

## 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 1<sup>st</sup>, 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), and Lessee shall not make any alterations, modifications, additions, or improvements to the Equipment without Lessor's prior written consent.

3. **DELIVERY OF EQUIPMENT.** Lessor shall deliver and set up the Equipment at the site specified in the applicable Agreement (the **"Site"**). Lessee shall select a suitable site (which Lessee should clearly mark) for the Equipment and direct Lessor on exact placement/orientation of the Equipment.

(a) **ACCESS.** The Lessee is responsible for providing 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. If Lessee is unprepared for the scheduled delivery and set up, Lessee shall be subject to additional charges.

(b) **LOCATION.**

(i) **RELOCATION OF EQUIPMENT.** Lessee shall cause the Equipment to remain so set up at the Site, and shall not move the Equipment to a new location without the prior written consent of Lessor.

(ii) **SITE APPROVAL & INSTALLATION INSPECTION FOR EQUIPMENT.** The Lessee is responsible for any and all costs associated with obtaining necessary approval of the site and installation of the Equipment. If the Lessee chooses not to go through the site assessment and installation inspection process at the time of installation, the ability to receive future approval may be hindered for a number of reasons (for example, the Equipment will already be set on the foundation, the inspector did not observe the installation, etc.). Any costs associated with moving the Equipment or making changes to the existing foundation system will be the responsibility of the Lessee.

(iii) **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.

4. **RETURN OF EQUIPMENT.**

(a) **DISMANTLING EQUIPMENT.** At the conclusion of the Lease Term, Lessee shall, at its expense, prepare the Equipment for dismantle, which includes but is not limited to:

(i) disconnecting all utilities and removing any items that may hinder the dismantle of the Equipment by standard dismantle methods;

(ii) in the case of any Equipment that includes restrooms or plumbing:

(1) flushing clean the plumbing lines and ensuring that there is no foreign matter in any of the water closets;

(2) properly disconnecting the site connection and removing the plumbing tree (if applicable) back to the "no-hub fittings" (provided that upon arrival of Lessor's representative at Lessee's site, if the disconnection and plumbing tree removal (if applicable) has not been so completed, Lessor will complete the disconnection and the Lessee will be charged accordingly and provided further, that, if Lessor's representative is not qualified to perform the disconnection, Lessee will be charged a fee for the dry-run and the return will be rescheduled);

(3) in addition to the above, in the case of Equipment located in the State of California, Lessee shall ensure that the "no-hub fittings" provided with the Equipment remain attached to the plumbing tree and shall place the plumbing tree inside the Equipment. Lessor hereby informs Lessee that the connection points are designed with "no-hub fittings" and thus there should be no need for gluing or cutting of pipe at either the time of connection or disconnection. Lessee shall not cut any of the Equipment's waste lines, improperly disconnect the plumbing tree or damage any of the lines due to cutting or mishandling (in which case the Lessee will be charged accordingly;;

(iii) removing all personal property of Lessee from the Equipment (provided that, if any personal property shall remain located in the Equipment at such time, 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 disposal or destruction, including reasonable attorneys' costs related thereto, shall be reimbursed by Lessee);

(iv) providing clear access for the pick up and return delivery of the Equipment from the Site, by standard return delivery methods.

(v) If Lessee is unprepared for the scheduled return, Lessee shall be subject to additional charges.

(b) **RETURN CHARGES.** The Agreement sets forth the Equipment's estimated Charges Upon Return. The actual charges upon return will be confirmed upon return and the Lessee will then be provided with a revised quotation for the actual charges upon return (which may be higher than the Charges Upon Return). Lessee shall be responsible for paying the actual charges upon return as set forth in such revised quotation.

(c) **INSPECTION OF EQUIPMENT ON RETURN.** Upon return of the Equipment (including without limitation containers, stairs, ramps, buildings, or otherwise 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.

**5. PARTICULAR TYPES OF EQUIPMENT.** Some of the terms and conditions herein may not be applicable to the particular Equipment (e.g., container vs. modular) 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). If Lessor performs this service, there is a charge of \$35.00 per set of stairs to unload (and \$35.00 per set of steps to load). (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.

(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.

(iii) **DISCONTINUING STAIR USE.** In the event that the Lessee wishes to discontinue use of the stairs prior to the expiration of the Lease Term and return of the other Equipment, the Lessee may elect to return the stairs to Lessor, have Lessor pick-up the stairs for a normal charge, or store the stairs at the Site, however, Lessee shall continue to pay Monthly Rent with respect to the stairs until their return to Lessor.

(iv) **SITE CONDITIONS.** Lessee should be aware that certain site conditions may impact the use of Equipment consisting of stairs. Specifically, sloping sites may require higher stairs. Adjacent buildings or other obstacles may render the prefabricated stairs unusable. 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 in order that the finished stairs comply with all applicable codes.

(b) **RAMPS.** 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.** Lessee should be aware that certain site conditions may impact the use of a prefabricated ramp. Specifically, sloping sites may require longer ramps. 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 in order that the finished ramp complies with all applicable codes. Adjacent buildings may require additional ramping or render the standard prefabricated ramp unusable.

