



GROUP

FAIR WEAR & TEAR GUIDE



AMSTERDAM, MAY 2024

INTRODUCTION



RETURNING YOUR RENTED OR LEASED EQUIPMENT

It is important to TIP that you fully understand what constitutes Fair Wear and Tear with regards use of equipment from TIP Group. Rental and lease agreements normally stipulate that when equipment is returned it should be legally compliant, roadworthy and free of any damage or unreasonable deterioration. This can sometimes lead to questions over exactly what is reasonable and 'fair' in respect of the deterioration that will occur in normal day to day operating conditions.

To make sure we are all in agreement on what is and what is not acceptable as fair wear and tear, we have produced the following guidelines. They are based on common standards across Europe for heavy commercial vehicles, returning after a period of long-term rental or lease. Photographic examples are shown to help illustrate examples of typical things that can happen

with equipment use, with a view to highlighting precisely what is acceptable as fair wear and tear and what is not. We do not include damage that might occur from specific events such as impact, load movement or inappropriate stowing of materials. Accepting of course that normal operations will lead to deterioration, the guidelines endeavour to simplify equipment return processes and ensure that all parties understand who is responsible for what.

The guidelines themselves do not represent any part of our agreement and naturally we would always hope that our customers use best practices in fleet management and maintenance, adhering to recommended service intervals, scheduling repairs and performing regular equipment checks. A good maintenance system will improve operating costs and reduce the likelihood of incurring charges when the unit is returned.

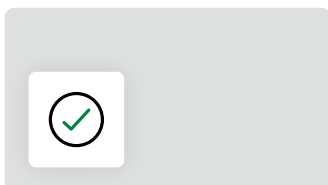
CONTENTS



1. Returning your rented or leased equipment	2
Introduction	2
2. Fair Wear & Tear and Damage Definitions	4
General Notes	4
Asset Inspections and Return Conditions	5
3. Acceptable/unacceptable Damages	6
Van Exterior Side Panels, Rails and Posts	6
Van Interior Side Panels	10
Curtainsider	12
Rear Doors, Gates and Frames	14
Reefer Engine Casing and Doors	18
Standard Aluminium Roof	20
Edscha/Sliding/Lifting Roof	23
Floors.....	25
Chassis, Suspension & Brakes	27
Tractor Units & Rigid Vehicle Cabs	32
Tyres	39
Tyre Sensors (TPMS)	41
4. Daily Asset Safety Checks	42

LEGEND

Throughout this document we've shown several images of damaged trailers. These images are meant as examples to clarify certain damage types. Inside the image you will either see a green checkmark for acceptable damages and a red cross in case of unacceptable damages.



FAIR WEAR & TEAR AND DAMAGE DEFINITIONS

GENERAL NOTES

- This document represents many common repairs and issues but is not intended to be a complete or exhaustive list of all possibilities
- When **maintaining or repairing** TIP equipment from TIP Group note that all repairs must be of an acceptable standard and fall in line with the “**Fair, Wear & Tear**” guidelines in this document, regardless of the age of the unit. Assets still within their **warranty** period *must* be repaired to an agreed Manufacturer specification to protect the Warranty cover.
- However **acceptable “damage”** on a new asset returned after a **long term lease** and a new asset returned from a **short term lease** will be viewed taking into account the age of the asset, lease term and inherent accepted fair wear and tear.
- The level of repair on **older assets** especially those where the warranty period for body has expired, may be adjusted if it is deemed by us not to be to the detriment of future commercial activity.
- **Existing repairs** on assets may be “grandfathered”, in that if they were previously accepted by us and are not “Safety critical” they will not need to be reworked. We will “grandfather” existing repairs but any new repairs to assets must be to our repair standard.
- If expressly agreed, our assets may be **repaired to customers specifications** until returned off hire, at which point the asset will be returned to our repair standard if necessary. Any rework cost will be considered damage.
- Any **sub standard repairs** undertaken by a customer or their agent will be considered damage and will be brought to an acceptable standard at the customers’ expense.
- Any **temporary repair** (a “running repair” to get the Asset back on the road) undertaken by us or one of our agents will be brought to our repair standard at the earliest and most convenient opportunity and the cost of both the temporary and standard repair will be charged to the customer.
- Many repairs made to assets are a result of **impact damage** or other **product misuse**. This damage is defined as customer damage and the expectation is that TIP will recoup the costs associated with this damage from the customer. Examples include side panel holes, broken plywood, blown tyres, flat spotting of tyres, etc
- Sometimes a unit is inadequately **maintained** while on lease or rent, or it is used in an environment or application for which it is not suited and excessive damage or wear results. Costs associated with these situations are also considered customer damage, and will be charged to the customer.
- Some assets components wear out in the course of regular usage. Replacement of these items as a result of this normal usage is called **normal wear and tear**. Examples include tyre tread wear, brake lining wear, door rollers, shock absorbers etc.
- Customers are not permitted to **modify assets** without express written consent from our Regional Operations Management.
- There are some other repairs that are required as a result of **product or component failure**. These warranty and product issues (if the claims are accepted by the Manufacturer) are not the customer’s responsibility and it is not our expectation that the customer would pay for them.

