

RENTAL-PURCHASE AGREEMENT ACT (EXCERPT)
Act 424 of 1984

445.970 Example of form satisfying requirements of act.

Sec. 20.

The following form is an example of the form which may be used to satisfy the requirements of this act:

RENTAL-PURCHASE AGREEMENT

1. Lessor(s)

Lessee(s)

2. Description of Leased Property:

Item

Quantity Serial #

Mfg. Model New/Previously
Rented

3. Total Payment Due at Beginning of Contract:

Advance Payment of \$ _____

Delivery Charge \$ _____

Use Taxes \$ _____

Other \$ _____ (please specify).

Total \$ _____

4. Term and cost of the lease (monthly/weekly)

The first monthly/weekly payment of \$ _____ is due on _____.

Other regular payments of \$ _____ on the _____ of month/week thereafter.

Total number of monthly/weekly payments _____.

Total amount of all other charges \$ _____ (please specify).

Sum total of all payments \$ _____.

5. Periodic Payment:

You may renew the lease weekly or monthly as you choose.

The weekly rental would be \$ _____.

The monthly rental would be \$ _____.

6. For a charge of \$ _____ per payment, we can pick up the payment at your home.

Sign here if you want this service _____.

7. Liability:

8. Maintenance:

We will maintain the leased property in good working condition during the term of the lease and will provide all necessary service and repair (specify if in home or in store) if you notify us by phone or mail that service is needed. We are not responsible for maintenance done by anyone other than us.

9. Termination and Default:

You may terminate this lease at the end of any weekly/monthly term without paying any charges other than those previously due. We may terminate this lease for a default in payment or breach of any other material term of the lease. If a termination occurs, we shall be entitled to all rental payments up to the date of termination and the expenses of repossessing the property if you fail to surrender it to us.

10. Reinstatement:

If you miss a payment, you may reinstate this contract within 7 days after the payment due date without losing any rights or options previously acquired. The time to reinstate will be extended to 90 days after the payment due date if you return or voluntarily surrender the property, other than through judicial process, within 7 days after the payment due date. To reinstate, you must pay the past due payment and any applicable late fee. The late fee will not exceed the greater of \$10.00 or 5% of the payment that is past due. However, if the payment is due monthly or less frequently, we will not charge a late fee unless the payment is more than 5 days past due. If the payment is due more frequently than monthly, we will not charge a late fee unless the payment is more than 2 days past due. Also, we may charge a delivery fee that is not more than the original delivery fee, if we must redeliver the property.

11. Purchase Option:

You may purchase the property leased to you under this contract for the cash price minus 45% of all periodic payments made. The property leased under this contract would cost \$ _____ if purchased rather than leased.

12. Warranty:

A manufacturer's warranty on the property leased under this contract shall be passed on to the lessee if the lessee purchases the property.

13. Notice:

This agreement is regulated by state law enforceable by the attorney general or by private legal action.

I have read the above statement before signing this agreement.

Date: _____

Date: _____

Lessee: _____

Lessee: _____

History: 1984, Act 424, Eff. Mar. 29, 1985 ;-- Am. 2012, Act 584, Imd. Eff. Jan. 3, 2013