

CUSTOMER  
NUMBER

First Name _____	Middle Int. _____	Last Name _____	Home Phone (_____) _____
E-Mail: _____		Cell Phone # (_____) _____	
Address _____	Apt. No. _____	City _____	Prov. _____ Postal Code _____
Drivers Licence No. _____	Prov. _____	Exp. Date _____	Lic. Plate No. _____ Prov. _____
Date of Birth <b>MM/DD/YYYY</b> _____	Social Insurance No. (optional) _____		Single ( ) Married ( ) Common Law ( )
Previous Long & McQuade Account? Yes ( ) No ( ) When? _____		Previous Rentals? Yes ( ) No ( ) When? _____	
How long at address? _____ If less than two years enter previous address below.			
Previous Address _____		City _____ Prov. _____	
School/Employer & Dept. _____		How long at Employer? Yrs. _____ Months _____	
Employers Address _____		Business Phone (_____) _____	
Parents Name _____	Address _____	PH. (_____) _____	
Nearest Relative _____	Address _____	PH. (_____) _____	
Alternate Contact (Friend/Bandmate) _____	Address _____	PH. (_____) _____	
Alternate Contact (Friend/Bandmate) _____	Address _____	PH. (_____) _____	

**RESTOCKING CHARGE (please read then initial box)**

Any item returned after 3 days will result in the following restocking charge: 5% of selling price plus taxes if returned within 4-10 days, 10% of selling price plus taxes if returned within 11-30 days, 15% of selling price plus taxes if returned within 31-45 days. For each week thereafter up to 12 months, a further 1% plus taxes will be charged.

The Customer hereby applies for credit with Long & McQuade Limited (L&M) based upon the information set out in this Application. Should L&M accept the Application and establish credit for the Customer, the following terms and conditions shall apply.

**PRIVACY**

The information provided by the Customer will be used to evaluate this application and retained for the purposes of account administration, tracking of delinquent accounts and disclosure to the Credit Bureaus or third party collection agencies as permitted by prevailing laws. It is the policy of L&M that Customer information will not be disclosed to any other party for any purpose other than those stated without the express consent of the Customer. L&M may use this information to inform Customer of new products, services, events or special pricing unless the Customer instructs otherwise in writing. A copy of our Privacy Policy will be provided on request.

It is the purpose of this agreement and the intent of the parties to create a money debt for the purchase of goods and services in each Province that L&M carries on business.


**TERMS**

- At the time of purchase, the Customer will be presented with a Disclosure Statement describing the goods purchased including the price(s), details of any trade-in and/or down payment, the number of monthly payments and amount, the applicable annual interest rate, the total cost of borrowing and the total of all payments. The Customer agrees that upon signing such a statement, it shall be incorporated into and form a part of this Credit Agreement.
- The minimum monthly payment shall be set out in the Disclosure Statement and calculated to repay the Customer's indebtedness over a fixed term.
- The customer shall repay its indebtedness by payment in full or in part at any time, or through minimum monthly payments in the amount set out in the Disclosure Statement, without penalty. If payment is made in full within 30 days no interest will be charged.
- The applicable interest rate shall be 24% per year, calculated daily from the date of the charge and compounded monthly. L&M may offer other annual interest rates which shall be set out at the time of purchase in the Disclosure Statement specifying the annual percentage rate and total cost of borrowing. If such other annual interest rate is offered and accepted, such rate shall also be calculated and compounded monthly. Interest, when in default, shall become principal and dealt with as a part thereof.
- This agreement shall be considered in default if the customer: a) Fails to pay the minimum monthly payment by the due date set out in the Disclosure Statement, b) becomes bankrupt or insolvent, c) becomes a judgment debtor, d) breaches any term or condition of this Credit Agreement or the Security Agreement, e) has misrepresented information in this application, or f) moves and fails to advise L&M immediately in writing. If default is not remedied within ten business days of written notice, the indebtedness will become immediately due and payable.
- The Customer agrees to conditions of the Security Agreement with L&M on the reverse page. The Customer shall not sell, encumber, pawn, or subject to lien (except a lien in favour of L&M) any goods purchased under this credit agreement for which payment in full has not been made.
- In the event that the Customer's indebtedness under this agreement is guaranteed by another person, the guarantor is a co-purchaser of the goods and acknowledges good and sufficient consideration in accepting joint and several liability for the Customer's indebtedness. L&M shall not be required to exhaust its remedies against the Customer before proceeding under the guarantee.
- The Customer authorizes Long & McQuade Limited to make credit inquiries for the evaluation of this Application, and in the future so long as the customer remains indebted. Such inquiries may be made to credit reporting agencies, financial institutions, landlords, mortgagees, employers of the Customer or other creditors, whether or not they are disclosed by the Customer in this Application.**

Long & McQuade accepts the Credit Application of the Customer and agrees to extend credit as set out in the terms and conditions above and in the Security Agreement on the reverse. The Customer agrees to the terms and conditions and applies for credit in accordance with the Credit and Security Agreement. The Guarantor/Co-Purchaser agrees to guarantee the Customer's indebtedness according to all terms and conditions.