FAIR WEAR & TEAR AND DAMAGE DEFINITIONS

ASSET INSPECTIONS AND RETURN CONDITIONS

- It is the **customers responsibility** to ensure the Asset conditions noted on both the outbound and inbound inspections is to their satisfaction. Customers' collection agent, whether employed directly by the Customer or via an agency or any other third party, will be considered the customers' nominated representative empowered to endorse inspection conditions.
- Damage noted on the **inbound inspection** but not on the **outbound inspection** will be treated as the **customers' responsibility**. Customers will not be charged for damage noted on the outbound inspection.
- Assets returned with **decals** added during the course of the rental without our approval, customer will be responsible for removal of decal or will be charged for cost of removal.
- **Internal cleaning** will be undertaken by specialist companies where debris in returned trailers cannot be identified as **non hazardous** (as defined in the Company Environmental Health and Safety policy) and / or removed with a simple sweep out. This will be at the cost of the customer.
- All appropriate **documents** must returned, example MOT documents, registration documents, license plates etc. We reserve the right to keep the trailer on hire to the customer returning it if the relevant documents are not returned.
- **Bulbs and lenses** will be supplied when a trailer is hired except where specifically requested by the customer. During the hire period the Customer is responsible for replacing burnt out bulbs and / or damaged / missing lenses. At end of hire customer must return bulbs and lenses to the same type and condition. Failure to comply with these terms will be considered damage and the missing / damaged items will be replaced at the customers' expense.
- The customer is obliged to ensure that all **straps** are properly secured whilst being used.
- Examples of **customer damage** include cuts, holes, non return of optional equipment, operator abuse.

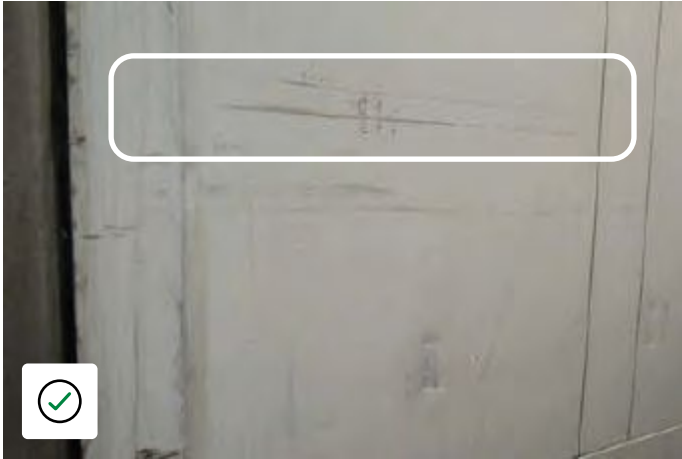
VAN EXTERIOR SIDE PANELS, RAILS AND POSTS

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

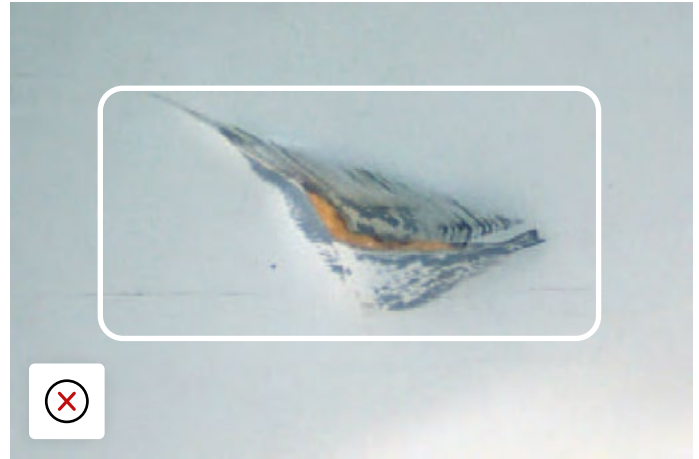
- Examples of Customer damage include improper repair, holes or cracks in panels incurred by internal or external impact or other internal or external damages caused by things such as forklifts, improperly secured freight, trees, posts, docks or other obstructions. It would be unacceptable to see a Ferroplast panel scored and the outer skin penetrated exposing the insulation to water and contamination.
- Examples of fair wear and tear on Van panels are where scrapes can be removed by cleaning and have not penetrated the exterior panel whether Ferroplast, Aluminium or GRP (glass reinforced polyester).



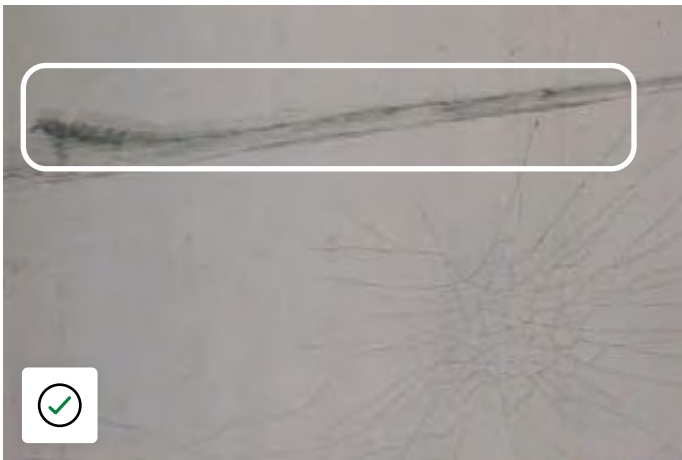
VAN EXTERIOR SIDE PANELS, RAILS AND POSTS



Ferroplast panel can be cleaned or polished.



Ferroplast panel scored and the outer skin penetrated exposing the insulation to water and contamination



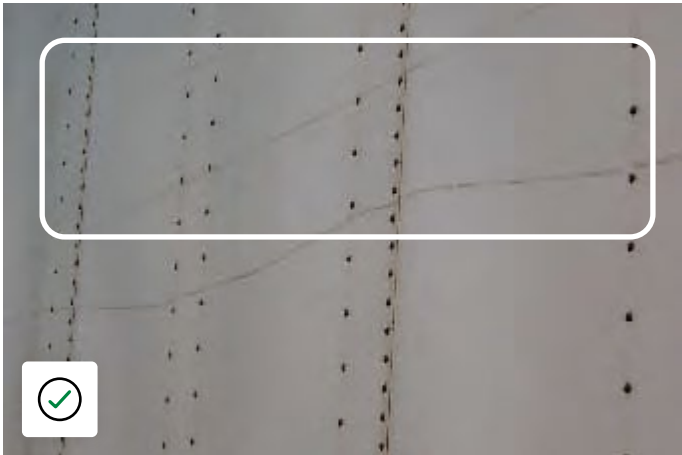
GRP side scrape that has not penetrated the Gelcoat protective layer and can be removed with cleaning or polishing is acceptable.



