

**WILLIAMS SCOTSMAN, INC.**  
**LEASE AGREEMENT**  
**TERMS & CONDITIONS (08/01/2015)**  
**REVISED FOR COUNTY of HIDLAGO – 8-13-2018**

**1. Equipment; Modular Equipment and Ancillary Products Definitions.** As used in this Lease Agreement, the following definitions shall apply:

**“Lease Agreement”** The “Lease Order Agreement” and these “Lease Agreement Terms and Conditions” along with any “Addenda” thereto together comprise the “Lease Agreement” between the parties.

**“Modular Equipment”** shall mean the trailer(s) and/or relocatable, modular, and/or other prefabricated structure(s) supplied by Lessor.

**“Ancillary Products”** shall mean the stairs; railings; ramps; awnings; fencing; furniture; kitchen equipment and food service supplies including consumables; restroom appurtenances and supplies; office products; computers, printers, monitors, scanners, and other telecommunication related devices; security systems; temporary alternative heat, electric and sanitary systems; convenience items; and any other ancillary products or services which are selected by Lessee and provided by Lessor which are offered for rental with, included in, attached or appurtenant to the Modular Equipment, and set forth in this Lease Agreement.

**“Equipment”** shall collectively mean the Modular Equipment and the Ancillary Products provided to Lessee by Lessor under this Lease Agreement.

**2. True Lease.** This Lease Agreement is a true lease and not a sale. Lessee shall not acquire ownership interest in the Equipment except as may relate to Lessee’s purchase of Ancillary Products which are covered by a separate, executed sale agreement and/or items which are recognized as clearly for finite consumption (ex. kitchen, restroom, and/or office supplies). The Equipment shall remain the sole personal property of Lessor even though the Equipment may become affixed to, embedded in, or be permanently resting upon real property.

**3. Commitment of Resources.** By signing this Lease Agreement, Lessee authorizes Lessor to proceed with the order for the Equipment. It is understood and agreed upon between the parties that Lessor, in reliance on the promises of Lessee contained herein, may be specially ordering, reserving, altering, remodeling and/or modifying the Equipment described in this Lease Agreement based on information supplied to Lessor by Lessee. Lessee understands that the Modular Equipment may not be standard, readily re-leasable product and/or Lessor may have lost other rental opportunities in allocating the Modular Equipment for Lessee’s use and, as a result, Lessor is incurring extraordinary costs and expenses in proceeding with Lessee’s order for this Modular Equipment. Notwithstanding anything contained in this Lease Agreement to the contrary, in the event Lessee terminates this Lease Agreement or wrongfully rejects Equipment prior to the commencement of the Minimum Lease Term, Lessee shall be responsible for the payment to Lessor of: a) the costs incurred by Lessor for labor, materials and work executed up to Lessor’s receipt of written notice of termination; b) storage related charges attributable to failed delivery; c) rent for the Minimum Lease Term; and d) reasonable overhead and profit. All such charges will be billed on a lump sum basis unless other payment options are agreed by the Lessor.

**4. Delivery; Acceptance; Delay.** Upon delivery, Lessee agrees to inspect and accept the Equipment. Lessee will have forty-eight (48) hours from the date of delivery to notify Lessor, in writing of any defects or deficiencies in the Equipment. Such notice shall specify each defect or deficiency in the Equipment. Unless Lessor receives timely, written notice from Lessee as set forth herein, Lessee is deemed to accept the Equipment and acknowledges that the Equipment is in good order and operating condition as of the date of delivery. Acceptance of the Equipment shall constitute Lessee’s acceptance of this Lease Agreement. In the event delivery of the Equipment is delayed, through no fault of Lessor, for a period of more than thirty (30) days from the delivery date set forth in the Lease Order Agreement (or, if no delivery date is enumerated, from the date on which Lessor advises Lessee in writing that the Equipment is

ready for delivery) Lessee agrees to pay Lessor a storage fee equal to 50% of the Total Rental Charges Per Month for each thirty (30) days period of delay, or portion thereof, until the Equipment is delivered. Payment by Lessee under this paragraph shall be due upon invoicing by Lessor and shall be in addition to any other rent, charges and fees due under this Lease Agreement. Fees assessed under this Section shall not affect commencement of the Minimum Lease Term.

**5. Term of Lease; Extension.** The term of this Lease Agreement begins on the date of delivery of the Equipment and ends on the last day of the Minimum Lease Term (“Term”) or the Extension Period (as herein defined). Lessee has no right to cancel or terminate this Lease prior to the Expiration of the Term. Acceptance of Equipment returned to Lessor prior to expiration of the Term or any Extension Period thereof, does not constitute a release of Lessee’s rental obligations. In the event Lessee terminates the Lease Agreement during the Term, Lessee unconditionally agrees to pay a termination/cancellation fee equal to the remaining payments for the unfulfilled Term, any applicable charges for services or modifications performed by Lessor to make the Equipment ready for Lessee’s use, and any applicable charges related to Ancillary Products, plus the Final Return Charges. At the end of the Term or Extension Period, Lessee shall be responsible for any “Final Return Charges” as estimated in the Lease Order Agreement. Lessee understands and agrees that the Final Return Charges stated in the Lease Order Agreement are estimates only and that Final Return Charges including, but not limited to, dismantle and return freight charges, will be charged at Lessor’s then prevailing rate at the time of surrender. Lessor has the right to require Lessee to prepay the rental for the last month and return freight and knockdown charges. Any amounts prepaid by Lessee for rent or estimated return freight and knockdown shall be applied as a credit to Lessee’s final invoice once final charges are determined by Lessor. At the end of the Term, this Lease Agreement is automatically extended on a month-to-month basis on the same terms and conditions until the Equipment is returned to Lessor (the “Extension Period”); except that Lessee’s rental rate shall be automatically adjusted to Lessor’s then prevailing renewal rental rate. At the end of the Term, Lessor has the right, upon notice to Lessee, to change or increase any other fee due and payable under the Lease Agreement. After the end of the Term, either party can terminate this Lease Agreement on thirty (30) days written notice.

