UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 17, 2024

McGRATH RENTCORP
(Exact name of registrant as specified in its Charter)

California	**000-13292**	**94-2579843**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

5700 Las Positas Road, Livermore, CA 94551-7800
(Address of principal executive offices)

(925) 606-9200
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	MGRC	NASDAQ Global Select Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Security Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry Into a Material Definitive Agreement.

The disclosure set forth below under Item 1.02 of this Current Report on Form 8-K is incorporated by reference herein.

Item 1.02 Termination of a Material Definitive Agreement.

As previously disclosed, on January 28, 2024, McGrath RentCorp., a California corporation (the "Company") entered into an Agreement and Plan of Merger (the "Merger Agreement") by and among the Company, WillScot Holdings Corporation ("WillScot"), Brunello Merger Sub I, Inc., a California corporation and wholly owned subsidiary of WillScot and Brunello Merger Sub II, LLC, a Delaware limited liability company and wholly owned subsidiary of WillScot, pursuant to which WillScot agreed to acquire the Company pursuant to the terms and conditions of the Merger Agreement.

On September 17, 2024, the Company and WillScot entered into a mutual termination agreement (the "Termination Agreement") pursuant to which they mutually agreed to terminate the Merger Agreement effective upon receipt by the Company of a cash payment in the amount of $180,000,000 (the "Termination Fee") as contemplated by Section 10.4 of the Merger Agreement in connection with the termination. The Termination Fee is to be paid within three business days following the date of the Termination Agreement. The mutual termination of the Merger Agreement was approved by the Company's and WillScot's respective Boards of Directors.

The foregoing description of the Merger Agreement and the Termination Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, which was previously filed as Exhibit 2.1 to the Company's Current Report on Form 8-K/A on January 29, 2024, and the full text of the Termination Agreement, which is attached hereto as Exhibit 10.1 and incorporated by reference herein.

Item 8.01 Other Information.

On September 18, 2024, the Company issued a press release announcing the mutual termination of the Merger Agreement, among other things. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
10.1	Termination Agreement, dated as of September 17, 2024, by and among WillScot Holdings Corporation, Brunello Merger Sub I, Inc., Brunello Merger Sub II, LLC and McGrath RentCorp
99.1	Press release, dated September 18, 2024, issued by McGrath RentCorp.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

McGRATH RENTCORP

Dated: September 18, 2024

By: /s/ Gilda Malek
Gilda Malek
Vice President, General Counsel and Corporate Secretary

TERMINATION AGREEMENT

This Termination Agreement (this "**Agreement**"), dated as of September 17, 2024, is by and among WillScot Holdings Corporation, a Delaware corporation ("**Parent**"), Brunello Merger Sub I, Inc., a California corporation and a direct wholly owned Subsidiary of Parent ("**Merger Sub I**"), Brunello Merger Sub II, LLC, a Delaware limited liability company and a direct wholly owned Subsidiary of Parent ("**Merger Sub II**" and together with Merger Sub I, "**Merger Subs**"), and McGrath RentCorp, a California corporation (the "**Company**" and, together with Parent and Merger Subs, the "**Parties**"). Capitalized terms used but not defined herein have the respective meanings given to them in the Merger Agreement (as defined below).

WHEREAS, Parent, Merger Subs and the Company entered into that certain Agreement and Plan of Merger, dated as of January 28, 2024 (the "**Merger Agreement**"); and

WHEREAS, the Parties desire to terminate the Merger Agreement (except for specific provisions set forth herein) and release one another from certain claims pursuant to the Merger Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the covenants and agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

1. Termination. Notwithstanding any of the provisions set forth in the Merger Agreement, effective as of the execution of this Agreement (the "**Termination Time**") and without further action by any Party, but subject to receipt by the Company of the full amount of the Termination Fee (as defined below) pursuant to Section 2 below, and except for Parent's indemnification obligations pursuant to Section 8.3(f) of the Merger Agreement and the Specified Retained Claims which shall survive the termination, the Merger Agreement, including all schedules and exhibits thereto, is hereby terminated in its entirety in accordance with Section 10.1(a) of the Merger Agreement and shall be of no further force or effect whatsoever (the "**Termination**").

2. Termination Fee. Parent shall pay to the Company, within three (3) Business Days following the date of this Agreement, a fee in the amount of $180,000,000, by wire transfer in immediately available funds (the "**Termination Fee**") to the bank account previously designated in writing by the Company. The payment of the Termination Fee (together with any amounts payable by Parent in accordance with Section 8.3(f) of the Merger Agreement) shall be the sole and exclusive remedy of the Company and its Subsidiaries against Parent, Merger Subs, any of their Affiliates and any of their respective Representatives for any loss or damage suffered as a result of the failure of the transactions contemplated by the Merger Agreement or for a breach of, or failure to perform under, the Merger Agreement or any certificate or other document delivered in connection with the Merger Agreement (other than the Ancillary Agreements). Except with

respect to the Specified Retained Claims and the Ancillary Agreements, and upon payment of the Termination Fee, each of Parent and Merger Subs (and Parent's Affiliates and its and their respective stockholders and Representatives) shall have no further liability or obligation relating to or arising out of the Merger Agreement or the Transactions, in law, equity or otherwise.