GRP side panel crack with water ingress, fine cracks indicate interior impact.

Fine cracks indicate interior impact that could develop into something more serious, when seen these should be investigated.

VAN EXTERIOR SIDE PANELS, RAILS AND POSTS



Aluminium side scrape that can be removed with cleaning or polishing.



GRP side panel scrape Gelcoat coating broken, water ingress and now mildew infection



Bolts through GRP side panels.

VAN EXTERIOR SIDE PANELS, RAILS AND POSTS

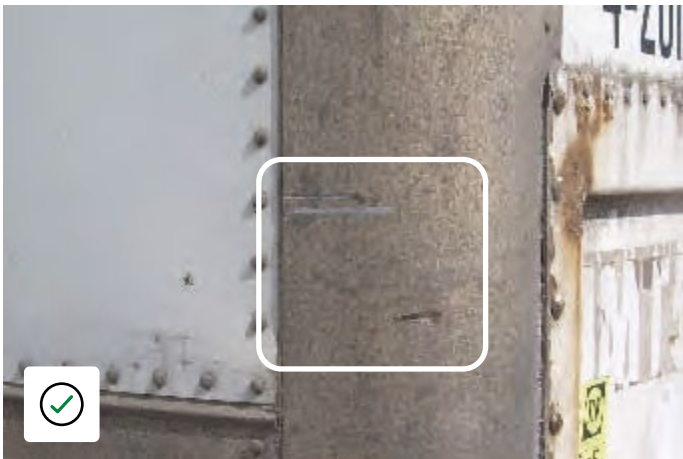
CORNERS



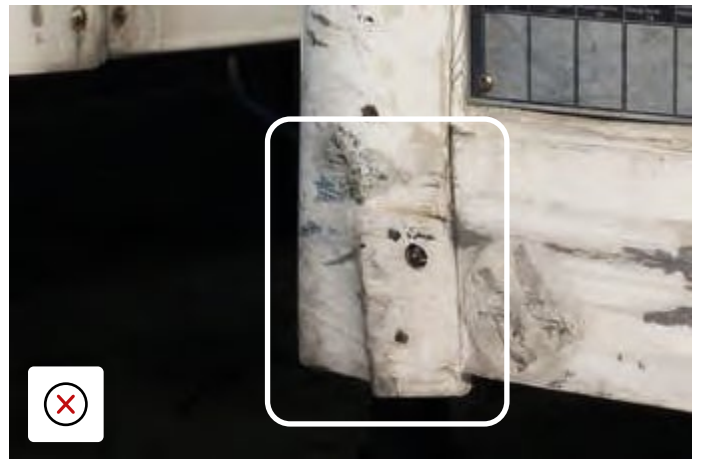
Corner post damaged due to impact dented but not holed.



Corner post damaged due to impact with surface paint removed.



Corner post damaged surface scored but not holed.



Bolts through GRP side panels.

VAN INTERIOR SIDE PANELS

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- Examples of customer damage to interior liners, panels, scuff rails include holes, wood that is cracked as a result of being hit by such things as pallets or freight, or loading equipment such as forklifts and pallet jacks. Scuff rails and cargo restraint rails torn badly enough to warrant replacement is also considered customer damage. Where the rails cannot be used for the original purpose due to misuse the cost of repair is for the customer.



VAN INTERIOR SIDE PANELS



Ferroplast Reefer panel not penetrated



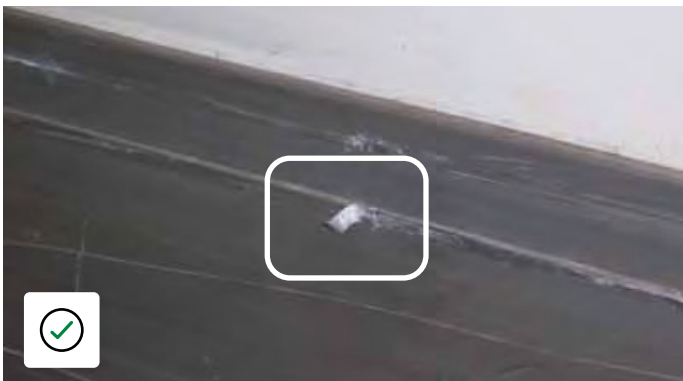
Interior load control damaged beyond repair.



GRP panel scraped by pallets but not penetrating Gelcoat.



GRP panel penetrated & wood exposed



Example of Kick strip FW&T, sharp edge needs to be ground down.



Kick strip damaged and pulled away from panel.

CURTAINSIDER

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

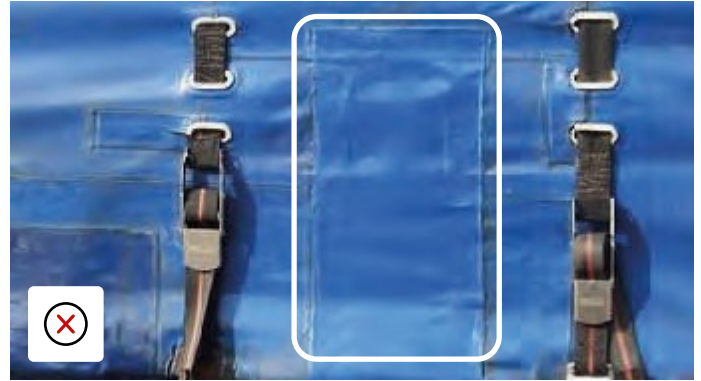
- Examples of customer damages are holes, cuts, poor repairs and operator abuse.
- Examples of fair wear & tear are fraying curtain or cargo straps and gradual deterioration of Curtain roller resulting from continuous use. Scrapes to Curtain interior skin that do not expose or cut the interior webbing



CURTAINSIDER



Good exterior panel repair with corners rounded to prevent lifting.



Multiple exterior panel repairs with patches on top of patches and different colour material.



