

SUPPLEMENTAL LEASE TERMS AND CONDITIONS

The provisions below (the “**Incorporated Provisions**”) shall be incorporated by reference into all Lease Agreements (each “**Agreement**”) entered into on or after October 1st, 2008, between Mobile Modular Management Corporation, a California Corporation, as lessor (“**Lessor**”) and any customer of Lessor, as lessee (“**Lessee**”). These provisions are subject to change in Lessor’s sole discretion. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Agreement or the Master Lease Agreement.

WITNESSETH

1. **WARRANTIES; DISCLAIMER.** Lessor warrants to Lessee that the Equipment, when delivered and set up, will be in good condition and repair, be properly set up (subject to any site limitations), and, subject to Section 5 below, comply with all applicable regulations. Lessee acknowledges and agrees that, with the exception of the foregoing warranties, **LESSOR HAS MADE NO OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO ANY OF THE MATTERS CONTAINED IN THE AGREEMENT OR THE MASTER LEASE AGREEMENT, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.**

2. **EQUIPMENT CONDITION.** Lessee shall maintain all Equipment in good condition and repair (normal wear and tear excluded) as set forth in the applicable region-specific Service Guide (“**Service Guide**”), which can be viewed on Lessor’s website (<http://www.mobilemodular.com/resources/product-guides.aspx>). Lessee shall not make any alterations, modifications, additions, or improvements to the Equipment without Lessor’s prior written consent. Lessor shall provide maintenance and service to the Equipment as set forth in the applicable Service Guide.

3. **DELIVERY AND PLACEMENT OF EQUIPMENT.** Lessor shall deliver and set up the Equipment at the site specified in the applicable Agreement (the “**Site**”). Lessee warrants and represents that it has exercised due diligence and care in selecting a suitable site for the Equipment, shall clearly mark the site of placement and shall direct Lessor on exact placement and orientation of the Equipment. Equipment should be placed in areas with adequate drainage to avoid flooding. Upon request from Lessee and for an additional fee, Lessor will perform a site visit and make recommendations on placement as it relates to site accessibility and layout. In the State of Florida, Lessee is notified that Equipment is not to be placed closer than two feet to another structure without advance written approval from Lessor.

a. **ACCESS.** Lessee shall provide clear access to the set up site for delivery of the Equipment by standard delivery methods and set up of same by standard set up methods. The Site must be dry, compacted, level and accessible by normal truck delivery. A level site is hereby defined as follows: Length – no greater than a 4-inch drop in 40 feet; Width – no greater than a 1-inch drop in 8 feet. Additional charges may apply for dry-runs, additional labor, or wait-time incurred due to lack of site access or adequate preparation.

b. **LOCATION.**

i. **UNDERGROUND ELEMENTS.** Lessee is responsible for the identification of underground elements on site. Identification services can be procured from third party vendors, however, Lessee retains responsibility and liability for the designation of such elements should there be any ground penetrating activities performed in relation to the performance of the Lease by Lessor.

ii. **RELOCATION OF EQUIPMENT.** Once Lessor has completed the delivery and set up of the Equipment in the location specified by Lessee, should the Equipment require relocation for any reason, Lessee shall be responsible for all charges associated with such relocation. Lessee shall not move the Equipment without the prior written consent of Lessor.

iii. **RE-LEVELING EQUIPMENT.** Should the Equipment require re-leveling due to adverse site or weather conditions (wetness, settling, unstable ground, etc.), or adjustment due to personal property (such as furniture, files or equipment) inside the Equipment, Lessee shall be responsible for all related charges.

c. **PIT, GROUND LEVEL OR DEEP SET.** When backfilling soil and concrete in the front of the building, Lessee is instructed to use a waterproof barrier to protect the Equipment.

