

DAMAGE WAIVER PRODUCT TERMS AND CONDITIONS

ModSpace's Damage Waiver Product is subject to the following terms and conditions. Please review the following closely and contact your authorized ModSpace representative if you have any questions.

Damage Waiver Product is Not Insurance.

MODSPACE'S DAMAGE WAIVER PRODUCT IS NOT INSURANCE. THE DAMAGE WAIVER PRODUCT IS A WAIVER OF CONTRACTUAL TERMS AND CONDITIONS AND IS NOT TO BE CONSIDERED INSURANCE COVERAGE.

Effective Dates of Damage Waiver Product

The Customer will be automatically billed for the Damage Waiver Product at any time the Customer fails or refuses to provide a certificate or evidence of commercial property insurance satisfying its contractual requirements, equal to at least the replacement value of the modular asset(s) leased from ModSpace and naming ModSpace and Bank of America, NA as loss payee. The Customer will receive an invoice for the monthly Damage Waiver fee, which compensates ModSpace for waiving the Customer's contractual obligation and which may include an element of profit.

The Customer may opt out of the Damage Waiver Product at any time by delivering to ModSpace a certificate or evidence of insurance satisfying the Customer's contractual requirements. The Customer will be responsible for all monthly Damage Waiver Product fees billed through the effective date of cancellation, which is 30 calendar days from ModSpace's date of receipt of certificate or evidence of insurance.

A Customer may purchase the Damage Waiver Product after delivery of the assets and eligible ancillary products (together, the "Equipment") Equipment by arranging for a physical inspection of the Equipment by an authorized representative of ModSpace. The Customer will be responsible for any applicable inspection costs. A Customer may not purchase the Damage Waiver Product for Equipment that was not installed by ModSpace or in a geographic region subject to a "named" hurricane watch or warning. .

If the Customer opts out of the Damage Waiver Product or is in default of the lease agreement with ModSpace, then the Maximum Out of Pocket Loss (defined below) shall not apply, and the Customer will be fully liable as provided in the lease agreement(s).

Maximum Out of Pocket Loss

- A. By purchasing the Damage Waiver Product, the Customer's liability to ModSpace for loss and/or damage to the Property is limited to \$1,000.00 per asset (the "Maximum Out of Pocket Loss") arising from the following events
 - Collisions with a vehicle;
 - Theft, Break-in, or vandalism not caused by the Customer's employees, agents, or relatives;
 - Fire (and smoke damage from fire)
 - Explosion;
 - Earthquake;
 - Lightning;
 - Windstorm;
 - Hail; or
 - Floods.
- B. The Maximum Out of Pocket Loss does not cover or provide for any costs associated with replacing the unit or equipment. Additionally, the Damage Waiver Product does not cover any reimbursement costs for installation services before or after the occurrence.
- C. The Maximum Out of Pocket Loss applies only to modular units, steps, decks, ramps, skirting, parapets, mansards, and furniture that are ModSpace-owned and are identified on a written lease agreement with ModSpace. Neither the Damage Waiver Product nor the Maximum Out of Pocket Loss applies to equipment owned by the customer or a third party, sewage holding tanks, generators, awnings, water dispensers/coolers, office equipment, appliances, stored contents, and any materials stored in or about the Equipment.
- D. The Maximum Out of Pocket Loss does not apply to assets used in connection with environmental cleanup or remediation applications, or crane-set units.
- E. The Maximum Out of Pocket Loss for a ModSafe™ product is \$0.00.

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Notification of Loss

The Customer must notify ModSpace of any loss or damage within 72 hours of the Customer's initial knowledge of any such loss or damage. Failure to notify ModSpace within 72 hours may void the Maximum Out of Pocket Loss provisions of the Damage Waiver Product.

Other Terms and Restrictions

- This Damage Waiver Product amends the terms and conditions between ModSpace and the Customer. In the event of any conflict with the lease terms and conditions, the terms of this Damage Waiver Product shall prevail.
- ModSpace may alter or amend the terms of this Damage Waiver Product at any time by delivering written notice to the Customer.
- The Damage Waiver Product does **NOT** waive any liability for any of the following:
 - Acts of war, terrorism, or civil commotion;
 - Death or injury to person;
 - Liability for damage to adjacent property of any kind;
 - Normal wear and tear;
 - Any loss or damage related to the Customer's willful, reckless, careless, or negligent use of the Equipment including failure to maintain or provide reasonable security for the Equipment;

Contact Information

All certificates of insurance, notifications of loss, cancellation requests, and other correspondence relating to the Damage Waiver Product may be sent to:

MODULAR SPACE CORPORATION
ATTENTION: RISK DEPARTMENT
1200 SWEDESFORD ROAD
BERWYN, PA 19312
risk@modspace.com
610-232-1203 (Fax)