Good exterior lower edge repair with corners rounded to prevent lifting.



Unrepaired cuts in curtain material at bottom edge.



Unrepaired cuts in curtain material at corner or tensioning pole.



Pelmet torn following impact - will allow water ingress

REAR DOORS, GATES AND FRAMES

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

EXAMPLES OF CUSTOMER DAMAGE ARE:

- Improper door panel or hardware repairs such as panel patches or sections or welding on door hinges.
- Holes or cuts in panels due to exterior impact from trees, fences, docks or other obstructions or internal damage from forklifts or freight shifting. Similar impact damage to door tracks hinges, rollers, lock mechanisms, seals or other hardware e.g. Barn door retainers. This includes damage from improper opening and closing.
- Damage to door locks mechanism and keepers as a result of attempted theft or break in.
- Fair wear & tear is corrosion to door skin not as a result of attack by chemical contamination emanating from goods carried.
- Also include gradual deterioration of door seals (not including any damage to the aluminum portion of some door seals), or plywood core deterioration that is not the result of unrepaired or improperly repaired damage.



REAR DOORS, GATES AND FRAMES



Bent rear door frame water protection trims due to impact.



Damaged door seal aluminium trim.



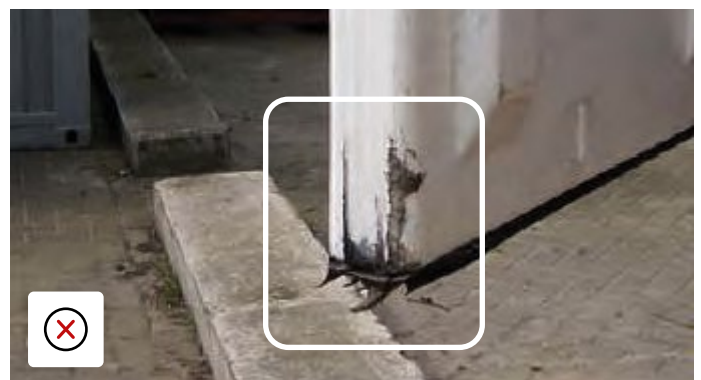
Bent rear door hinge support due to impact, not impairing the door operation.



Bent rear door hinge support due to impact, impairing the door operation.



Good door repair, balanced patches and well painted.

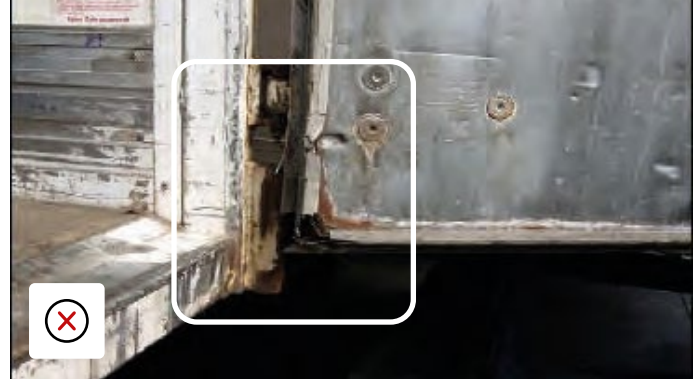


Fridge door corner damaged due to impact, unless repaired will continue to deteriorate and could contain bacteria.

REAR DOORS, GATES AND FRAMES



Old door with corrosion to inner skin, damage to seals due to continuous use no distortion to door panel.



Old door with corrosion to inner skin, impact to corner has damaged door panel and seals to point where new seal could not be fitted.



No repair, no recharge to the customer if the inside is not penetrated



Damage to rear side post.



Door handle snapped off

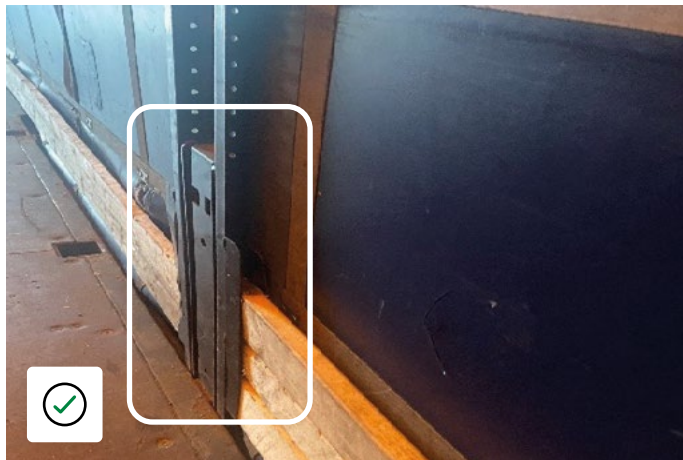
REAR DOORS, GATES AND FRAMES



Roll shutter in serviceable condition



Door panel on roll shutter cracked due to impact



Board holder in serviceable condition



Board holder bracket bent by impact

REEFER ENGINE CASING AND DOORS

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

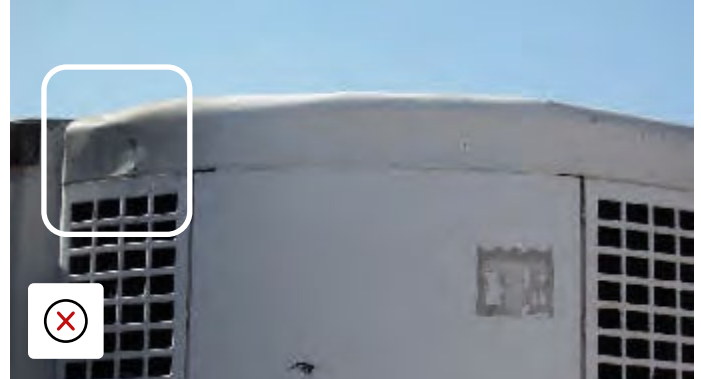
- Examples of customer damage include holes or dents in panels due to exterior impact from trees, ships bulkheads, loading Bays or other obstructions. This includes damage from improper opening and closing. Damage to door locks mechanism and keepers as a result of attempted theft or break in is also customer damage.
- Any alarm from the engine must be reported at the earliest opportunity to TIP. Failure to do so may result in additional charges for any consequential repairs required as a result of not reporting the alarm.
- Fair wear & tear is corrosion to door skin not as a result of attack by chemical contamination, also gradual deterioration of door that is not the result of unrepaired or improperly repaired damage.