4. **RETURN OF EQUIPMENT.**

a. **PREPARATION FOR EQUIPMENT REMOVAL.** Upon conclusion of the Lease and prior to the scheduled removal of the Equipment, Lessee shall complete the necessary actions to ensure Equipment may be removed by Lessor. Additional charges may apply for any additional labor, waiting time, or dry-runs incurred if the necessary actions are not completed by Lessee prior to the scheduled time of removal. Such actions include but may not be limited to:

i. Disconnection of all utilities and removal of any items that may hinder the removal of the Equipment by standard methods;

ii. Removal of all personal property of Lessee from the Equipment. Should any personal property remain in the Equipment upon removal, Lessee consents to Lessor’s possession and disposal or destruction of such personal

property without notice or accounting to Lessee, the costs and expenses of which, including reasonable attorney's fees, shall be the responsibility of the Lessee.

- iii. In the case of any Equipment that includes plumbing:
 - 1. The plumbing lines must be flushed clean and Lessee shall ensure that there is no foreign matter in any of the fixtures;
 - 2. Connections of the plumbing to the site shall be properly disconnected and, if applicable, the plumbing manifold should be placed inside the Equipment. Where "no hub fittings" are provided, there should be no need for gluing or cutting of pipe at either the time of connection or disconnection. Lessee will be charged for damages to plumbing due to improper disconnection or failure to return plumbing manifolds.
- iv. Clear access shall be provided for preparation of the Equipment, and its removal from the site, by standard methods.
- v. Lessee shall notify Lessor at the time return request is made if wheels, axles, towbar or other items have been removed from the Equipment and require re-attachment to the Equipment to facilitate the return. Additionally, Lessee is to advise Lessor if skirting, seismic restraints, or other items have been attached to the Equipment and require removal.
- b. **INSPECTION OF EQUIPMENT ON RETURN.** Upon return of any Lessor-owned Equipment, an inspection of the Equipment will be performed by Lessor. If such inspection shows the Equipment not to be in the condition required by Section 2 of the Incorporated Provisions, Lessor will bill Lessee for related costs, which costs Lessee promptly shall reimburse to Lessor. Upon request by Lessee and for an additional fee, a preliminary inspection for damages can be performed at the site prior to removal of the Equipment. Unless otherwise noted in the Lease Agreement, Lessor charges a cleaning fee of \$125.00 per module for Equipment consisting of modular buildings. If assessed, cleaning charges will be based on the condition of the Equipment when returned. If keys are not returned with the Equipment, a charge will be assessed for re-keying. If locksets are altered and not returned to their original condition, charges may be assessed.

5. **PARTICULAR TYPES OF EQUIPMENT.** Some of the terms and conditions herein may not be applicable to the particular Equipment subject to the Lease. The following terms relate to Equipment of the following types:

- a. **STAIRS.** (1) In the case of Equipment located in the State of Florida, if any Equipment includes stairs (which shall be prefabricated metal stairs with landings), Lessor shall install such stairs following delivery thereof. Stairs shall not be altered in any form from the delivered state. (2) In the case of Equipment located in the State of Texas, Lessor's sole responsibility with respect to any Equipment that includes stairs is to ship the stairs inside the applicable modular building. Lessee shall be responsible for unloading the stairs upon delivery and installing the handrails (as well as disassembling the handrails and loading the stairs for return). (3) In all other states, Lessor's sole responsibility with respect to any Equipment consisting of stairs is to deliver the stairs to the Site and place them next to the exit ways specified by Lessee with handrails in place. Stairs shall not be altered in any form from the delivered state. Any modification to or failure of Lessee to properly maintain the stairs may result in failure to comply with applicable code.
 - i. **SECURING.** Securing the stairs to the other Equipment, adjusting the stairs to the threshold of the doorway, adjustment of the treads, landing, or handrails to meet local, state or federal requirements, maintenance of the stairs or any other item not specifically indicated above is solely the responsibility of the Lessee. Attaching steps and ramps directly to the doorjamb will result in an inoperable door.
 - ii. **CODE AND EGRESS REQUIREMENTS.** Lessor hereby advises the Lessee of the need to meet applicable code requirements, adjust and secure the stairs to the exit way upon completion of the installation of the Equipment and to maintain the stairs such that the safety of all users is ensured. It is the Lessee's responsibility to ensure that steps or a ramp are provided for each building egress. Lessee is responsible for the provision of level landing sufficient per any applicable code. Lessee must make the transition from wherever the stairs end to the existing grade. This transition may require grading, paving or other work by the Lessee to ensure that the finished stairs comply with all applicable codes.
 - iii. **SITE CONDITIONS.** Lessee should be aware that certain site conditions may impact the use of Equipment consisting of stairs. Standard threshold heights on properly prepared sites vary based on Equipment, Equipment or sites not meeting this threshold height may result in additional charges for special Equipment.
- b. **RAMPS.** Lessor recommends that Lessee looks closely at all conditions of impact. Any Equipment consisting of ramps are not to be altered in any form from the installed state. Any modifications may result in failure to comply with applicable code. Additionally, any modification or change to handicap ramp, including cosmetic changes, may result in additional fees to the Lessee for up to the replacement cost of the ramp.
 - i. **SITE CONDITIONS.** Sloping site or other conditions may impact the use of a prefabricated ramp and require longer ramps or alternate configurations. This may result in additional charges to Lessee. After installation of the Equipment, the landing for any ramp will be set up such that it is in conformance with door threshold

