

Musical Instrument Rental Agreement

This Musical Instrument Rental Agreement (the "Agreement") is made between Knox Music Studios, LLC ("KMS") and the Renter as entered on this order (collectively referred to as the "Parties").

The Parties agree as follows:

1. **EQUIPMENT:** KMS hereby leases to Renter the equipment designated on this Rental Agreement (the "Equipment").
2. **RENTAL TERM:** The rental will start on Renter's receipt of the Equipment (begin date) and continue on a month-to-month basis ("Rental Term").
3. **RENTAL PAYMENTS:** Renter agrees to pay to KMS as rent for the Equipment the amount for the full Rental Term ("Rent"). KMS is hereby authorized to post an Electronic Funds Transaction ("EFT") to a bank or credit card account provided by Renter for such rent payment.
4. **RENTAL PURCHASE OPTION:** KMS will apply 100% of Renter's first two months' Rent (excluding maintenance fees and taxes) toward the purchase of the Equipment. The Rental Purchase Option applies only if that item is purchased immediately at the end of the initial 2-month rental period. Rental credit stops accumulating after the first two months. If this Option is not exercised, Renter agrees to forfeit any accumulated purchase credit upon return of the Equipment to KMS.
5. **SECURITY:** Prior to taking possession of the Equipment, Renter shall provide a valid credit card as security for the performance by Renter of the terms under this Agreement and for any damages caused by Renter or Renter's agents to the Equipment during the Rental Term. Renter agrees to pay full replacement cost of any equipment lost, stolen, damaged or destroyed, and KMS is hereby authorized to charge retail price of the Equipment to Renter's banking or credit card account, less any applicable Rent.
6. **DEFAULTS:** If Renter fails to perform or fulfill any obligation under this Agreement, Renter shall be in default of this Agreement. Subject to any statute, ordinance or law to the contrary, Renter shall have seven (7) days from the date of notice of default by KMS to cure the default. In the event Renter does not cure a default, KMS may at KMS' option (a) cure such default and the cost of such action may be added to Renter's financial obligations under this Agreement; or (b) declare Renter in default of the Agreement. If Renter shall become insolvent, or if a petition has been filed by or against Renter under the Bankruptcy Act or similar federal or state statute or if charges to Renter's credit card shall be declined by the issuer, KMS may immediately declare Renter in default of this Agreement. In the event of default, KMS may, as permitted by law, re-take possession of the Equipment.
7. **POSSESSION AND SURRENDER OF EQUIPMENT:** Renter shall be entitled to possession of the Equipment on the first day of the Rental Term. At the expiration of the Rental Term, Renter shall surrender the Equipment to KMS by delivering the Equipment to KMS or an agent of agent in good condition and working order, ordinary wear and tear excepted, as it was at the commencement of the Agreement. Renter may surrender the Equipment to KMS prior to the end of the Rental Term, however KMS' acceptance of such surrender shall not entitle the Renter to any refund or credit.

8. USE OF EQUIPMENT: Renter shall only use the Equipment in a careful and proper manner and only for its intended purpose. Renter will comply with all laws, rules, ordinances, statutes and orders regarding the use, maintenance and storage of the Equipment.

9. CONDITION OF EQUIPMENT: Equipment is in good playing order when accepted by Renter. Upon receipt of the Equipment, Renter shall inspect the same. Renter shall be deemed to have inspected the Equipment and acknowledged the Equipment is in good and acceptable condition, unless KMS shall have received notice of any defect or damage immediately following receipt of the Equipment.

10. MAINTENANCE, DAMAGE AND LOSS; DAMAGE PROTECTION: Renter shall at all times be liable to KMS for the full replacement cost of the equipment leased hereunder and agrees to remit the same within 5 business days of any loss or damage to said equipment, whether by fire, theft, burglary, fraud, mysterious disappearance, water, or casualty of any nature. Renter will, at Renter's sole expense, keep and maintain the Equipment clean and in good working order and repair during the Rental Term. In the event the Equipment is lost or damaged beyond repair, Renter shall pay to KMS the replacement cost of the Equipment; in addition, the obligations of this Agreement shall continue in full force and effect through the Rental Term. KMS is hereby authorized to charge Renter's credit card for any such repair or replacement charges.

11. REPRESENTATIONS of KMS: KMS represents and warrants only as follows:

- a) That it has the right to Rent the Equipment as provided in this Agreement;
- b) That Renter shall be entitled to quietly hold and possess the Equipment;
- c) KMS will not interfere with that right as long as Renter performs its obligations under this Agreement;
- d) KMS makes no representation with regard to the particular brand or manufacturer of the Equipment rented hereunder.

12. OWNERSHIP: The Equipment is and shall at all times remain the exclusive property of KMS.

13. BINDING EFFECT: The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

14. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both KMS and Renter.

15. CUMULATIVE RIGHTS: KMS' and Renter's rights under this Agreement are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.

16. INDEMNIFICATION: Except for damages, claims or losses due to KMS' acts or negligence, Renter, to the extent permitted by law, will indemnify and hold KMS and KMS' property, free and harmless from any liability for losses, claims, injury to or death of any person, including Renter, or for damage to property arising from Renter using and possessing the Equipment or from the acts or omissions of any person or persons, including Renter, using or possessing the Equipment with Renter's express or implied consent.

I have read, understood and accept the Musical Instrument Rental Agreement.

Renter

Date

EQUIPMENT

1) _____

2) _____

3) _____

4) _____

I have received the above equipment.

Renter Initial

Date

Month-to-month Rental Fee for above Equipment: _____