

Monthly Acoustic Piano Rental Agreement

Thanks for participating in our Rent-to-Own Program!

We're proud that it increases the accessibility of high-quality, professionally refurbished pianos in the community, as well as provides families with the flexibility to "try before you buy," especially for families just starting their piano journey.

While this program is primarily intended to allow you to Rent-to-Own towards the piano you choose upfront, we do have provisions for you to exchange towards ANY instrument in stock, at ANY time in the future or return the instrument anytime you like after the 3-month minimum.

All rental instruments are refurbished acoustic instruments - we cannot rent new acoustic piano, digital instruments and/or instruments on consignment.

Each piano is tuned & fully refurbished prior to delivery. It comes with a bench and a full 5-year warranty. Upfront, all we ask is your first month's payment, the delivery fee, and the processing fee*.

Monthly Rental Fee

Upright Pianos:

- \$49 / mo - Regular Upright
- \$89 / mo - Premium Upright

Grand Pianos:

- \$149 / mo - Regular Grand
- \$229 / mo - Premium Grand

The distinction between "Regular" & "Premium" is based on the prices of the instrument and overall market demand. Our goal is for all pianos to be paid off within 3-5 years.

The due date will be the 15th of each month.

We require a major credit card to be on file and for all monthly payments to be on Auto-Pay.

After each payment, our system will automatically email you a receipt.

Delivery Costs

- \$349 for any upright piano
- \$499 for any grand piano under 6' in length
- + \$149 for any flights of 6 or more stairs, or difficult moves.

We use Kevin's Piano Moving for all of our moving needs (customers cannot move pianos). There *may* be additional fees for excessive mileage if significantly outside our normal service territory of Racine to Chicago, and east of Fox Lake.

Please note that if you want to return the piano, you'll need to pay the Delivery Fee prior to pickup — this includes if you want to exchange your instrument for another one.

Processing Fee

Because there are costs associated with processing payments each month, maintaining account balances, sending out payment receipts, and more, a \$149 Processing Fee is collected upfront.

***This fee can be waived if you pay for 12 months upfront.** We will contact you at least 10 days prior to the end of the pre-paid period to arrange for another payment, to get on auto-pay, or to arrange pickup. Or if you're intending to rent for a set period of time, (i.e. a semester or a summer) then if the full intended rental period is paid upfront, then the processing fee is waived.

Store Credit

You will get store credit equal to 100% of your first 12 monthly rental payments paid. After 12 payments, you will get store credit equal to 75% of any rental fees paid. If you'd like to get more store credit quicker, you can pay more than the minimum — you will get store credit equal to 100% of any amount paid above and beyond that minimum rental charge. If you paid 12 months upfront and then began monthly payments, those would be at the 75% rate, whereas if you pay another year upfront, you get 100% credit.

For tax purposes, we need to state that this is a rental agreement only. You will not acquire any equity by making rental payments. You have not agreed to purchase this piano. **There is no cash back for store credit paid.** Please note that all store credit expires 3 months after the return of the instrument.

Purchasing the Piano

Hopefully, you love your rental instrument so much that you want to keep it forever. To complete the purchase, we apply 100% of your applicable store credit towards the price of the piano (including sales tax) and you pay the outstanding balance due. You can always email linda@familypiano.com or contact us for a current balance. Once you purchase the piano, you will get a free tuning credit on your account.

Sales Tax

In the State of Illinois is only collected on physical products; our rental program is a service. As such, we don't collect sales tax until you agree to purchase the instrument, which is calculated on the full price of the physical product.

Conversely, the State of Wisconsin taxes both products and services, so we need to collect sales tax at every step, but it does mean that less tax is due at time of purchase, since you've been paying a little bit every month towards it.

Current sales tax rate is 8.5% in Waukegan IL, 10.25% in Niles, IL, and 5.5% in Southeastern WI. This sales tax is based on the delivery address. For Illinois customers, it's based on which of our retail locations is closest to you.

Exchanging Instruments

You can exchange the instrument you are currently renting in order to rent or buy another piano. If you'd like to start renting another instrument, we would roll over store credit and terms into a new rental agreement. You are responsible for paying for all moving costs associated with an exchange.

Your store credit can be applied towards ANY instrument in stock - including new acoustic and digital pianos. Please note that to be consistent with our "Double Double Trade Up Policy," that for any exchange situation, if you want all 100% of your store credit to apply, you need to choose an instrument with a price that's at least double the amount of store credit you've accrued. In other words, up to 50% of the price of the New-to-You Instrument can be paid for using store credit - the rest must be paid with cash, check or credit card. For example, if you have \$500 in store credit, all of that can be applied towards a keyboard that costs \$1000 or more.

