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Fair Wear & Tear Guide

Your guide to what is fair wear & tear
and what is rechargeable damage





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Defining what's fair wear and tear and what's chargeable

Custom Fleet NZ has put this booklet together to help our customers understand what is deemed to be fair wear and tear, and what is chargeable damage when a vehicle is returned at the end of its lease period.

We have designed this guide to help you understand the implications of our Fair Wear and Tear Policy at the start of your lease period. By providing you with this information we strive to reduce refurbishment charges at the end of the lease, saving you and your company time and money.

You may find it beneficial to make copies of this guide available to drivers so they are aware of the standards expected on the return of their vehicle. By ensuring your drivers know what is expected from them on the return of their company vehicle and by taking reasonable steps to ensure the vehicle is cared for properly, you may find that overall refurbishment costs will be minimised.

If you would like to learn more about the Custom Fleet NZ Fair Wear and Tear Policy see your fleet manager or your Custom Fleet Account Manager.

Please note:

- Where replacement parts are required, wherever possible, second hand prices will be obtained.
- Costs to repair damage will be recharged where the damage has been caused due to accident, vandalism, negligence or where there has been a poor repair that needs to be rectified.
- The cost of chargeable damage is based on current market pricing for a quality repair in line with the age, mileage and value of the vehicle.

Disclaimer:

This booklet is provided as a guide to assist drivers and fleet managers to establish acceptable and unacceptable 'fair wear and tear' on a vehicle at the end of its lease term. This guide does not cover every aspect of the vehicle and there may be additional items that are missing or damaged through driver negligence that may be charged at Custom Fleet's discretion. The photographs in this guide are included as examples only and are not to be taken as definitive descriptions of each area.

Taking care of your vehicle

A well cared for vehicle will not only reflect a positive image for your company but will likely reduce cost for you at the end of a lease. Here are some tips to help you take care of your vehicle:

1. Familiarise yourself with your vehicle

When you first receive your new vehicle take the time to read through the handbook and learn where all the controls are and how to operate the features. Also, make sure you know where the tools and jack are for that unexpected flat tyre moment!

2. Keep it clean

Regular washing helps to remove grit, bird droppings and other harmful substances. It also helps you to identify damage that should be repaired at the time (e.g. scrapes through to bare metal, rust, etc.).

We do not advise the use of mechanical car washes, including brushless models - these have the potential to scratch paintwork.

3. Keep it serviced

Manufacturers specify the servicing schedules based on what the vehicle needs to run effectively so these schedules should be followed. For fully maintained leases the cost of maintenance is already built into the lease cost - all you need to do is book it into an approved service agent.

For non-maintained leases the cost of maintenance and repair rests with the lessee and must also follow the manufacturer's schedule.

4. Tyres

Inspect them regularly for damage and ensure tyre pressures are correct. Even a small difference in tyre pressure can affect the performance and safety of your car.

5. Removable items

Take care of items that can be removed such as parcel trays, head rests, handbooks, cigarette lighters, etc. These are often expensive items and are required to be returned at the end of the lease.

6. Keys and remotes

Most keys are now electronically coded and form an integral part of a vehicle's security system. Both remotes and replacement keys are very expensive items and must be returned at the end of the lease. Make sure spare keys are kept in a safe place.

7. Do your own inspection

Take the time during the lease period to regularly inspect your own vehicle for faults or repair requirements. Items that are covered under the manufacturer's warranty should be addressed with the local authorised agent.

Any other items of repair should be addressed with our Operations Support team by phoning our toll free Driver Helpline on 0800 11 63 63.



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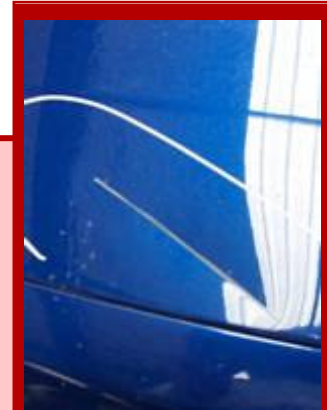
Exterior

Bonnet

Acceptable

- Occasional chipping of paintwork eg stone chips
- Isolated dents under 30mm (Commercials under 40mm) or dents that can be removed by a paintless dent removal process
- Scratches under 100mm

- Dents over 30mm (Commercials over 40mm)
- Sub-standard panel and paint repairs eg: paint runs; mismatched paint; poor preparation of surface leaving file and/or sanding marks; peeling of top coat or clear coat. The faulty repair must be obvious and expected repair costs over \$100
- Scratches over 100mm that cannot be removed by machine cutting
- Gouges and scrapes over 30mm (Commercials over 40mm)
- Hail damage