**6. Site Suitability; Inspection.** Lessee shall choose a firm, level site with minimum soil bearing pressure in the appropriate pounds per square foot (“PSF”) as determined by and in compliance with all local statutes, rules, ordinances, laws, building codes and regulations in the jurisdiction in which the Equipment will be located, and no more than a one inch per ten feet slope from one end to the other that is easily accessible by Lessor’s standard truck/delivery equipment to locate the Modular Equipment and those Ancillary Products which are set upon/installed on the site. Lessee represents and warrants that the site is not a former landfill and Lessee has advised Lessor of any issues relating to the site or soil conditions which may impact the installation or settlement of the Equipment. Lessee shall own such site and/or have express legal authorization to locate the Equipment upon that same site. Lessee warrants and represents that it has exercised due diligence and care in the selection of the location it has designated for the placing of the Equipment, and further agrees to give directions and supervise the placement of such Equipment. Lessor assumes no liability nor offers any warranty for the fitness, adequacy of Lessee’s site or utilities available at the site. Lessee is solely responsible for the site selection and subsurface conditions, including compaction, determining and complying with appropriate PSF, and environmental conditions. Unless otherwise agreed to in writing by Lessor, Lessee is responsible for verifying the presence or absence of any underground utilities in the designated site location. Prices for delivery, installation, teardown, return delivery and other “one-time” charges, due dates for delivery or installation of Equipment, demobilization and return delivery assume accuracy of the information given to Lessor by Lessee with respect to site conditions and are subject to adjustment to the extent that the timing of or physical nature of access to the site is or becomes limited,

the site does not have adequate load bearing or other topographic qualities or is otherwise not properly prepared, snow or water is not removed, utilities are not correctly located or properly disconnected, provision of utilities is not timely, applicable license or permits are not provided in a timely manner, or Lessee otherwise delays completion of Lessor's work. If Lessee fails to provide a suitable site then Lessee shall pay for any resulting additional delivery, installation, and knock down and return charges, including but not limited to storage related charges attributable to delayed delivery and/or installation of the Equipment required and/or requested by Lessee. Lessor may suspend its work at Lessee's site if Lessor deems the site to be unsafe or in any way unable to accept the Equipment. Lessor is solely relying on Lessee's knowledge of the geographic area where the Equipment is to be installed including, but not limited to, seismic activity, possibility of high winds, hurricanes, tornadoes and flooding. Lessor recommends that the Equipment be anchored to reduce damage to the Equipment, injury to occupants or other persons, and the property of third parties. In the event, Lessee declines Lessor's installation of anchors, Lessor will comply with Lessee's refusal based on and in express and sole reliance on the representation and other terms and conditions in this Lease Agreement. Lessee shall not alter the manner of installation or location of the Equipment without written consent of Lessor (excluding the relocation of readily relocatable Ancillary Products within the Modular Equipment for Lessee's ease of use and convenience). Lessor shall not be responsible for compliance with any site specific requirements including, but not limited to, site security, badging, background checks, safety, and/or training requirements unless otherwise agreed to in writing by Lessor prior to the placement of the order for the Equipment. Lessor shall have the right to enter the premises and inspect the Equipment during normal business hours during the Term of this Lease Agreement and any Extension Period. **LESSOR DOES NOT RECOMMEND OR SUPPORT THE STACKING OF MODULAR EQUIPMENT. DO NOT STACK MODULAR EQUIPMENT UNLESS YOU HAVE THE APPROVAL OF QUALIFIED ENGINEERING PROFESSIONALS, COMPLY WITH ALL OCCUPATIONAL SAFETY LAWS, AND OBTAIN ALL ZONING, BUILDING, AND OCCUPANCY PERMITS. NOTWITHSTANDING ANY EXPRESS TERMS TO THE CONTRARY, LESSOR DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, IF LESSEE STACKS MODULAR EQUIPMENT.**

**7. Use; Maintenance; Condition.** Lessee has the right to peaceably and quietly hold, use, and enjoy the Equipment subject to the terms and conditions of this Lease Agreement. Lessee shall use the Equipment solely in the conduct of its business and in a careful and lawful manner. Lessee agrees not to remove existing nameplates or decals affixed to the Equipment. Lessee shall pay any and all fees, charges, and expenses and execute and comply with all laws related to or that affect in any way the use, possession, maintenance, storage, and/or operation of the Equipment while it is in Lessee's possession, including obtaining all approvals, licenses, tests, inspections, and permits (including without limitation building permits and other governmental approvals) related to the use, possession, maintenance, storage, and/or operation of the Equipment. This is an absolute net lease. Lessee is solely responsible for routine maintenance, including but not limited to janitorial services, pest control, changing of HVAC filters, light bulbs, and ballasts, cleaning (by trained and qualified HVAC technicians only) the HVAC condenser and evaporator coils, refilling HVAC refrigerant, and removal of water, ice and snow from and about the Equipment. At its sole cost, Lessee shall maintain and keep the Equipment clean, in good repair and safe operating condition at all times during the term of this Lease Agreement in accordance with the Williams Scotsman Service Guide, receipt of which is hereby acknowledged by Lessee. Lessee shall keep the Modular Equipment properly ventilated and shall not allow or permit any condition to exist that allows standing water to accumulate in, on, or under the Modular Equipment and/or any Ancillary Products. Damage, deterioration, or contamination of the Equipment due to water infiltration or exposure is not considered ordinary wear and tear. Lessee is solely