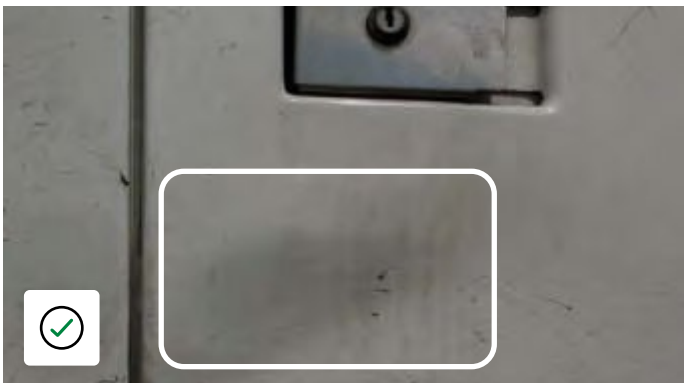
REEFER ENGINE CASING AND DOORS



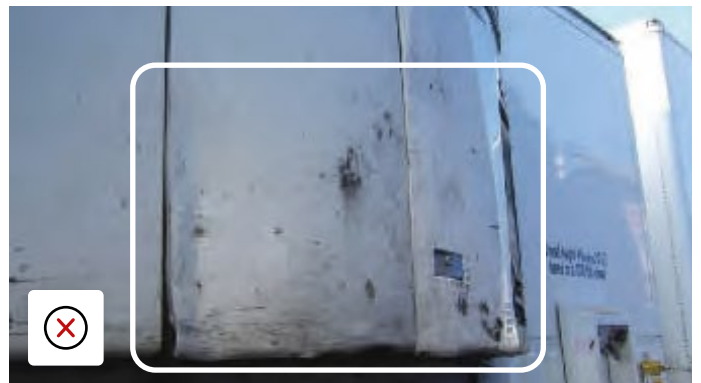
Superficial dents to cowling that do not negatively impact the cosmetic appearance of the unit.



Disfiguring dent to cowling negative impact on the cosmetic appearance of the unit.



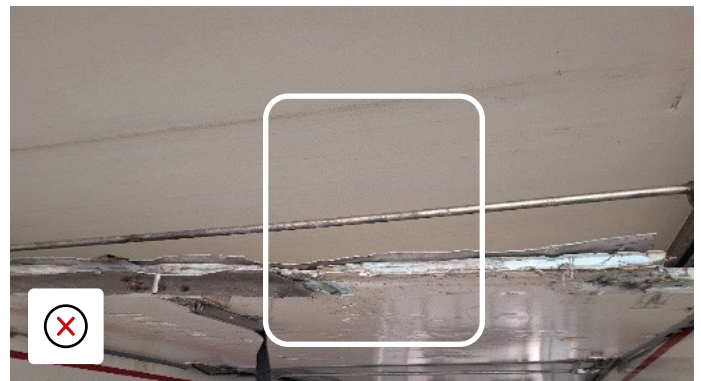
Superficial dents to doors that do not negatively impact the cosmetic appearance of the unit or impede the operation of the doors.



Heavy damage to doors that impedes the operation of the doors.



Interior divider with minor scuffs in serviceable condition



Damaged divider with insulation exposed

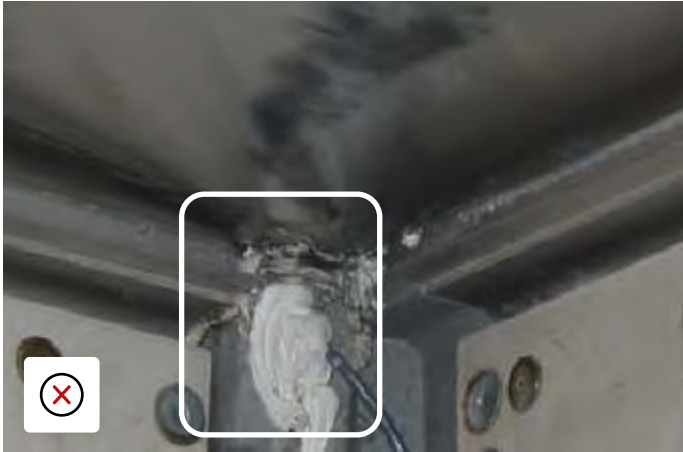
STANDARD ALUMINIUM ROOF

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- Examples of customer damage include improper repairs, holes or cracks caused by impact, loose roof bows caused by impact, bent or broken roof bows, or other internal or external damages caused by things such as forklifts, tree branches, low dock ceilings, low bridges, etc.



STANDARD ALUMINIUM ROOF



Damage to front roof sheet and marker lamp housing. Also damage to the front header, corner casting, corner post, right hand top rail and panels.



Damage to front roof sheet



Roof bows in good condition



Roof bow with impact damage

STANDARD ALUMINIUM ROOF

ALUMINIUM ROOF REPAIR POLICY



Patch:

- Remove damaged area patch applying silicone sealant and securing with 3/16 or 5mm “blind rivets”.
- Multiple patches possible.