Returning the Instrument

There is a 3 month minimum for the duration of the agreement. If you want to return the piano, please contact us to make any final payments (including pickup charge). Once this is done, there will be no more payments, even if the pickup ends up happening after the 15th of the month, for example.

If you pre-pay your rental fee and return the piano early, we will apply your remaining months towards the pickup fee due. If that's fully paid and there's still unused rental money, it will be refunded.

Acoustic Pianos - Tunings, Piano Maintenance, & Warranty

Your rental piano will be carefully tuned and all adjustments checked just before delivery.

You also receive a discount of \$10 off all piano tunings from us. Our standard tuning is \$150, so for you, it would be \$140. We recommend tuning about every 6-12 months, depending on your home environment, your usage, the age of the instrument, and your own personal preference.

This piano is under warranty while rented to you. Tunings are maintenance (like an oil change), so are not included, but other defects (squeaky pedals, sticky keys, etc) are covered. Please note that any service visit due to damage that is the result of *obvious* neglect or misuse will be charged to you, at a rate of \$115 per service call and \$115 per hour.

All of our refurbished acoustic pianos come with a 5 year warranty, whether purchased or rented. The warranty on the piano begins the day the piano is delivered to your home.

Excessive Damage

The piano must be returned in the original condition - i.e. please don't paint our pianos. A fee may be incurred if the piano is returned with any damage that is above and beyond normal wear and tear. Examples of normal wear and tear include up to a few minor & easily repairable scratches, and wear on internal parts consistent with moderate and responsible playing of the piano. Examples of damages that we would charge for include, but are not limited to: broken legs on the piano or bench, water damage, scratches or scuffs in the case, broken internal parts from abuse, etc. Charges will be based on costs to repair damage at \$115 an hour, plus materials.

Liability

You are liable for the cash value of the piano until the piano is returned or purchased. You are expected to remain current on your account at all times. If the payment does not clear on the due date, we will contact you and make daily attempts to charge the card on file for the amount due. If payment is over 30 days past due, we reserve the right to require you to give our piano movers timely access to have the piano moved, or made available to us and you will be required to pay our cost for taking possession of and removing the piano. You may not sell, transfer, assign or sublease your rights under this agreement. By signing this contract, you acknowledge that you understand and agree to these terms.

You agree to keep the piano in your possession at the location shown on this rental agreement. Moving the piano must be done only with our written consent and only by a qualified piano moving company approved by us. If you move the piano any other way, we reserve the right to terminate agreement and take possession of the piano. You may not sell, mortgage, pawn, pledge, encumber or dispose of the piano while it is being rented.

Contract Terms

This is our entire agreement. You are renting from us the piano described. No oral statements or agreements will be valid or binding on you or us. This agreement may not be changed or amended, unless signed by both parties. By signing this agreement, you agree that you understand the document. This agreement is in place, until a piano is paid in full or the piano being rented is returned and any outstanding balance is paid (if relevant).

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Rental Contract

Name:

Delivery Address:

City: State: Zip:

Email:

Cell Phone: Other Phone:

How you heard about us?:

Piano Teacher: Did they send you in? Yes No

Piano Brand & Model:

Serial Number: Bench:

Other Notes:

Cost Breakdown

DUE TODAY

<input type="text"/>	Rental Rate
<input type="text"/>	Processing Fee
<input type="text"/>	Sales Tax (WI)
<input type="text"/>	Delivery Cost
<input type="text"/>	Total

IF YOU DECIDE TO PURCHASE PIANO

<input type="text"/>	Price of this Piano
<input type="text"/>	Estimated Sales Tax
<input type="text"/>	Subtotal

Grand Total paid may be more depending.

Today's payment will have a separate receipt.

I agree to the terms of the Monthly Piano Rental Contract for the above piano.

Signature: Date:

Employee Signature: Date:

Credit Card Billing Authorization Form

To enjoy the convenience of automatic billing, simply complete the Credit Card Information section below and sign the form.

All requested information is required. We will automatically bill your credit card for the amount indicated and your total charges will appear on your monthly credit card statement.

If you're canceling your rental, you may cancel this automatic billing authorization at any time by contacting us.

This agreement is kept locked up and secured.

AutoPay Information

Amount:

Frequency: Monthly on the 15th

Billing Begins:

Credit Card Information

Family Piano Co accepts the following credit cards: VISA - MC - DISC - AMEX

Credit Card Number:

Expiration Date: **Security Code:** **Billing Zip:**

Cardholder's Name:

Cardholder's Phone:

I authorize Family Piano Co to automatically bill the card listed as specified. Billing will end when the balance is paid in full or when rental is canceled.

Customer's Signature: **Date:**