requirements (provided that Lessee's site will allow such). The ramp will then be affixed to the landing. It will be the responsibility of the Lessee to make the transition from wherever the ramp ends to the existing grade. This transition may require grading, paving or other work by the Lessee to ensure that the finished ramp complies with all applicable codes. Adjacent buildings may require additional ramping or render the standard prefabricated ramps unusable.

- c. **RESTROOM/PLUMBING.** If any Equipment consists of restrooms or plumbing, the Lessee is responsible for making both waste and water connections to the building stub outs. If a plumbing manifold is provided with the Equipment, Lessee is responsible for assembly of the manifold and for final on-site connections. Lessor makes no guarantees that the stub out locations or set height of the building will coincide with existing stub outs, holding tanks, or other connection-related items.
- i. **MALFUNCTIONS.** Lessee is responsible for any malfunction of lines, valves, piping, etc., related to foreign matter, improper connection of waste/water lines or misuse, or for any other malfunction not directly attributable to a defect in the plumbing systems contained within the Equipment as provided by Lessor.
- ii. **TEMPORARY/PORTABLE HOLDING TANKS.** Lessor shall not be liable for loss or damage as a result of holding tanks that fill up more quickly than expected, or that overflow. For Lessee's comfort and convenience, Lessor strongly recommends that the Equipment be connected directly to sanitary sewer lines.
- iii. **CONNECTION TESTING AND VERIFICATION.** Testing of water for chlorination, pressure, or other items/issues is the responsibility of the Lessee.
- d. **BUILDINGS.** Equipment consisting of buildings may be used only for office space, light storage or classroom facilities and for no other purpose without the prior written consent of Lessor.
- i. **SITE INSTALLATION REQUIREMENTS FOR DSA CLASSROOM BUILDINGS.** In the case of Equipment located in the State of California, the Lessee is responsible for the site being cleared (free of grass, shrubs, trees, etc.) and graded to within 4 1/2" of level grade for each building. If the site exceeds the 4 1/2" requirement additional costs may be charged to Lessee. Under no circumstances should the site be greater than 9" from level grade or have less than a 1000 psf minimum soil bearing pressure. PRIOR TO DELIVERY, the Lessee shall mark the four corners of the building on the site, including the door location. Should special handling be required to place, install or remove the classroom on the Lessee's site due to site obstructions such as fencing, landscaping, other classrooms, etc., Lessee may be responsible for additional charges.
- ii. **EQUIPMENT LOCATED IN THE STATE OF FLORIDA.** Hybrid Campus Maker and Type IIB Side Stackable classrooms have a one-hour firewall rating on the long side walls. Penetration of these walls may cause the Equipment to lose its one-hour fire rating and the Equipment will not be code compliant.
- e. **SEISMIC/WIND.** Equipment consisting of either friction based or earth anchor seismic/wind restraint systems are rated for exposure C wind loads as defined on plans provided to Lessee and are designed to be used on sites with a minimum soil bearing pressure as specified on such engineered plans. Lessor recommends that Lessee verify with the local governing authority that these systems are appropriate for the site. In some cases, additional charges may be incurred by Lessee for custom foundation engineering and additional foundation work.
- i. **FRICTION BASED SYSTEM.** The price quoted is for the rental, installation and removal of the system and is valid for the initial Lease Term specified in the Agreement. The system can be provided with wet stamped engineered plans and calculations for an additional charge. Lessor does not warrant that the Lessee's site conditions will be adequate for the seismic/wind support system. Any testing required by any agency of the soil or the product, is the responsibility of the Lessee.
- ii. **EARTH ANCHORS.** Any earth anchors and strapping to be used are designed to meet specific pullout capabilities when suitable soil conditions are provided. The Lessee is responsible for providing soil conditions that will allow for achievement of a pullout capacity of the rated number of pounds shown on the applicable engineered plans for each earth anchor. If applicable, Lessor will install a specific number of earth anchors and strapping, based upon the above pullout capacities. Lessor recommends, and local governing authorities may require, that the Lessee have a pullout test performed to insure that the soil is adequate to achieve the required pullout capacities mentioned above. All costs associated with such testing and its results are the responsibility of the Lessee. These costs include, but are not limited to: testing, an increase in the number of earth anchors to be provided to meet the required loads, any re-testing and engineering time. Lessor will not warrant that the number of earth anchors installed will meet the required pullout capacities, unless the Lessee provides pullout test results and verification that the completion of any resulting corrective action has taken place.
- iii. **DAMAGE AND ADDITIONAL COSTS.** At the time of installation of earth anchors, should ground penetration be hindered by elements such as large rocks, lime, cement, utility lines, etc., Lessee will be responsible for all additional costs, including replacement of broken earth anchors provided that such damage is incurred while properly completing the installation. Further, should damage to any underground utility lines occur, the cost of repair will be borne entirely by Lessee. At the time of dismantle, Lessor will cut the straps of the earth anchors in order to remove the Equipment. Lessee is then responsible for the removal of the earth anchors from the site.