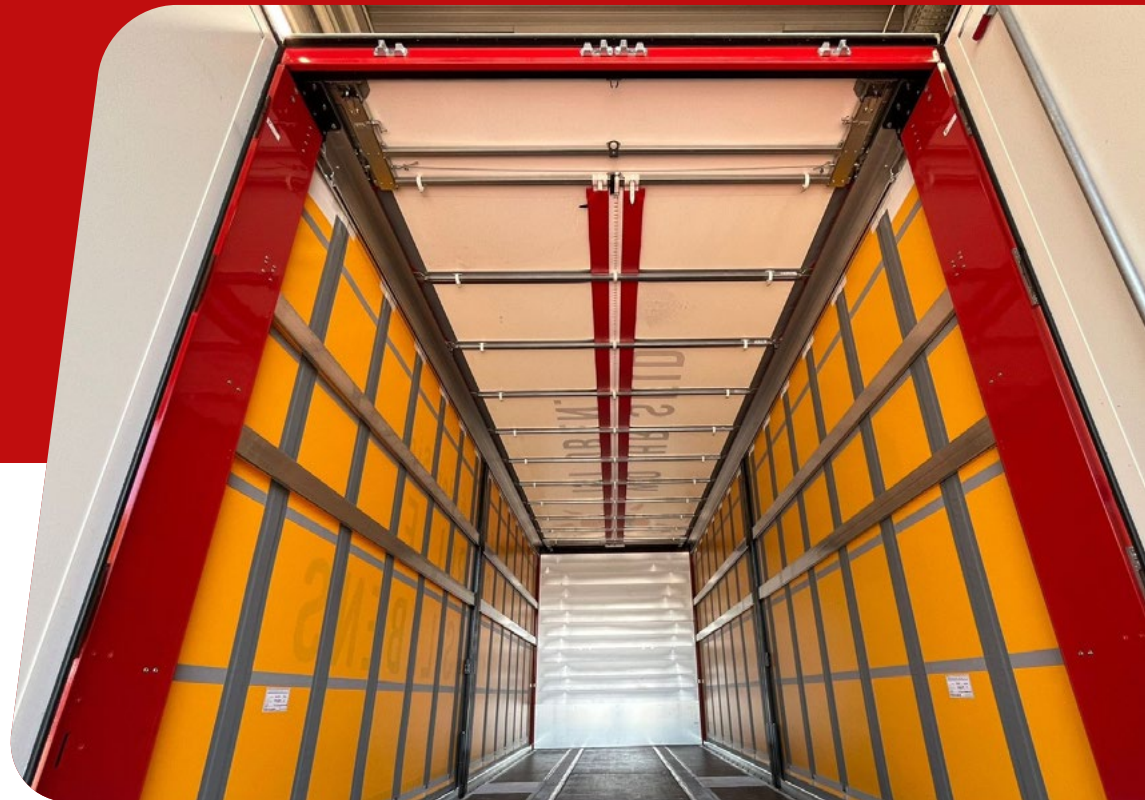
Splice:

- Remove full width section, replace, apply silicone sealant and secure with 3/16 or 5mm “blind rivets”.
- Can only make 2 splices creating a maximum of 3 separate roof sections.
- Patched area must be from behind damaged section to the nearest header (front or rear). If a roof is holed behind an existing spliced section, the repair must still be from behind the damaged area to the nearest header. As such the existing splice would be replaced at our expense.

EDSCHA/SLIDING/LIFTING ROOF

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

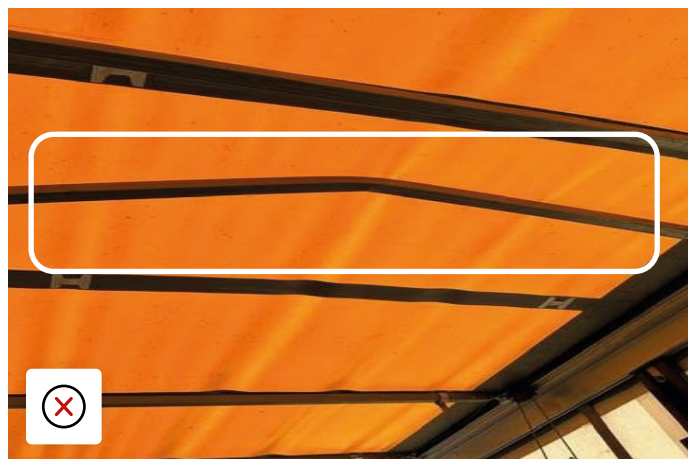
- Components worn out in the course of regular usage e.g. straps, rollers, pin holes are considered fair, wear and tear.
- Examples of customer damage include improper repairs, holes and impact damage to the sliding roof structure, also being run when not fully secured or in such a condition as to cause damage that impairs the safe operation of the roof.



EDSCHA/SLIDING/LIFTING ROOF



Edscha roof with securing strap missing, no sign of damage, strap is wear item.



Edscha roof bows bent due to weight imposed from above.

FLOORS

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- Examples of fair, wear and tear include minor gouges and nail holes that do not require floor sectioning or board replacement.
- Examples of customer damage include improper repairs, such as “plate over” or board sections that are too short. Other examples are large gouges or cracks caused by overloading or forklift scraping, or damage to a threshold plate that would require plate replacement or substantial straightening. Water damage caused by unrepaired or improperly repaired sidewall or roof damage, and damage caused by exposing the floor to acids or corrosive materials. Removing nails will be considered damage.



FLOORS



New Floor FW&T does not include excessive distortion splits or holes due to abuse.



Metal plate over damaged floor section.



Resin floor top protective coat worn



Resin floor protective coat holed & floor board beneath exposed

CHASSIS, SUSPENSION & BRAKES

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

RUNNING GEAR/BRAKES

- Any excess damage or wear incurred when a trailer is not made available by a Customer for service by it's due date or as a result of abuse such as using the trailer brakes to slow a unit on a long downhill run or excess loading resulting in permanent cross member deformity will be considered customer damage.
- Examples of running gear wear and tear include replacement of service items and other components if not as a result of operator abuse.
- Examples of customer damage include bent or cracked axles or damaged spindles as a result of impacts such as hitting posts, road debris, curbs, docks, or other obstructions; or as a result of overloading the trailer. If a unit is on extended lease or rental (more than 6 months) and the customer performs no preventive maintenance nor makes the unit available for our maintenance and as a result of poor wheel end lubrication an axle "burns up" - this will also be considered damage.