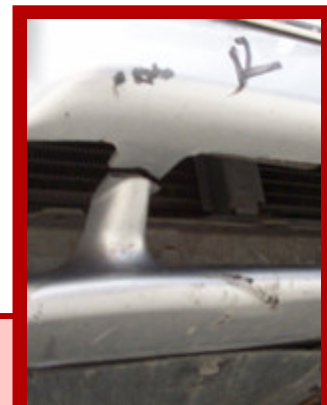
Unacceptable

Grills

Acceptable

- Occasional chipping of paintwork that can be attributed to normal usage

- Broken, holed or cracked grills requiring replacement or repair
- Gouges larger than 30mm
- Missing grills



Unacceptable

Plastic Bumpers & Valances

Acceptable

- Minor scrapes, scratches, grazes and chips – provided there are no cracks and dents

- Broken or missing bumper requiring replacement or repair
- Any impact damage where bumper is dented or out of shape
- Holed or cracked bumpers requiring plastic welding
- Any bumper rubbing strip or number plate that is missing or incomplete



Unacceptable



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Steel Bumpers & Valances (Commercials)

Acceptable

- Dents under 100mm and stone chips

- Significant damage over 100mm in diameter
- Twisted and dented bumpers
- Bent bumper irons
- Missing or torn valances



Unacceptable

Glass and Lamps

Acceptable

- General pitting provided it does not interfere with driver's line of sight and is still warrantable
- Damage that can be repaired within the requirements of the Warrant of Fitness standard and for \$150 or less
- Vertical scratching caused by windows being wound up and down
- Minor scratches that can be removed with a professional polish
- Lenses that are cracked, scratch or chipped but are of a warrantable standard

- Windscreen damage including cracks and chipping that would constitute a Warrant of Fitness defect
- Broken windscreens
- Scratching that has been caused by metal parts of wiper blades or foreign objects being scrapped across the glass, and that cannot be polished out
- Lamp body or lens that is broken
- Any hole in a headlight or tail light lens or glass that will not pass a Warrant of Fitness
- Reflector damage due to water or impact
- Heavy glass oxidisation or acid rain that cannot be polished out



Unacceptable

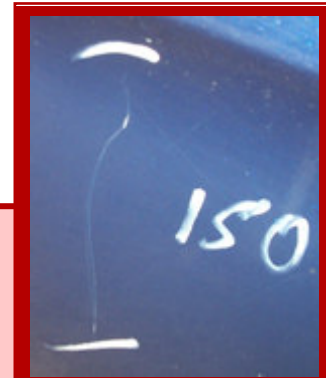


Bodywork other than Bonnet and Bumpers

Acceptable

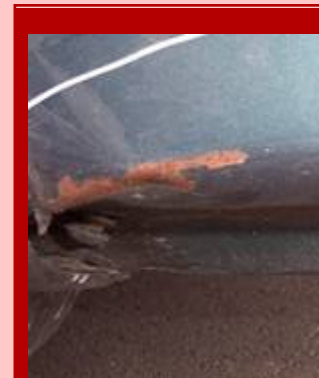
- Occasional chipping of paintwork that can be attributed to normal usage, eg from flying stones, chips on door edges and surrounds
- Isolated small dents under 30mm in diameter (Commercials under 40mm)
- Scratches under 100mm in length
- Gouges and scrapes under 30mm (Commercials under 40mm)
- Small dents over 30mm in diameter that can be removed by a paintless dent removal process

- Any dent over 30mm in diameter that cannot be removed by a Paintless dent removal process
- Hail damage
- Gouges and scrapes over 30mm in length or breadth that cannot be removed with a machine cut
- Any scratches over 100mm that cannot be removed with a machine cut eg has penetrated to bare metal or primer



**Unacceptable
Cars**

- Paint penetrated by any caustic substance that cannot be polished out, eg bird droppings
- Sub-standard panel and paint repairs eg: paint runs in areas such as the top and side of guards, bonnet, door skins, etc; mismatched paint; poor preparation of surface leaving file and/or sanding marks; peeling of top coat or clear coat. The faulty repair must be obvious and expected repair costs over \$100
- Removal of any vehicle signage or the painting out of corporate colours that will be chargeable to the customer
- Damage where decals have been trimmed and where the paint has been cut in the trimming process
- Damage where decals have been removed but the impression remains after removal and machine cutting
- Damage where decals have been masked when panel repainted
- Missing, cracked or broken mouldings, badges or decals that require replacement
- Any rust that will require grinding to remove, or that has penetrated the metal, and is not claimable under warranty is chargeable



**Unacceptable
Cars & Commercials**

- Dents that exceed 40mm
- Scratches over 100mm in length
- Gouges and scrapes over 40mm in length or breadth
- Repair to holes that cannot be plugged with a suitable grommet
- Rust or damage around drilled holes that will require repairing and repainting of the panel
- Significant damage to decking due to loading, or where metal has been pierced
- Dents over 100mm on inner side of tailgate and cargo areas
- Canopy – cracked fibreglass due to impact damage, broken glass or broken doors