responsible for damage due to settling. Lessor has the right to inspect the Equipment at any time and if Lessor believes the Equipment to be misused, abused, or neglected, Lessor may, with written notice, declare the Lease Agreement in default and remove and repossess the Equipment at Lessee's sole cost. Lessee shall not, without Lessor's prior written consent, make any changes, alterations, or improvements in or to the Equipment or remove any parts, accessories or attachments from it. Lessee assumes full responsibility for any Ancillary Products and/or other accessories, attachments or other items missing from the Equipment upon return. If Lessee should require Modular Equipment that meets certain local codes and/or ordinances, Lessee shall notify Lessor at the time the Modular Equipment is ordered and, to the extent that Lessor can comply and agrees to do so in writing, Lessor shall include the additional cost for compliance and the agreed upon requirements in the Lease Order Agreement. Any special requirements with respect to the Modular Equipment shall be handled on a case-by-case basis. Lessor makes no representations as to the Equipment's compliance with federal, state, municipal, or local building codes, zoning ordinances, rules, laws, or other types of regulations or use codes. Lessee agrees that the Equipment leased hereunder will not be occupied by any person other than Lessee, its agents, employees, or invitees and will not be used for residential or dormitory purposes. **[For Equipment delivered in California: PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1938 LESSEE IS HEREBY NOTIFIED THAT THE EQUIPMENT LEASED HEREUNDER HAS NOT UNDERGONE AN INSPECTION BY A CERTIFIED ACCESS SPECIALIST (CASP).]**

**8. Hazardous Materials.** Lessee shall not use, release, store, dispose of, or otherwise have present any Hazardous Materials in, on, under, or near the Equipment, unless Lessor shall have first consented in writing to such use or presence of Hazardous Materials, and such Hazardous Materials are used, stored, manufactured, disposed of, or otherwise present in accordance with all applicable laws. "Hazardous Materials" shall mean any explosives; flammable substances; radioactive materials; asbestos; paint materials containing lead; materials containing urea, formaldehyde, polychlorinated biphenyls, oil, petroleum products or byproducts; or, any other hazardous, toxic, dangerous or otherwise regulated substances, wastes, pollutants, contaminants, materials, or biological substances (including fungi, bacteria, mold, and microbial matter of any kind) whether having such characteristics in fact or defined as such under federal, state, or local laws and regulations. Ordinary wear and tear does not include damage, contamination, or deterioration to the Equipment related to Hazardous Materials. Lessee is and shall remain responsible for returning the Equipment free of any and all Hazardous Materials. Prior to the return of the Equipment Lessor may in good faith, request Lessee, at Lessee's cost and expense, to provide written evidence that the Equipment has been tested by a licensed professional and is free of Hazardous Materials. In the event Lessee does not supply such evidence within five (5) days after written request from Lessor, then Lessor may order testing at Lessee's cost. If it is determined that the Equipment is contaminated, Lessee shall pay for decontamination of the Equipment, restoring the Equipment to its condition when delivered. If it is determined that the Equipment cannot be decontaminated, the Equipment shall be deemed a Total Loss and Lessee assumes full responsibility for the Equipment including the disposal thereof, and shall pay Lessor the Equipment Value as set forth on the Lease Order Agreement plus all applicable Taxes and Fees in accordance with Section 12 herein.

**9. Rent; Fees; Taxes; Late Charges.** Rent for the Equipment begins to accrue upon completion of delivery and set-up, if required, of the Equipment (the "Delivery Date"). Lessee shall pay Lessor, monthly rent for the Equipment on the due date at the Rate Per Month stated in this Lease Agreement during the Term, and at the Rate Per Month established by Lessor during the Extension Period. Lessee shall be solely liable for any and all (i) sales and use, gross receipts, transaction privilege, value added, goods and services, and similar taxes ("Sales Taxes"), (ii) ad valorem, real property, and personal property taxes ("Property Taxes"), and (iii) related 3<sup>rd</sup> party fees and expenses ("Fees") (the items set forth in

clauses (i), (ii), and (iii), hereinafter referred to as "Taxes and Fees"). Lessee shall pay or shall reimburse Lessor, for any and all Taxes and Fees related to the Equipment, its value, use, or operation or levied against or based upon the amounts paid or to be paid under this Lease Agreement. In the event a properly executed Sales Tax exemption certificate is presented to and approved by Lessor, Lessee will not be charged for those Sales Taxes falling under such exemption, but will remain liable for all Taxes and Fees for which the exemption certificate does not apply. Lessee shall indemnify, defend and hold Lessor harmless against any and all Sales Taxes, including any interest and penalties thereon, if such exemption certificate is later determined not to apply to Lessee or is otherwise later deemed invalid. Property Taxes may be recovered based on any reasonable formula, including but not limited to the ratio of Lessor's total Property Tax per state over the Lessor's total estimated revenues per state. **ANY AMOUNTS NOT PAID WITHIN THIRTY (30) (NET 10 WITH 20 DAY GRACE PERIOD) DAYS OF THE DUE DATE SET FORTH ON THE INVOICE SHALL BE SUBJECT TO AN INTEREST CHARGE OF 1½% PER MONTH OR THE MAXIMUM AMOUNT PERMITTED BY LAW, WHICHEVER IS LOWER, OF THE AMOUNT IN ARREARS FOR THE PERIOD SUCH AMOUNT REMAINS UNPAID PLUS AN ADMINISTRATIVE LATE CHARGE OF \$35.00 PER MONTH FOR EACH MONTH THE INVOICE REMAINS UNPAID.** Payments shall be effective upon receipt. Lessor may apply any payment from Lessee against any obligation due and owing by Lessee under this Lease Agreement, regardless of any statement appearing on or referred to in any remittance from Lessee or any prior application of payment. The receipt by Lessor of a partial payment of any amount due to Lessor endorsed as payment in full will be deemed to be a partial payment only, and any endorsements or statements on the check or any letter accompanying the check shall not be deemed an accord and/or satisfaction, and notwithstanding said endorsements, Lessor may accept and deposit said check without prejudice to its right to recover the balance. Lessee's obligation, without prior notice or demand, to pay rent and all other amounts due hereunder shall be absolute and unconditional and not be subject to any abatement, set off, defense, recoupment, or reduction for any reason whatsoever.