SUSPENSION

- Air suspension wear and tear includes replacement of shock absorbers, adjustment of ride height or replacement of bags due to gradual wear in normal circumstances.

CHASSIS

- Spray suppression is not considered a wear and tear item and any damage that impairs the legality of the components will be rectified at the customers expense.
- Any impact that impairs operational capabilities of a retractable bumper is considered damage.
- Examples of customer damage would be landing legs bent due to impact damage or customer abuse, ferry operation damage etc
- Fair wear items include Minor dents to raves or painted areas which aren't readily visible and which don't exhibit broken paint.
- An example of fair wear is landing leg with minor paint chips which do not affect the cosmetic appearance and minor dents to support foot that do not call for part replacement.
- Twist locks where wear is in normal circumstances and not as a result of impact or lifting loads imposed on the trailer.
- Rear buffer damage is considered fair wear and tear provided there is no damage to the area of the trailer the buffer is designed to protect.
- Lamp arms should be straight.
- Sliding head components should be straight
- No spillages on chassis & the spill tray must be clean in and out



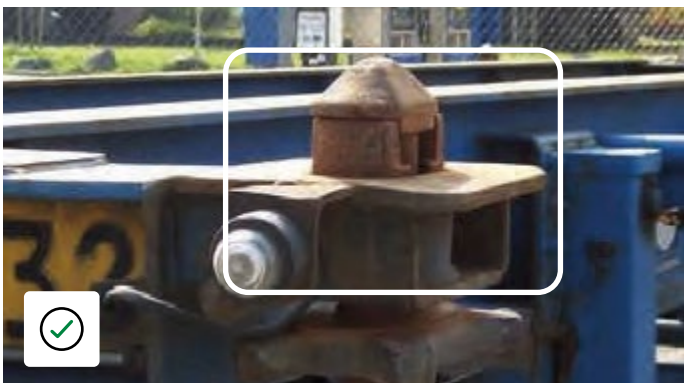
CHASSIS, SUSPENSION & BRAKES



Damage to landing leg wheels and axle but not detrimental to the operation.



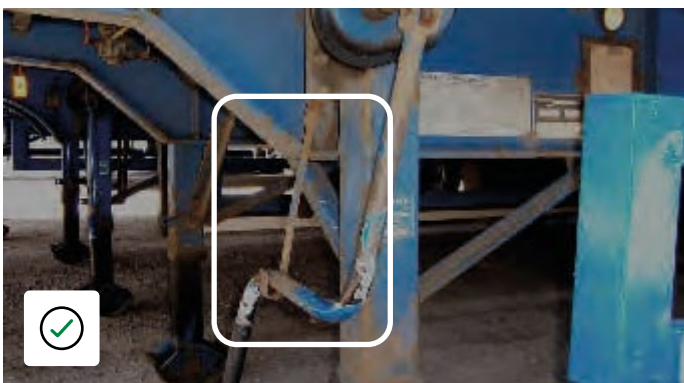
Damage to landing leg cushion foot if not replaced will cause damage to leg inner.



Damage to twist lock housing but not detrimental to the operation.



Damage to landing leg swivel foot will be detrimental to the operation and is beyond acceptable limits.



Landing leg with winding handle in securing position.



Winding handle missing and needs to be replaced

CHASSIS, SUSPENSION & BRAKES



Landing leg straight with handle secure.



Landing leg bent & needs to be replaced



Impact damage that does not distort the Fabrication and can be cleaned and painted at little expense.



Under run guard bent & requires repair



Bent rear lamp girder.



Lamp arm bent & requires repair

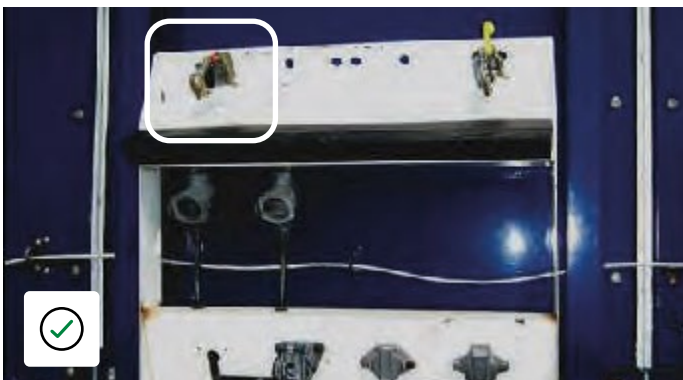
CHASSIS, SUSPENSION & BRAKES



Fair wear of the ram protective rubber, no recharge to the customer provided there is no damage to the area of the trailer the buffer is designed to protect.



Rear buffer missing



Red air line cover broken, will not affect operation.



Broken electric lead socket.



Rear access ladder returned in good operational condition.

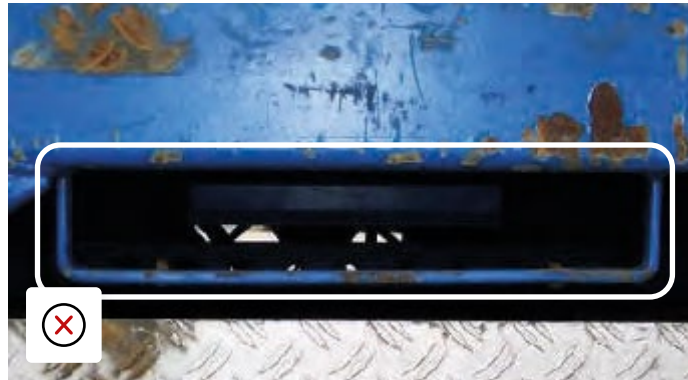


Rear access ladder returned with damage.

CHASSIS, SUSPENSION & BRAKES



Impact dents and distortion to Aluminium side guard.



No rear access ladder returned.