3. Mutual Release; Disclaimer of Liability. Effective as of the Termination Time, but subject to receipt by the Company of the full amount of the Termination Fee, the Company, on the one hand, and Parent and Merger Subs, on the other hand, each on behalf of itself and, to the maximum extent permitted by Law, on behalf of each of its respective former, current or future Subsidiaries, Affiliates, assignees, Representatives, agents, auditors, insurers, stockholders and advisors and the heirs, predecessors, successors and assigns of each of them (the "**Releasors**"), does, to the fullest extent permitted by Law, hereby fully, unequivocally and irrevocably release and forever discharge, as applicable, Parent and Merger Subs (in the case of the Company) or the Company (in the case of Parent and Merger Subs), and, in each case, each of its or their respective former, current or future Subsidiaries, Affiliates, assignees, Representatives, agents, auditors, insurers, stockholders and advisors and the heirs, predecessors, successors and assigns of each of them (collectively the "**Releasees**"), from and with respect to any and all past, present, direct, indirect and/or derivative liabilities, claims, rights, actions, causes of actions, suits, liens, obligations, accounts, debts, demands, agreements, promises, controversies, costs, charges, damages, expenses and fees (including attorney's, financial advisor's or other fees) ("**Claims**"), howsoever arising, whether based on any Law or right of action, known or unknown, mature or unmatured, contingent or fixed, liquidated or unliquidated, accrued or unaccrued, which Releasors, or any of them, ever had or now have or can have or shall or may hereafter have against the Releasees, or any of them, in connection with, arising out of or related to the Merger Agreement, the transactions contemplated therein or thereby, the Termination or any matter forming the basis for the Termination (collectively, but excluding the Specified Retained Claims, the "**Released Claims**").

The Parties, on behalf of themselves and their respective Releasors, acknowledge and agree that they may be unaware of or may discover facts in addition to or different from those which they now know, anticipate or believe to be true related to or concerning the Released Claims. The Parties know that such presently unknown or unappreciated facts could materially affect the claims or defenses of a Party or Parties. It is nonetheless the intent of the Parties to give a full, complete and final release and discharge of the Released Claims. In furtherance of this intention, the releases herein given shall be and remain in effect as full and complete releases with regard to the Released Claims notwithstanding the discovery or existence of any such additional or different claim or fact. To that end, with respect to the Released Claims only, the Parties expressly waive and relinquish any and all provisions, rights and benefits conferred by any law of the United States or of any state or territory of the United States or of any other relevant jurisdiction, or principle of common law, under which a general release does not extend to claims which the Parties do not know or suspect to exist in their favor at the time of executing the release, which if known by the Parties might

have affected the Parties' settlement. EACH OF THE RELEASORS HEREBY EXPRESSLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW THE PROVISIONS, RIGHTS AND BENEFITS OF CALIFORNIA CIVIL CODE SECTION 1542 (OR ANY SIMILAR LAW), WHICH PROVIDES: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR." The Parties acknowledge and agree that the inclusion of this paragraph was separately bargained for and is a key element of this Agreement.

Notwithstanding anything herein to the contrary, nothing in this Section 3 shall (A) apply to any action by any Party to enforce the rights and obligations imposed pursuant to this Agreement, as well as the Confidentiality Agreement, (as extended by a letter agreement between Parent and the Company, dated August 12, 2024) (the "**Confidentiality Agreement**"), the Amended and Restated Clean Team Confidentiality Agreement between Parent and the Company dated January 5, 2024, or the Joint Defense Agreement between Parent and the Company dated December 6, 2023 (collectively, the "**Ancillary Agreements**"), each of which shall remain in full force and effect in accordance with their respective terms, (B) constitute a waiver or release by any Party of any Claim or rights arising under or related to this Agreement or the Ancillary Agreements, (C) apply to Parent's obligations, including indemnification, pursuant to Section 8.3(f) of the Merger Agreement which shall survive the Termination, or (D) constitute a waiver or release by any Party of any Claim or rights arising from fraud or intentional breach by any of the Company, Parent or Merger Subs or any of their respective Affiliates or Representatives in connection with, arising out of or related to the Merger Agreement, the transactions contemplated therein or thereby, the Termination or any matter forming the basis for the Termination ((A) through (D), collectively, the "**Specified Retained Claims**"). If Parent fails to pay the Termination Fee in accordance with Section 2 of this Agreement, and, in order to obtain such payment, the Company commences a suit that results in a judgment against Parent for payment of the Termination Fee, or any portion thereof, Parent shall pay to the Company (i) all costs and expenses (including reasonable legal fees and expenses) incurred by the Company in connection with such suit, plus (ii) interest on the amount of the Termination Fee or portion thereof so ordered to be paid by Parent calculated from the date such payment was due pursuant to this Agreement to the date so paid at a rate equal to the prime rate as published in *The Wall Street Journal, Eastern Edition* in effect on the date such payment.