**INVOICES ISSUED BY LESSOR ARE SOLELY FOR LESSEE'S CONVENIENCE. ELECTRONIC BILLING STATEMENTS ARE THE OFFICIAL BILLING METHOD USED BY LESSOR. LESSEE AGREES TO PROVIDE A VALID ELECTRONIC MAIL ADDRESS ("EMAIL ACCOUNT") FOR PURPOSES OF RECEIVING INVOICES AND ALL LESSEE INVOICES WILL BE SENT TO SUCH EMAIL ACCOUNT. FAILURE OF LESSEE TO RECEIVE AN INVOICE THROUGH EMAIL DOES NOT WAIVE ANY OF LESSEE'S OBLIGATIONS HEREUNDER. IF LESSEE REQUIRES A PAPER INVOICE, LESSEE WILL MAKE SUCH REQUEST IN WRITING TO LESSOR AND WILL AGREE TO PAY LESSOR A \$10.00 ADMINISTRATIVE FEE PER PAPER INVOICE.**

**LESSOR'S PREFERRED PAYMENT METHOD IS AUTOMATED CLEARING HOUSE ("ACH"). IF LESSEE PAYS BY CHECK, LESSEE AGREES THAT LESSOR MAY ADD A CHECK PROCESSING FEE IN THE AMOUNT OF \$10.00 TO LESSEE'S ACCOUNT. IF LESSEE PAYS BY CHECK OR ACH AND THE BANK RETURNS THE CHECK OR ACH DEBIT TO LESSOR UNPAID, LESSEE AGREES THAT LESSOR MAY ADD A RETURNED CHECK FEE OR RETURNED ACH DEBIT FEE IN THE AMOUNT OF \$30.00 TO LESSEE'S ACCOUNT.**

**10. No Liens.** Lessee, at its sole cost and expense, agrees to keep the Equipment free and clear of any and all claims, liens, security interests, encumbrances, or attachments not arising out of Lessor's acts including but not limited to mechanics' and materialman's liens.

**11. Indemnity.** To the extent permitted by the Constitution and the Laws of the State of Texas, Lessee agrees to indemnify, defend, and hold harmless Lessor, its parents, subsidiaries, affiliates, directors, officers, agents, employees, and invitees, from and against any and all losses, claims, costs, and attorneys' fees and expenses, **INCLUDING BUT NOT**

**LIMITED TO THOSE ARISING OUT OF OR CAUSED BY THE NEGLIGENCE OF LESSOR OR ITS AGENTS OR EMPLOYEES,** arising out of or related to: (a) any loss or damage to the Equipment or any part or component thereof; (b) the death of, injury to, or damage to the property of, any person or party related to or arising out of the delivery, installation, use, possession, condition, return, or repossession or relocation (by other than Lessor's employees and/or subcontractors) of the Equipment and any part or component thereof; and/or (c) the failure of Lessee to maintain and/or correctly and lawfully use the Equipment as agreed to herein. Lessee shall give Lessor immediate notice of any claim or liability hereby indemnified against.

**12. Loss; Damage.** Lessee assumes the risk of all loss and damage to the Equipment from all causes, including loss of use. Upon the occurrence of the total loss of any or all of the Equipment, to such an extent as to make the repair thereof uneconomical (in Lessor's sole opinion), Lessor shall declare the relevant Equipment a "Total Loss". In the event of a Total Loss of the Modular Equipment Lessee shall pay Lessor on the next date for the payment of rent: the rent then due; plus the value of the Modular Equipment (the "Equipment Value") as stipulated in the Lease Agreement; plus the value of all destroyed Ancillary Products in accordance with Section 18; less all insurance proceeds actually paid and/or assigned to Lessor from insurance maintained by Lessee; plus all applicable Taxes and Fees and/or transfer taxes (together the "Total Loss Amount"). Upon Lessor's receipt of the Total Loss Amount, Lessee's lease obligation will terminate. Lessor will transfer available documents of ownership of the Modular Equipment to Lessee unless Lessor agrees to dispose of the Modular Equipment along with any destroyed Ancillary Products at Lessee's cost and expense. In the event of loss or damage to any or all of the Equipment that does not constitute a Total Loss, Lessee, at its sole cost and expense, shall pay or reimburse Lessor, to the extent Lessor has not been paid or reimbursed from insurance maintained by Lessee, for the repair of such damage as directed by Lessor to the condition required by this Lease Agreement. Any loss or damage to any or all of the Equipment shall not reduce or otherwise abate Lessee's obligation to pay all rental payments when due. Lessee's obligation to pay Lessor amounts pursuant to this Section 12 shall be binding upon Lessee in accordance with the terms hereof.