**Debtor(s) hereby acknowledge that they have read and received a copy of the Credit and Security Agreements.**

DATED AT (City) \_\_\_\_\_ THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20 \_\_\_\_\_

CUSTOMER (Signature) \_\_\_\_\_  WITNESS (Long & McQuade Signature) \_\_\_\_\_

GUARANTOR/CO-PURCHASER if required (Name) \_\_\_\_\_ (Signature) \_\_\_\_\_

I wish to receive information regarding upcoming sales, musical instruments and product seminars.

## SECURITY AGREEMENT

### SECURITY INTEREST

For value received, the Debtor hereby grants to LONG & McQUADE LIMITED as Creditor a first and prior security interest and charge (the Security Interest) in the goods described in the schedule (or schedules) attached hereto, and in all products heretofore or hereafter acquired by the Debtor from the Creditor, now owned or hereafter owned or acquired by Debtor and in all Proceeds and all insurance proceeds paid or payable in respect thereof or thereon (hereinafter collectively called "Collateral") The term "Proceeds" whenever used herein and interpreted as above shall by way of example include cash. This security interest shall be a purchase money security interest.

### INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of Debtor to the Creditor (including interest thereon) present or future, direct or indirect, absolute or contingent, mature or not, extended or renewed, heretofore or hereafter incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred against and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security interest in the Collateral is not sufficient, in the event of default to satisfy all indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any indebtedness remaining outstanding and the Creditor shall be entitled to pursue full payment thereof.

### COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor will:

- a) defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; keep the Collateral free from all encumbrances, except for the Security Interest and not sell, exchange, transfer, assign, lease or otherwise dispose of Collateral;
- b) notify Creditor promptly of any loss of the Collateral

### USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein Debtor may, until default, possess and use the Collateral in a manner not inconsistent with the provisions hereof; provided that Creditor shall have the right at any time to verify the existence and state of the Collateral and Debtor agrees to furnish assistance and information and perform acts as Creditor may reasonably request in connection therewith and for such purpose to grant Creditor or agents access to places where Collateral may be located and premises occupied by Debtor.

### EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

- a) the non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of indebtedness as required herein or the failure of Debtor to observe or perform any obligation, provision, or condition contained in this Security Agreement or any other agreement between Debtor and Creditor;
- b) the bankruptcy or insolvency of Debtor; the filing against Debtor or a petition in Bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver for Debtor or for any assets of Debtor or the institution of any other type of insolvency proceeding under the Bankruptcy & Insolvency Act or otherwise against Debtor;
- c) if any encumbrance affecting Collateral becomes enforceable against Collateral;
- d) if any execution, or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon the Collateral.

### ACCELERATION

The Creditor, in its sole discretion, may declare all or any part of indebtedness to be immediately due and payable with written notice, in the event of default, or, if Creditor considers or deems itself insecure.

### REMEDIES

- a) Upon default, Creditor may appoint by instrument in writing, any person or persons, whether an officer or an employee of Creditor or not, to be a receiver (hereinafter called a "Receiver") of Collateral. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not Creditor, and Creditor shall not be in any way responsible for any misconduct, negligence, or nonfeasance on the part of any such Receiver. Subject to the provisions of the instrument appointing him, any such Receiver shall have power to take possession of Collateral for the Creditor, to preserve Collateral or its value, and to sell, lease, or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. All monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to Creditor.
- b) Creditor may take possession, collect, demand, recover and receive Collateral and give valid and binding receipts and discharges therefore and in respect thereof and, upon default, Creditor may dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to Creditor may seem reasonable.
- c) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and Creditor and in addition to any other rights Creditor may have at law or in equity, Creditor shall have, both before and after default, all rights and remedies of a secured party under any Personal Property Security legislation of the jurisdiction in which the Collateral is situated. Provided always, that Creditor shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes.
- d) Debtor acknowledges that Creditor or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from the Creditor or any such Receiver to deliver possession of Collateral at such place as directed.
- e) Debtor agrees to pay all costs and expenses incurred by Creditor or any Receiver appointed, whether directly for services rendered (including reasonable solicitors costs and other legal expenses and Receiver's remuneration), in enforcing this Security Agreement, taking custody of, preserving, repairing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Indebtedness and all such costs and expenses, shall be a first charge on the proceeds or realization or disposition of Collateral and shall be secured hereby.

### MISCELLANEOUS

- a) Debtor hereby authorizes Creditor to file such financing statements and other documents and do such acts and things (including completing and adding schedules hereto identifying Collateral) as Creditor deems appropriate to perfect and continue this Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints Creditor the lawful attorney of Debtor, with full power of substitution, to do the foregoing in the name of Debtor whenever it may be deemed necessary or expedient
- b) No delay or omission by Creditor in exercising any right or remedy hereunder or with respect to any indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. All rights and remedies of Creditor granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- c) The Security Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, and assigns. If more than one Debtor executes this Security Agreement the obligations of such debtors hereunder shall be joint and several.
- d) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by Creditor and is intended to be a continuing Security Agreement and shall remain in full force and effect until Debtor shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all indebtedness contracted for or created before the receipt of such notice by Debtor, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full
- e) The Security Interest created hereby is intended to attach when this Agreement is signed by Debtor.