4. Covenant Not to Sue. Each of the Company, Parent, Merger Subs and their respective members of the board of directors and named executive officers (as such term is defined by the rules and regulations of the Securities and Exchange Commission) covenants not to bring any Released Claim before any court, arbitrator, or other tribunal in any jurisdiction, whether as a claim, a cross claim, or counterclaim. Any of the Company, Parent, Merger Subs or their respective

members of the board of directors and named executive officers may plead this Agreement as a complete bar to any such Released Claim brought in derogation of this covenant not to sue. The covenants contained in this Section 4 shall become effective on the date hereof and shall survive this Agreement indefinitely regardless of any statute of limitations.

5. Publicity. Each of Parent and the Company will issue its own press release, substantially in a form previously provided to and reviewed by the other Party, concurrently with execution and delivery of this Agreement.

6. Representations and Warranties. Each Party represents and warrants to the other Parties that: (a) such Party has all requisite corporate power and authority to enter into this Agreement and to take the actions contemplated hereby; (b) the execution and delivery of this Agreement and the actions contemplated hereby have been duly authorized by all necessary corporate or other action on the part of such Party; and (c) this Agreement has been duly and validly executed and delivered by such Party and, assuming the due authorization, execution and delivery of this Agreement by the other Parties hereto, constitutes a legal, valid and binding obligation of such Party enforceable against such Party in accordance with its terms, except as that enforceability may be (i) limited by any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar Laws affecting the enforcement of creditors' rights generally and (ii) subject to general principles of equity (regardless of whether that enforceability is considered in a proceeding in equity or at law).

7. Return or Destruction of Confidential Materials. Each of Parent and the Company hereby agrees to (i) return and/or destroy all Confidential Information (as defined in the Confidentiality Agreement) of the other Party in accordance with Section 7 of the Confidentiality Agreement, (ii) destroy copies of any Notes (as defined in the Confidentiality Agreement) created by itself or its Representatives, and (iii) promptly provide written confirmation of compliance with this Section 7 (with email being sufficient).

8. Further Assurances. Each Party shall, and shall cause its Subsidiaries and Affiliates to, cooperate with each other in the taking of all actions necessary, proper or advisable under this Agreement and applicable Laws to effectuate the Termination. Without limiting the generality of the foregoing, the Parties shall, and shall cause their respective Subsidiaries and Affiliates to, cooperate with each other in connection with the withdrawal of any applications to or termination of proceedings before any Governmental Authority in connection with any consents, licenses, permits, waivers, approvals, authorizations, clearances or orders sought under any Antitrust Law in connection with the Integrated Mergers.

9. Third-Party Beneficiaries. Except for the provisions of Section 3 and Section 4, with respect to which each Releasee is an expressly intended third-party beneficiary thereof, this Agreement is not intended to (and does not) confer on any Person other than the Parties any rights or remedies or impose on any Person other than the Parties any obligations.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, between the Parties or any of them with respect to the subject matter hereof.

11. Miscellaneous. The provisions of Sections 1 (*Certain Definitions; Interpretation*), 11.1 (*Notices*), 11.3 (*Amendments and Waivers*), 11.6(b) (*Assignment*), 11.7 (*Governing Law*), 11.8 (*Jurisdiction/Venue*), 11.9 (*Waiver of Jury Trial*), 11.10 (*Counterparts; Effectiveness*), 11.12 (*Severability*) and 11.13 (*Specific Performance*) of the Merger Agreement are hereby incorporated into this Agreement by reference, and shall apply hereto as though set forth herein, *mutatis mutandis*.

[Signature page follows]

IN WITNESS WHEREOF, Parent, Merger Subs and the Company caused this Agreement to be executed as of the date first written above.

WILLSCOT HOLDINGS CORPORATION

By: /s/ Hezron Lopez
Name: Hezron Lopez
Title: EVP, Chief Legal & Compliance Officer & ESG

BRUNELLO MERGER SUB I, INC.