**13. Insurance.** Lessee's responsibility for the Equipment begins immediately upon delivery. Lessee shall obtain and keep in force during the entire Term and/or Extension Period liability and property insurance as follows: (A) General Liability Insurance: A policy of combined bodily injury and property damage insurance insuring Lessee and Lessor against any liability arising out of the use, maintenance, or possession of the Equipment. Such insurance shall be in an amount not less than \$1,000,000 per occurrence. (B) Property Insurance: A policy of insurance covering all loss or damage to the Equipment, including flood and earthquake, for not less than 100% of the Equipment Value and the Ancillary Products value as established by Lessor for the full term of the Lease Agreement. (C) General. (1) Lessee's insurance for the Equipment shall be issued by insurance companies satisfactory to Lessor. Such insurance shall be primary, and any other coverage carried by the Lessor shall be excess and non-contributory. Within ten (10) days after the delivery of the Modular Equipment, Lessee shall provide Lessor with evidence of the required insurance and naming Lessor as Additional Insured and Loss Payee. The Evidence of Insurance must provide Lessor with thirty (30) days prior written notice of any cancellation. Any proceeds of such insurance shall be paid to Lessor and shall be applied to the replacement of the Equipment or payment of monies due under this Lease Agreement, at the option of Lessor. Lessee shall comply with all requirements of the insurance underwriters or any governmental authority. (2) Lessee shall pay a Missing or Expired Evidence fee for each month that Lessee fails to timely provide the required Evidence of Insurance for property coverage or for liability coverage. Such fees shall be calculated by Lessor at its then-prevailing rate(s). Payment of such fees shall not provide Lessee with any insurance coverage, nor excuse Lessee from performing its obligations under Sections 11 & 12

**13.1. Commercial General Liability Program:** The Commercial General Liability Program may or may not be available for Ancillary Products. If the Commercial General Liability Program is available in full or in part (in the Agent's sole discretion) and provided Lessee elects to participate in this program, and pays the required additional fees, the Lessee will satisfy the Lease Agreement requirements for Commercial General Liability Insurance to the extent of any limitations outlined in this Lease Agreement. Under this program, Lessee will receive insurance coverage through American Southern Insurance Company ("Insurer") as administered by Allen Insurance Group ("Agent"). Lessee understands that Lessee will be provided with the following limits of coverage: \$2,000,000.00 General Aggregate; \$1,000,000.00 Per Occurrence; and, \$5,000,000 Premises Medical Payments each person. The insurance fee for this program will be billed monthly with the rental invoice. The monthly fee payable by Lessee is specified on the face page of the Lease Order Agreement and includes Lessor's administrative fee. This is a third party liability policy which covers bodily injury and/or property damage arising from the proper use and occupancy of the leased Modular Equipment and may or may not cover Ancillary Products. The Commercial General Liability Program has no deductible on claims. It is provided by Lessor strictly as a matter of convenience to the Lessee. Lessee understands and agrees that Lessor only serves as a billing agent for the third party vendor of the General Liability Insurance and assumes no liability with respect to such insurance. Lessee payments will be considered payments under the Lease Agreement; any payment default by Lessee under the Lease Agreement will void the General Liability Insurance. The General Liability Insurance shall not, in any manner: (i) limit Lessee's liabilities or obligations under the Lease Agreement and Lessee remains obligated to comply with any and all requirements set forth in the General Terms and Conditions of the Lease Agreement; or, (ii) excuse Lessee from its obligation to maintain Property Damage Insurance and deliver a Certificate of Insurance therefore. Lessee will be provided with a certificate of insurance as proof of General Liability Insurance coverage, upon request, and Lessee understands that the coverage is only in effect as long as the Lease Agreement is active. For coverage questions Lessee must contact Allen Insurance Group, Inc. at 800-922-5536 (extensions 110, 111, 112 or 113).

**13.2. Property Damage Waiver Program:** The Property Damage Waiver Program may or may not be available for Ancillary Products. If the Property Damage Waiver Program is available in full or in part (in Lessor's sole discretion) and provided Lessee elects this program and pays the required additional fees, then Lessee shall not be obligated to obtain the property insurance described in Section 13(B) and Lessor agrees to relieve Lessee of Lessee's liability for loss or damage to the Modular Equipment for amounts in excess of the amount specified as the deductible in the Insurance Requirements Addendum to the Lease Order Agreement per unit of Modular Equipment per occurrence and for loss or damage to Ancillary Products to the extent covered by the Property Damage Waiver Program and subject to the relevant deductibles. The Property Damage Waiver covers acts of vandalism, fire and natural disasters including heavy wind, lightning, flooding, fallen trees, etc. The Property Damage Waiver **does not cover:** (1) Damage arising from or related to collision and/or upset that occurs during transport and/or relocation of Equipment by Lessee, its employees, agents, invitees or anyone acting at the direction of or on behalf of the Lessee; (2) Damage arising from or related to misuse, abuse, excess wear and tear, abandonment, or the negligence or willful misconduct of the Lessee, its employees, agents, or anyone acting at the direction of or on behalf of the Lessee; (3) Lessee's personal property and/or contents within or upon the Equipment. **LESSEE IS RESPONSIBLE FOR INSURING ITS OWN BELONGINGS;** (4) Damage or loss of use of Equipment due to contamination of the Equipment from Hazardous Materials, as defined in Section 8 herein. The monthly fee payable by Lessee is specified on the face page of the Lease Order Agreement and will be billed with the rental invoice. The waivers set forth herein shall not be binding upon Lessor unless the loss, damage, injury or claim is reported to Lessor, in writing, within seventy-two (72) hours of its occurrence. Lessee shall cooperate with and provide to Lessor all information pertaining to such event. The waivers provided herein are

automatically extinguished or terminated on the date that rent or any other charges due to be paid by Lessee become late and unpaid or upon expiration or termination of the Lease Agreement. **NOTHING CONTAINED HEREIN SHALL CONSTITUTE A CONTRACT FOR INSURANCE OR OTHERWISE PROTECT LESSEE FROM LIABILITY TO THIRD PARTIES.**

