost via our RAMP (Repair and Maintenance Program) during the regular school year (where available, per RAMP terms & conditions). Any repairs not covered by RAMP shall be the responsibility of the Renter, and only The Gift of Music Instrument Repair Center or our duly authorized repair facilities may be used for instrument repair. Any repair charges must be paid in full by Renter before the instrument will be returned for Renter’s use. See the definitions of the Repair and Maintenance Program for details about what is covered and not covered.
9. **EARLY TERMINATION:** Renter may return the instrument and essential components at any time, in good playing condition and free of any damage, at which time this agreement shall terminate. Recipient must notify Gift of Music to request cancellation and make arrangements for the return of the instrument. All original issue accessories such as strings, mouthpieces, drum pads, sticks, instrument parts, and bows must be returned with the instrument, or Renter will be obligated for purchasing replacements at the time of return. Do not leave any instrument at any school without proper advance authorization from us. **No refunds shall be given for any program fees paid.**
10. **RENTAL/ANNUAL ADMINISTRATIVE FEES:** The Gift of Music Foundation, our non-profit parent organization, is paying for the monthly rental rate of the instrument as our gift to you. Recipient agrees to be responsible for an annual administration fee (currently \$25 per school year) to show a commitment and partnership in education, and to help offset our expenses to administer the “Gift of Music Instrument Program.” Administrative fee is due upon/before taking possession of the instrument and renewed at the end of each school year until instrument is returned. Annual renewal payment is due June 1<sup>st</sup> of each additional year that Recipient wishes to continue with this Agreement. If paying by credit or debit card, Recipient authorizes us to automatically charge fees when due, unless and until the instrument is returned.
11. **CHANGES IN INFORMATION:** Recipient agrees to notify Gift of Music within thirty (30) days of any changes in school, address, or other contact or instrument location information while the lease agreement is in effect.
12. **INSTRUMENT LOCATION:** Recipient may not move the instrument from the home address originally submitted with this Agreement without our written consent. Note: Do not leave the instrument at any school if you wish to cancel this Agreement. Recipient remains fully liable for all terms under this Agreement unless a Cancellation Confirmation

has been received and the instrument is in physical possession of Gift of Music. Your school is not a party to this transaction and has no liability or responsibility regarding the instrument or the Agreement.

13. **INSTRUMENT EXCHANGES:** Recipient may exchange to a comparable student-level instrument of the same type, or from one student-level instrument to another of equal or greater value within any current school year, subject to availability of instruments. This policy is only available if account remains current and all fees paid as agreed throughout the term of the Agreement. Gift of Music will exchange the instrument requested to a brand and condition solely at our discretion.
14. **DEFAULT:** If Recipient fails to pay annual administrative fees within 30 days of the due date or fails to observe any other term in this Agreement, all of which are material, Recipient will be in default and this Agreement terminates. If default occurs, and after Recipient is given any notice required by law, Gift of Music will be entitled to all legal remedies, including repossession of the instrument and any damages. Recipient must pay for reasonable costs of collection and court costs. Upon default, all rental credit, if any, will be void, and renter will be liable for any amounts due and the immediate return of the instrument.
15. **CREDIT, COLLECTIONS, and REPOSSESSION.** Recipient agrees to allow Gift of Music or our agents and assigns, including debt collectors, to make contact via telephone, text message or e-mail, at any number or e-mail you provided to us or that is on file (whether home or mobile service), even if there is a charge for the call or message service. Recipient expressly agrees to be contacted via such methods without restriction. Gift of Music may, after reasonable attempts to work with Renter to find an amicable solution, repossess (take back) the instrument from the school or any location should this Agreement be in default for non-payment of program fees, or other breach.
16. **TAXES:** Applicable state and local taxes are in addition to listed prices and rates

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