



PHYSICAL DAMAGE WAIVER PROGRAM

1. Coverage. ATP Containers, LLC d/b/a Tuff Box ("Tuff Box") offers a Physical Damage Waiver Program ("PDW"), as referenced in its Container Lease Agreement. Subject to payment of any applicable deductible set forth below, the PDW waives or exempts the Lessee's responsibility for damages to a leased Container in the event that the Container is damaged by any of the following causes:

- Fire and Smoke Damage (provided such damage is not due to negligence of Lessee)
- Lightning
- Vandalism (including Tuffbox leased attachments)
- Theft (including Tuffbox leased attachments)
- Windstorm/Tornado (Subject to limitation in Section 6, below)
- Flood
- Hail
- Explosions (caused by external sources)
- Collision with a vehicle

Lessee assumes **all responsibility for damages** to the Container that are not listed above.

2. PDW is Optional. The PDW is optional. In order for the Lessee to enroll in the PDW, Lessee must opt into the PDW in Section 14 of the Container Lease Agreement. If Lessee opts into the PDW, Lessee will be invoiced for such cost on each Rent invoice submitted by Tuff Box. Lessee shall not be permitted to add the PDW after the delivery of the Container without the approval of Tuffbox which shall not be granted until Tuff Box inspects the Container. The inspection must be documented in writing and signed by an authorized Tuff Box employee. Lessee shall be responsible for the cost of the inspection, including any mileage. Notwithstanding the foregoing, if Lessee fails to provide Tuffbox the requisite certificate of insurance as required in the Section 13 of the Container Lease Agreement, Lessee shall be enrolled in the PDW and invoiced accordingly.

3. Declining PDW. If Lessee declines the PDW then Lessee shall obtain a general liability insurance policy and Lessor shall be named as an additional insured on that liability policy. Further, if the PDW is declined or if the Lessee is in default of the Container Lease Agreement, then the Lessee shall continue to be fully liable for the Container and the waivers and exemptions listed in Section 1 of this PDW shall not apply.

4. Not a Contract of Insurance. The PDW is a waiver or exemption from responsibility for certain enumerated damages to a leased Container and is not comprehensive general liability insurance coverage for a leased Container. If Lessee declines the PDW, then Lessee shall have comprehensive general liability coverage as required by the Container Lease Agreement. Comprehensive general liability coverage covering losses to a Container not covered by this PDW is recommended.

5. Deductible and Coverage Limits. The deductible on any damage to a leased storage Container is \$250.00 per occurrence and the deductible on any damage to a leased office Container is \$1,000.00 per occurrence. Provided that the cause of the damage to the Container results from an enumerated cause listed in Section 1 of this PDW, Lessee shall not be liable for damage to a Container beyond the above listed deductible.

6. Limitations on Coverage. Notwithstanding the coverage enumerated in Section 1 of this PDW, Lessee shall be liable to Tuff Box, up to but not to exceed the total replacement cost of a leased Container, for loss and damage to any leased Container as follows:

- Damage to a Container that is located within 50 miles of a large body of water, including but not limited to oceans, gulfs and bays, where such damage is due to windstorms and floods therefrom, including but not limited to hurricanes and tornadoes.
- Damage to a Container caused by a windstorm, not including a tornado, resulting from Lessee failing to secure or tie down the Container as recommended by Tuff Box.
- Damage to any real or personal property attached to or adjacent to the Container.
- Damage to any Container caused by Lessee's negligence or the negligence of any employee, agent or invitee of Lessee.
- Theft or disappearance of the Container caused by the negligence of Lessee.
- Damage to any unauthorized improvements or modifications of the Container.
- Damage, theft or disappearance of the Container resulting from Lessee's failure to provide reasonable security or protection for the Container.
- Damages to the Container resulting from Lessee's failure to limit, mitigate or allow the continuation of damage to a leased Container.
- Damage to any Container caused by any condition or event not enumerated in Section 1 of this PDW.

7. No Coverage for Death or Injury to Persons and Contents. The PDW shall not be construed to waive or exempt the Lessee from any responsibility for death or injury to persons. The PDW does not cover any damage to contents of the Container.

8. Notice of Damage or Loss. In the event of a damage to or loss of a Container, the Lessee shall notify Tuff Box within 24 hours of the Lessee's first knowledge of any PDW waived loss or damage to the Container and provide a detailed written description of such damage or loss. Failure of Lessee to comply with the foregoing notice requirements shall cause this PDW to become null and void as to coverage of any such occurrence of damage or loss to the leased Container. Additionally, any Lessee PDW claim for damage or loss resulting from theft or vandalism shall be accompanied by a valid, complete and legible law enforcement report supporting the validity of the claim.

9. Subrogation and Assignment of Claims. Any waiver, allowance, or credit for approved PDW shall not be considered to create for the Lessee any ownership right or claim of any kind to the Container. Tuff Box, by granting this PDW, is hereby subrogated to all of Lessee's rights, title, interest, and ownership of or to any claim of Lessee against any other party to pay any liability waived by the PDW, and further Lessee hereby assigns to Tuff Box all of its right, title, and interest in and to any such claim. Lessee hereby grants Tuff Box a Power of Attorney for Lessee for the limited purpose of pursuing Lessee's interest in any claim against any third parties or insurance carriers that may be additionally liable for any claim of damages to the Container to either the Lessee or Tuff Box, which Power of Attorney shall be deemed a Power of Attorney coupled with an interest which shall survive the death, disability, or dissolution of Lessee.

10. Container Repairs and Pick Up. The obligation of Tuff Box to perform repairs or pick up the Container pursuant to this PDW shall be limited to not exceed 75-mile radius from any Tuff Box branch location. Any reasonable costs expended as a result of the Container being located beyond the 75-mile radius shall be chargeable by Tuff Box to the Lessee at rates established by Tuff Box.

11. PDW and Container Lease Agreement. This PDW is intended to supplement the term and conditions of the Container Lease Agreement. In the event of any conflict with this PDW and the terms and conditions of the Container Lease Agreement, the specific term or condition of this PDW shall prevail. All terms defined or capitalized in the Container Lease Agreement shall have the same meaning when used or capitalized in this PDW unless otherwise expressly stated in the PDW or the Container Lease Agreement.

The undersigned Lessee has reviewed the foregoing terms and conditions and agrees with the same.

Lessee: _____

Date: _____

By: _____

Title: _____

Print Name: _____