**14. Defaults; Remedies.** (A) Lessee shall be deemed to be in default hereunder upon the occurrence of any of the following events ("Events of Default"): (1) Lessee shall fail to make any payment due hereunder within fifteen (15) days after its due date; (2) Lessee shall fail to perform or observe any other term, covenant, or condition of this Lease Agreement; (3) Lessee shall have abandoned the Equipment or is no longer entitled to keep the Equipment at its delivered location; (4) any representation or warranty of Lessee shall have been untrue in any material respect when made, or, any information submitted by Lessee to Lessor shall be false or misleading in any material respect; or (5) Lessee shall have defaulted under any other agreement with Williams Scotsman. (B) Upon the occurrence of an Event of Default, Lessor may declare this Lease Agreement to be in default, and thereafter may exercise any one or more of the following remedies: (1) Declare the rent for the Term, any Extension Period thereof and all other unpaid rent, fees, taxes, and charges including but not limited to delay/storage fees and/or termination charges under this Lease Agreement and/or any other agreement with Williams Scotsman immediately due and payable; (2) Repossess, retake, and/or retain any or all of the Equipment free of all rights and claims of Lessee without notice, without legal process or judicial intervention, and without releasing Lessee of any term, covenant or condition provided herein; (3) Sell or otherwise dispose of any or all of the Equipment, whether or not in Lessor's possession, in a commercially reasonable manner and apply the net proceeds of such disposition, after deducting all costs, to the obligations of Lessee with Lessee remaining liable for any deficiency; (4) Terminate this Lease Agreement and/or any other agreement with Williams Scotsman; and/or (5) Exercise any other right or remedy available to Lessor at law or in equity. Lessor's waiver of any Event of Default shall not constitute a waiver of any other Event of Default or a waiver of any term or condition of this Lease Agreement. Lessee shall pay all Lessor's legal fees and all other costs and expenses incurred by reason of any Event of Default. No right or remedy referred to herein is intended to be exclusive and each may be exercised concurrently or separately and from time to time. In the event Lessor shall repossess or retake the Equipment and there shall be in or attached to such Equipment any property owned by or in the custody or control of Lessee, then Lessor is hereby authorized to take possession of such property for a period of thirty (30) days. Thereafter, if any such property is not claimed and taken by Lessee within thirty (30) days after Lessor repossesses or retakes the Equipment, such property will be deemed abandoned by Lessee, and Lessor shall have the right to dispose of it.

**15. Return of Equipment; Termination of Lease.** At the end of the Term or any Extension Period, Lessee shall make the Equipment available to Lessor, without impediment, (impediments including, but not limited to, ramps, steps, and/or landscaping added by parties other than Lessor) at the Delivery Address shown in the Lease Order Agreement or any other address to which Lessor has previously provided written approval of relocation of the Equipment. Any impediment to pick-up of the Equipment may result in additional charges to Lessee. Lessee shall provide Lessor with at least thirty (30) days advance written notice of the return of the Equipment. In the event Lessee does not provide thirty (30) days advance written notice of the return of the Equipment and such earlier pick-up of the Equipment is requested by Lessee (and can be effected by Lessor), Lessee shall reimburse Lessor for any related costs and expenses associated with the immediate pick-up of the Equipment. Lessee acknowledges and agrees that all amounts for return freight, knockdown and dismantle will be billed by Lessor to Lessee at the Lessor's rates then in effect on the date of surrender. The Modular Equipment shall be returned to Lessor in the same condition as delivered to Lessee, reasonable ordinary wear and tear excepted. Lessee shall pay Lessor for all missing or

damaged tires, axles, or hitches. Termination will become effective only when the Equipment has been returned to Lessor as herein provided and Lessee has paid Lessor all unpaid rental and other charges applicable to the Equipment. Lessee agrees that prior to the return of the Equipment to Lessor or upon notice of its repossession Lessee shall, at its sole cost and expense, immediately disconnect all utilities, remove all impediments, remove all of Lessee's personal property, and vacate the Modular Equipment leaving the Ancillary Products intact and readily accessible. Lessee hereby consents to entry by Lessor or its agents upon the premises where the Equipment may be located for return or repossession of the Equipment. Lessor shall not be responsible for site restoration. Lessor shall not be liable for any damage to any personal property left in or on the Modular Equipment or for keeping or storing any personal property of Lessee left in or on the Modular Equipment. Such property will be deemed abandoned by Lessee. Any accessories and additions to the returned Equipment shall be deemed to be part of the Equipment and the property of Lessor. Notwithstanding anything to the contrary herein, Lessee shall reimburse Lessor for any and all costs incurred related to the return of the Equipment and in repairing, cleaning, or otherwise restoring the Equipment to its condition when delivered in accordance with Lessor's standard rates.