By: /s/ Hezron Lopez
Name: Hezron Lopez
Title: Vice President, General Counsel & Corporate Secretary

BRUNELLO MERGER SUB II, LLC

By: WILLSCOT HOLDINGS CORPORATION, ITS MANAGING MEMBER

By: /s/ Hezron Lopez
Name: Hezron Lopez
Title: EVP, Chief Legal and Compliance Officer

MCGRATH RENTCORP

By: /s/ Gilda Malek
Name: Gilda Malek
Title: VP, General Counsel

Exhibit 99.1

McGrath | 5700 Las Positas Road, Livermore, CA 94551 | mgrc.com

Contact
Keith E. Pratt
EVP & Chief Financial Officer
925-606-9200

PRESS RELEASE

FOR RELEASE September 18, 2024

McGrath Confirms Agreement to Terminate Pending Merger with WillScot

McGrath to receive $180 million termination fee from WillScot

Board increases share repurchase authorization to 2 million shares

McGrath to provide updates on financial outlook, business strategy and capital allocation during its third-quarter earnings conference call on October 24, 2024

Livermore, Calif – September 18, 2024 – McGrath RentCorp ("McGrath" or the "Company") (Nasdaq: MGRC), a leading business-to-business rental company in North America, today confirmed that WillScot Holdings Corporation ("WillScot") (Nasdaq: WSC) and the Company mutually agreed to terminate their previously announced merger agreement. In accordance with the terms of the merger agreement, McGrath is receiving a termination fee of $180 million.

Joseph Hanna, President and Chief Executive Officer of McGrath, said: "Modular and portable storage solutions is a dynamic industry and, as we move forward, we will continue to grow and succeed through our unrelenting commitment to putting the customer first. The proposed transaction was a recognition of the enormous value created by our talented employees. Now, our team is energized and ready to execute our standalone strategy, and I am proud of the focus and tenacity the McGrath team demonstrated throughout this process. I look forward to actively engaging with our customers, partners and the financial community as we showcase the strategy that will lead McGrath's future success. Moreover, we have always been focused on generating shareholder value as demonstrated by 33 consecutive years of dividend return increases and remain dedicated to this important objective going forward."

McGrath's strategic focus on our modular and portable storage growth opportunities will continue. We believe in our multi-year opportunity to bring additional value to our customers through expanded service offerings, including Mobile Modular Plus, Site Related Services and new modular equipment sales. In addition, we are committed to continuing to increase our customer base and geographic coverage. The McGrath team has demonstrated a track record of solid execution, which will be a strength as we pursue these opportunities.

Moving forward, we remain committed to building long-term shareholder value through sound strategic focus, disciplined capital allocation and consistent execution. In addition, the Company's Board has authorized an increase in the common stock repurchase plan to 2 million shares. The amount and time of the specific repurchases are subject to prevailing market conditions, applicable legal requirements, the Company's insider trading policy and other factors, including management's discretion.

We look forward to providing an update on our business and the Company's near- and medium-term financial prospects as part of our third quarter earnings release which is currently planned on October 24, 2024.

ABOUT MCGRATH:

McGrath RentCorp (Nasdaq: MGRC) is a leading business-to-business rental company in North America with a strong record of profitable business growth. Founded in 1979, McGrath's operations are centered on modular solutions through its **Mobile Modular** and **Mobile Modular Portable Storage** businesses. In addition, its **TRS-RenTelco** business offers electronic test equipment rental solutions. The Company's rental product offerings and services are part of the circular supply economy, helping customers work more efficiently, and sustainably manage their environmental footprint. With over 40 years of experience, McGrath's success is driven by a focus on exceptional customer experiences. This focus has underpinned the Company's long-term financial success and supported over 30 consecutive years of annual dividend increases to shareholders, a rare distinction among publicly listed companies.

McGrath is headquartered in Livermore, California. Additional information about McGrath and its businesses is available at mgrc.com and investors.mgrc.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, regarding McGrath RentCorp's expectations, strategies, prospects or targets are forward-looking statements. These forward-looking statements also can be identified by the use of forward-looking terminology such as "anticipates," "believes," "continues," "could," "estimates," "expects," "intends," "may," "plan," "predict," "project," or "will," or the negative of these terms or other comparable terminology. In particular, statements about the outlook on future opportunities, strategic focus, implementation of the repurchase plan and the overall growth across the business are forward-looking.

These forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties that could cause our actual results to differ materially from those projected including: health of the education and commercial markets in our modular building division; unforeseen liabilities and integration challenges associated with the Vesta, Brekke Storage, Dixie Storage and Inland Storage acquisitions; competition within the modular business; the activity levels in the semiconductor and general purpose and communications test equipment markets at TRS-RenTelco; continued execution of our strategic performance improvement initiatives; our ability to successfully increase prices to offset cost increases; and our ability to effectively manage our rental assets, as well as the other factors disclosed under "Risk Factors" in the Company's Form 10-K and other SEC filings.

Forward-looking statements are made only as of the date hereof. Except as otherwise required by law, we assume no obligation to update any of the forward-looking statements contained in this press release.

Investor inquiries

Keith E. Pratt, EVP & Chief Financial Officer
Keith.Pratt@mgrc.com

Media inquiries

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