(ii) **PRE-FABRICATED RAMPS ACCOMPANYING BUILDINGS APPROVED BY THE DIVISION OF THE STATE ARCHITECT ("DSA").** In the case of Equipment located in the State of California, in the case of any Equipment consisting of DSA building ramps, Lessor recommends that Lessee or Lessee's architect look closely at all conditions of impact. Any Equipment consisting of a ramp and landing have been DSA approved.

(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. Please note that a “no-hub fitting” has been provided for Lessee’s waste line connection. Additionally, “no-hub fittings” have been provided for connection of the plumbing tree (if applicable) to the permanent lines.

(i) **PLUMBING CONNECTIONS.** If Lessee’s plumbing subcontractor is unfamiliar with how to make the connection(s), Lessee shall contact its sales person or Lessor’s service department. Where applicable, the Lessee will need to install the plumbing tree, which is shipped unattached. 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 relation items.

(ii) **MALFUNCTIONS.** The Lessee is responsible for any malfunction of lines, valves, piping, etc., that is related to foreign matter, improper connection of waste/water lines or misuse.

(iii) **TEMPORARY/PORTABLE HOLDING TANKS.** Lessor shall have no liability for loss or damage as a result of holding tanks that fill up faster than expected, or that overflow. For Lessee’s comfort and convenience, Lessor strongly recommends that the Equipment be connected directly to sanitary sewer lines. If Lessee obtains temporary holding tanks as a means of waste disposal, Lessee should be aware that this approach presents additional risks, as holding tank capacity is directly affected by water usage, leaky faucets, etc.

(iv) **CONNECTION TESTING AND VERIFICATION.** Testing of water for chlorination 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 either place, install or remove the classroom on the Lessee’s site due to site obstructions such as fencing, landscaping, other classrooms, etc., additional costs will be charged to Lessee.

(e) **CONTAINERS.** In the case of any Equipment consisting of containers, Lessee shall inspect the interior and exterior of each container, on a monthly basis, to ensure that water is not infiltrating the container. If water is infiltrating any container, Lessee shall take such action as is necessary to correct such event.

(i) There are statutes and regulations associated with the leasing of containers. Lessee represents and warrants that it has read and understands such statutes and regulations as in effect in the jurisdiction and state where each container is located and will comply with the same.

(ii) The warranties made by Lessor set forth in Section 1 above do not apply to containers, and the containers are leased to Lessee “AS IS”. Lessor warrants only that the containers correspond with the description thereof set forth in the Lease, and, otherwise, **LESSOR MAKES NO WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO THE CONTAINERS, INCLUDING WITHOUT LIMITATION, THE CONDITION OF ANY CONTAINER, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.**

(iii) Lessee acknowledges and agrees that its maintenance obligations under Section 2 of these provisions include painting the containers in accordance with the manufacturer's recommendations.

(iv) "**normal wear and tear**" shall mean, with respect to the containers, changes to the condition of the containers, such as light rust and random small dents and scratches on any side of the containers, consistent with proper treatment and use of such containers under conditions for which such container was specifically designed; provided that "normal wear and tear" shall not include (i) changes to the condition of any containers that would have been prevented by routine washing, lubrication, spot painting, or other normal repair or maintenance, or (ii) changes affecting security, water tightness, weather-proof qualities, mechanical or electrical function of integral components, the integrity of design or structure, regulatory, classification or certification requirements, or affecting the inside dimensions or cubic content of any container.

(f) **SEISMIC/WIND.** Any Equipment consisting of seismic/wind restraint systems consist of either friction based supports or earth anchors. Such systems are based on the existing Site and soil conditions meeting a 85 M.P.H. exposure C wind load and a minimum soil bearing pressure of 1500 P.S.F. Lessor recommends that the Lessee verify with the local governing authority that these conditions are appropriate. In some cases additional costs may be incurred by the Lessee for custom foundation engineering and additional foundation work. Since the aforementioned seismic/wind restraint systems are different, the impact to the Lessee varies. Therefore, please review the following information carefully.

(i) **FRICION 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 for an additional cost. The foundation design is based on certain assumptions that can vary from site to site. Should the Lessee or local jurisdiction require design changes or information that requires contact with the designing engineer, additional charges may result. As with the earth anchor system described below, 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 4750# 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 the earth anchors, should ground penetration be hindered by elements such as large rocks, lime, cement, utility lines, etc., the Lessee will be responsible for all additional costs, including replacement of broken earth anchors incurred while properly completing the installation. Further, should damage to any underground utility lines occur, the cost of repair will be borne entirely by the Lessee. In any case, should the number or size of earth anchors increase or pullout testing or any other additional work be necessary to meet the requirements of the foundation plan due to soil conditions, the Lessee will be responsible for such costs. At the time of dismantle, Lessor will cut the straps of the earth anchors in order to remove the Equipment. The 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.** The Lessee is responsible for obtaining site inspection and approval of the foundation system by the appropriate local jurisdiction.

(g) **MISCELLANEOUS.** The Equipment is not pre-wired for features such as telephones, data lines, fire alarms, intercoms, lightning suppression; it is the 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.

(h) **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.

(i) **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.