**16. Limited Warranty.** For as long as Lessee timely makes all payments due hereunder, Lessor warrants throughout the term of this Lease Agreement that it will repair structural or mechanical defects in the Modular Equipment (excluding HVAC filters, fire extinguishers, fuses/breakers, light bulbs, or other ordinary course repairs or maintenance), provided that Lessee notifies Lessor in writing of any defects, malfunctions, or leaks within two (2) business days of the occurrence thereof. In any event, the liability of Lessor shall be limited solely to the repairing of defects in the Modular Equipment. Lessor shall have no liability for the repair of any defect or condition resulting from Lessee's relocation of the Modular Equipment, utilities connection, alteration of the Modular Equipment, use of the Modular Equipment for a purpose for which it was not intended, vandalism, misuse of the Modular Equipment, excessive wear and tear, failure to properly maintain the HVAC system and/or failure to provide timely notice to Lessor. The repair of the Modular Equipment by Lessor due to a defect or condition resulting from any of the preceding causes shall result in additional charges to Lessee. **LESSOR SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY LIQUIDATED, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, COSTS OR EXPENSES ARISING IN RELATION TO LESSOR'S LIMITED WARRANTY, OR ANY REPAIRS PERFORMED PURSUANT TO THE LIMITED WARRANTY. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, LESSOR DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, RELATED TO THE MODULAR EQUIPMENT AND ANY MAINTENANCE OR REPAIR WORK PERFORMED BY LESSOR INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THERE ARE NO CONDITIONS, COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES OR OTHER PROVISIONS, EXPRESS OR IMPLIED, COLLATERAL, STATUTORY OR OTHERWISE, RELATING TO THE SUBJECT MATTER HEREOF EXCEPT AS PROVIDED HEREIN OR UNLESS EXPRESSLY CONSENTED TO IN WRITING BY BOTH LESSOR AND LESSEE.**

**17. Assignment.** LESSEE SHALL NOT ASSIGN THIS LEASE AGREEMENT OR SUBLET THE EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR. This Lease Agreement shall be binding upon any permitted assignee or successor of Lessee. Lessor may assign any of its rights, remedies, responsibilities, and/or obligations hereunder without notice to Lessee.

**18. Ancillary Products.** Notwithstanding anything contained in this Lease Agreement to the contrary, in the event of any conflict with respect to Ancillary Products the following terms and conditions shall apply:

(a) While some Ancillary Products originate in various instances from third-party suppliers, Lessee shall nevertheless lease the Ancillary Products solely from Lessor and shall have no ownership rights or interests therein, except as may relate to Lessee's purchase of items which are covered by a separate, executed, sale agreement and/or are recognized as clearly for finite consumption (ex. kitchen, restroom, and/or office supplies). Lessee shall be obligated to pay applicable rental amounts set forth in the Lease Order Agreement for the lease of the Ancillary Products.

(b) Certain Ancillary Products, including but not limited to portable bathrooms or generators, may contain or present certain hazardous conditions or materials. Lessee acknowledges that it is fully aware of the potential hazards in using such Ancillary Products and agrees to assume all risk. Lessee agrees that it shall: (i) use such Ancillary Products in a safe manner, in accordance with all manufacturers' recommendations; (ii) perform all required maintenance on such Ancillary Products that is not otherwise to be performed by Lessor pursuant to the terms of the Lease Agreement. Lessee shall utilize only trained, licensed, qualified and/or certified technicians for such repairs as required; and (iii) maintain and remove any waste or hazardous materials created by such Ancillary Products in accordance with all applicable laws, rules and regulations.

(c) Lessor may require Lessee to execute a separate Addendum for certain Ancillary Products.

(d) **Limited Warranty.** The Ancillary Products may be "New" or "Used" Ancillary Products. In the event of any defect, Lessee shall notify Lessor within five (5) days of the occurrence thereof. Ancillary Products shall be subject to the specific manufacturer's warranty provisions and time period, if any, as applicable to and as available for the Ancillary Products. In any event, the liability of Lessor shall be limited solely to the repair of defects in, or, the replacement of the Ancillary Products at Lessor's sole option. Lessor shall have no liability for the repair of any defect or condition resulting from: Lessee's relocation of the Ancillary Products; utilities connection; alteration of the Ancillary Products; use of the Ancillary Products for a purpose for which it was not intended; vandalism; misuse of the Ancillary Products; excessive wear and tear, or failure to provide notice to Lessor of needed repairs or maintenance. The repair of the Ancillary Products by Lessor due to a defect or condition resulting from any of the preceding causes shall result in additional charges to Lessee. **LESSOR SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY LIQUIDATED, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, COSTS OR EXPENSES ARISING FROM THE POSSESSION, USE, OR OPERATION OF ANCILLARY PRODUCTS. LESSOR DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, RELATED TO THE ANCILLARY PRODUCTS INCLUDING ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. THE ANCILLARY PRODUCTS ARE PROVIDED "AS IS" AND "WITH ALL FAULTS". LESSOR MAKES NO REPRESENTATIONS WITH REGARD TO THE USAGE OR CONDITION OF THE ANCILLARY PRODUCTS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THERE ARE NO CONDITIONS, COVENANTS, AGREEMENTS, REPRESENTATIONS, WARRANTIES OR OTHER PROVISIONS, EXPRESS OR IMPLIED, COLLATERAL, STATUTORY OR OTHERWISE, RELATING TO THE SUBJECT MATTER HEREOF EXCEPT AS PROVIDED HEREIN OR UNLESS EXPRESSLY CONSENTED TO IN WRITING BY BOTH LESSOR AND LESSEE**

(e) Lessee assumes all risk of loss and damage to the Ancillary Products from all causes. The insurance value for the Ancillary Products may or may not be included in the Equipment Value shown in the Insurance Requirements Addendum to the Lease Order Agreement for the Modular Equipment, or, covered under the Property Damage Waiver Program if Lessee is enrolled. In the event of total loss or damage to any or all of the Ancillary Products, Lessee agrees to pay Lessor the replacement value for the Ancillary Products as determined by Lessor as well as any applicable Taxes and Fees.

(f) The terms governing the product description and frequency of maintenance and cleaning services to be performed by Lessor in relation to

Ancillary Products shall be exclusively set forth in the Lease Order Agreement.