**Unacceptable
Commercials**



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Mirrors

Acceptable

- Light chipping and scratching to mirror surround

- Mirror missing and/or requires replacement
- Mirror cracked or broken and requires replacement
- Mirror body broken or cracked and requires replacement
- Scratches/scrapes over 100mm
- Body of mirror gouged (over 30mm) or scratched (over 100mm)



Unacceptable

Wheels, Tyres and Wheel Trims

Acceptable

- Light damage to wheel rims not exceeding 30% of the circumference of the wheel
- Light scuffing to wheel rims

- Steel rims badly bent or twisted
- Alloy rims that are gouged, bent or cracked, or where in excess of 30% of the circumference of the wheel is scuffed (typically caused by running up against kerbs)
- Wheel trims that are mismatched, cracked, broken or missing
- Missing spare wheels and tyres
- Replacement wheels of lesser quality than those originally supplied with the vehicle
- Tyres that are damaged through misuse or negligence
- Tyres that are not of warrantable standard or mismatched on the same axle (non-maintained leases only)



Unacceptable

Mudflaps

Acceptable

- Scuffing on lower edge of mudflap

- Ripped or missing mudflap



Unacceptable



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Interior

Dashboard, Fascia, Trim and Seating

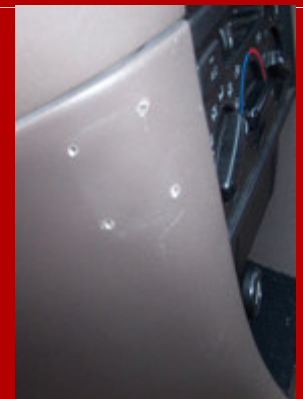
Acceptable

- Light staining – provided it can be removed by shampooing
 - Damage to hood linings in cargo/loading areas
 - Repairs to inside door panels that can be repaired for \$80 or less
 - Missing key, but not remotes
- NOTE: a key incorporating a remote is deemed to be a remote

- Cars - cuts, tears and deep gouging caused by inappropriate loads (eg tools and equipment)
- Commercials – deep gouging and gouging that is longer than 20mm and has resulted in plastic material being removed
- Damage to hood linings to the extent that the hood lining needs replacing
- Repairs to inside door panels where repair cost exceeds \$80 (includes broken armrests, door/window handles, electric window buttons, rips in the upholstery, cigarette burns, etc)
- Holes made to accommodate any accessory, eg car phones, RT's, navigation aids
- Cost of replacing removed or non-standard accessories that were supplied with the vehicle, eg radio, stereo, stereo fascia
- Burns eg cigarette
- Staining that cannot be removed by shampooing, eg glue, paint, grease or heavy soiling
- Broken storage lid, glove box lid or centre console lid
- Removed items or accessories (unless done with prior consent of Custom Fleet) eg ashtrays, glove box lid, radio, stereo, etc
- Cost of replacing a missing remote, or key incorporating remote
- Missing CD cartridge



Unacceptable



Unacceptable



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Flooring and Luggage Areas

Acceptable

- Any wear that is due to aging or normal usage

- Cuts, rips or tears to carpets or lining fabrics
- Missing cargo blinds and parcel shelves
- Cigarette burns
- Permanent staining on carpets or lining fabrics that cannot be removed satisfactorily by shampooing eg grease, paint, glue
- Missing tools



**Unacceptable
Cars**

Some damage is expected in this area of Commercial vehicles therefore the following apply:

- Charge only if it is necessary to replace the floor coverings
- Missing tools
- Missing floor coverings in load area
- Side panels holed or missing
- Plastic panels that are broken or have holes



**Unacceptable
Commercials**

Seating

Acceptable

- Light staining – provided it can be removed by shampooing and the fabric is not permanently damaged
- Fading or discolouration caused by exposure to sunlight and not through contact with inappropriate substances
- Wear that is due to ageing and normal usage

- Any staining that permanently damages the texture of the seat fabric and cannot be removed by shampooing eg oil, grease, paint, chewing gum, etc
- Cuts, rips or tears – these may be caused by carrying inappropriate items on seats, such as animals, corrosive substances, heavy or sharp objects, without adequate protection
- Cigarette burns
- Missing seat and/or headrest



Unacceptable



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Seat Belts

- Webbing torn or cut and will fail a Warrant of Fitness



Unacceptable

Door and Hatch Seals

- Tears over 30mm in length



Unacceptable

Road User Charges and Servicing

Unacceptable

- Arrears of Road User Charges and Services missed will be charged back to the customer

Servicing/Mechanical (non-maintained leases only)

Acceptable

- Normal mechanical wear for age/mileage

Unacceptable

- Any scheduled service that is overdue
- Any mechanical item that prevents the vehicle from being used for its normal function, eg slipping clutch, overheating, brake fault.

Notes



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**Contact us to discuss your specific needs:
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