- iv. **WARRANTY.** The warranty set forth in Section 1 does not apply to any seismic/wind restraints in the event that the Lessee has elected not to contract for a wet stamped engineered foundation plan. Lessor will not inspect the installation of the foundation system.
 - v. **APPROVAL.** Lessee is responsible for obtaining site inspection and approval of the foundation system by the appropriate local jurisdiction.
 - f. **MISCELLANEOUS.** The Equipment is not pre-wired for features such as telephones, data lines, fire alarms, intercoms, lightning suppression; it is Lessee's responsibility to wire these items for individual preference and usage. Lessee shall also have the sole responsibility for any utility or other connections to the Equipment.
 - g. **CABINETRY.** The Equipment may include cabinetry that is fabricated with particleboard. Particleboard is known to emit certain levels of formaldehyde. Lessee acknowledges that it has been made aware that lower emission and formaldehyde free options are available.
 - h. **CARPET.** The Equipment may include new carpeting. Most of the carpeting products provided by Lessor meet the Carpet and Rug Institute's Green Label testing standards for indoor air quality. Nonetheless, it is recommended that new carpeting receive a minimum of 72 hours airing-out time, under well-ventilated conditions, prior to occupancy.
6. **PHOTOGRAPHY RELEASE.** Lessee agrees to grant Lessor, and any person acting on behalf of Lessor, the right to use Lessee's photography for any of Lessor's company business or for marketing purposes. Lessee understands that Lessee's purposes may include, but are not limited to, use in marketing collateral, digital content (websites, email campaigns), publicity, advertising and any internal or external company communications. Lessee further understands the photography will become the property of Lessor and that Lessee will not be compensated for provided permission to photograph. Lessee hereby irrevocably authorizes Lessor, or any person acting on its behalf, to edit, alter, copy, exhibit, publish or distribute any photograph for the purposes described above. In addition, Lessee consents to such use or disclosure without Lessee's prior inspection or approval of the finished product, including written or electronic copy, wherein such photography may appear. Lessee understands that Lessor is not responsible for any use or disclosure of any photography not authorized by Lessor. Lessee holds Lessor harmless from any loss, damage or injury resulting from any such unauthorized use or disclosure.