**19. Miscellaneous.** (a) Time is of the essence with respect to this Lease Agreement. (b) This Lease Agreement, when signed by both parties, constitutes the entire agreement between the parties, (except as may otherwise be noted in Section 18(c) or as later amended as outlined in 19(c), superseding and replacing all prior documents and representations, with respect to the subject matter hereof. It may only be amended by a document signed by both parties, as outlined in Section 19(c). The terms of any documents submitted by Lessee or any third-party supplier of Ancillary Products (i) are superseded and replaced in their entirety by the terms and conditions of this Lease Agreement and (ii) shall otherwise have no binding effect upon Lessor, its agents, and its employees. Acknowledgement by Lessor of any Lessee-supplied documents shall be for Lessee's billing purposes only. Notwithstanding anything contained in such document to the contrary, in the event of any conflict or inconsistency between the provisions of this Lease Agreement and the provisions of any Lessee-supplied documents, the provisions contained in this Lease Agreement shall prevail. (c) Any Equipment, material or labor furnished by Lessor which is not described in this Lease Agreement and/or in the Williams Scotsman Proposal as Lessor's obligation shall be deemed "Extra Work". Lessee, with Lessor's consent, may order changes in the Equipment, material or labor to be furnished by Lessor under the Lease Agreement. Prior to Lessor performing/providing the Extra Work, Lessor and Lessee must agree in writing to any modification or addition to the Equipment, material or labor covered by this Lease Agreement as well as the corresponding changes to the Lease Agreement Total Charges and time frame for performance. All Extra Work shall be authorized by written Amendment or Change Order to the Lease Agreement signed by both parties. Failure to have written authorization shall not preclude Lessor from recovering compensation for Extra Work. Lessee shall promptly pay Lessor for any additional Equipment, materials or labor authorized by Amendment or Change Order. Payment for Extra Work shall be due as and when invoiced by Lessor. Costs for Extra Work shall include reasonable overhead and profit as well as other related sums incurred by Lessor as may be applicable, including but not limited to: administrative costs; office expenses; expenses incurred at the Delivery Location; project manager/site superintendent time and expenses (if such personnel is supplied by Lessor); dumpster fees; temporary facilities for Lessor's use including, but not limited to, sanitary facilities and/or Field Office(s); temporary utilities for Lessor's use (if supplied by Lessor); travel and related expenses; cell phone expenses and other costs for communication; Architectural and/or Engineering expenses (if supplied by Lessor); cleanup at the Delivery Location if performed by Lessor; document/drawing reproduction costs; and/or the costs for Mail/Overnight and other delivery services. (d) If any provision of this Lease Agreement is deemed unenforceable for any reason, then such provision shall be deemed stricken and shall not affect the enforceability of any of its other provisions. Notwithstanding anything contained herein to the contrary, if it should be determined by a court of competent jurisdiction that any

indemnification or other protection afforded to an indemnitee under Section 11 would be in violation of or otherwise prohibited by any applicable law, then Section 11 shall automatically be deemed to be amended in a manner which provides the maximum indemnification and other protections to such indemnitee consistent with such applicable law.

(e) The obligations of Lessee under Sections 3, 4, 5, 7, 8, 9, 11, 12, 13, 14, 15, 18, and 19, which accrue upon execution of this Lease Agreement, shall survive the termination of this Lease Agreement. (f) If Lessee fails to perform any of its obligations hereunder, Lessor shall have the right to effect such performance; the amount of any out-of-pocket and other reasonable expenses of Lessor incurred in connection with such performance shall be payable by Lessee upon demand. The failure of Lessor to insist at any time upon the strict performance of any of the terms, covenants, or conditions of this Lease Agreement or to exercise any right or remedy herein, or the waiver by Lessor of any breach thereof shall not be construed as thereafter waiving any such terms, covenants, conditions, rights, or remedies. (g) Lessor shall not be responsible for delays beyond its control. (h) The delivery, installation, takedown, return and/or any work related to the Equipment as agreed to by Lessor and Lessee in the Lease Order Agreement or any amendment thereto will be performed by Lessor using its standard workforce and labor rates unless otherwise agreed to in writing by Lessor prior to the placement of the order for the Equipment. Lessee understands and agrees that Lessor may use Lessor employees or subcontracted workers for the performance of any work related to the Equipment, as determined in Lessor's sole discretion. (i) **LESSOR SHALL HAVE NO LIABILITY WHATSOEVER FOR ANY LIQUIDATED, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, COSTS, OR EXPENSES.** (j) With the exception for mechanic's and materialman's lien proceedings set forth below, this Lease Agreement shall be governed by and interpreted under Texas law. Further, all legal actions arising out of or related to this Lease Agreement shall be filed and conducted exclusively in a state or federal court in Texas. Mechanic's and materialman's lien proceedings, including any action to foreclose on such lien, shall be governed by the law of the state where the Equipment is located. Lessor hereby reserves its common law right of offset. Lessee hereby waives any and all rights to or claims of sovereign immunity. (k) Each party is hereby authorized to accept and rely upon a facsimile signature or electronic signature of the other party on this Lease Agreement or any Amendment hereto. Any such signature shall be treated as an original signature for all purposes. (l) Each party is hereby authorized to accept and rely upon documents in paper or electronic format. (m) Lessor may amend these terms and conditions from time-to-time and such amended terms shall be effective thirty (30) days after notice is provided to Lessee. If Lessee does not object in writing to such amended terms before their effective date, such terms shall be deemed to take precedence.

**Lease Agreement Terms & Conditions, Revision  
08/13/2018/.CountyofHidalgo//revised by coo/**