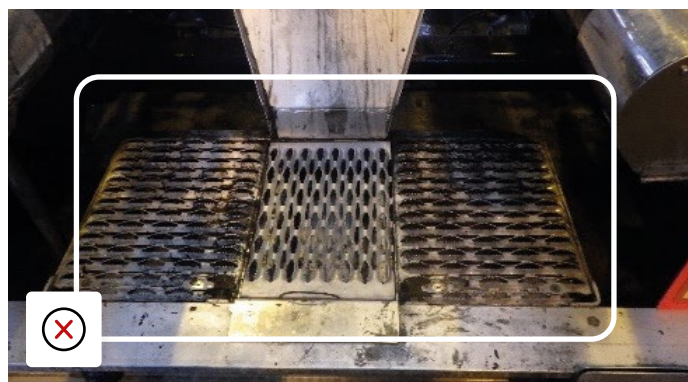
Wrong colour wheel and patched wings, damage possibly due to over loading or being run at wrong ride height.



Patched wing requires replacement



Chassis with containment requiring specialist cleaning



Containment in drip tray requiring specialist cleaning

TRACTOR UNITS & RIGID VEHICLE CABS

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- Examples of damage include - impact or holes to the cab, steps, bumper, mirrors, lamps, spray suppression, fuel tanks & catwalk. Any damage to the seating & instrument controls would be deemed the responsibility of the customer. The interior should be clean & free from personal effects, cleaning & food products. Any damage incurred to the windscreen whilst on hire would be classed as customer responsibility. All susies & fifth wheel devices must be present & free from damage. Fuel & Ad-Blue tank caps to be present & undamaged.
- Examples of fair wear & tear include - light scuffing to mirror covers, bumpers, steps & wing covers. Wear on the seating caused by entering & exiting the cab.



TRACTOR UNITS & RIGID VEHICLE CABS



Cab in satisfactory condition



Impact damage to rear of cab causing crack



Door free from any damage



Passenger door badly dented



Light scuffing no degradation to the step



Step support structure unsafe due to impact

TRACTOR UNITS & RIGID VEHICLE CABS



Minor scrape - no damage to the structure



Major impact - bumper not fit for purpose



Light scuffing to the mirror cover



Mirror backing completely missing



Side repeater & mounting in acceptable condition



Substandard repair to side repeater mounting

TRACTOR UNITS & RIGID VEHICLE CABS



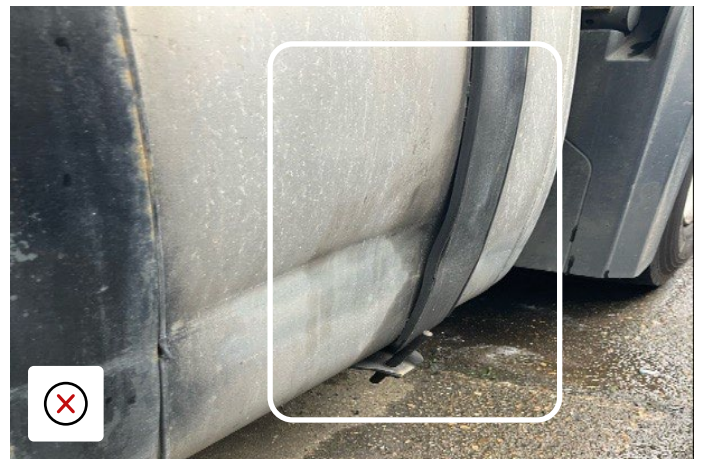
Small scuffs on wing top - still serviceable



Wing top holed



Fuel tank in reasonable condition



Fuel tank has been impacted & left large scrape

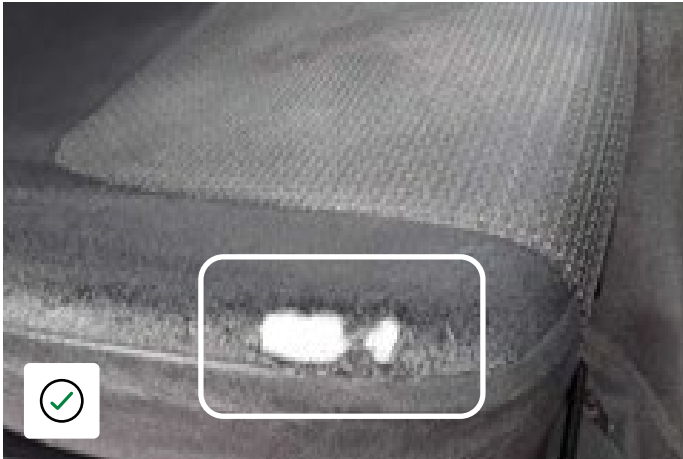


Minor deformation through normal wear & tear



Catwalk damaged causing trip hazard

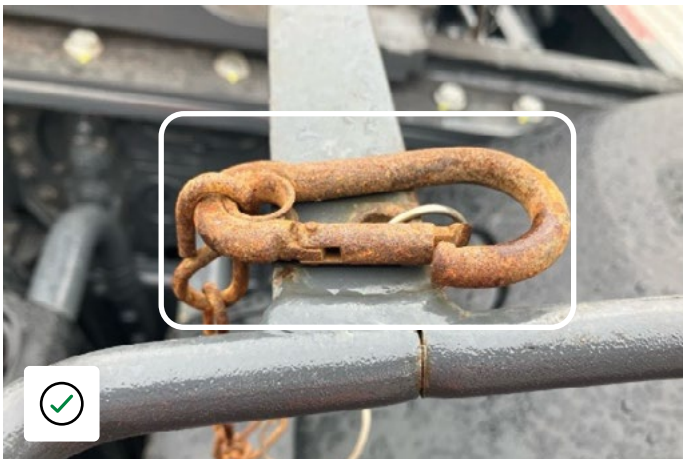
TRACTOR UNITS & RIGID VEHICLE CABS



Minor scuffing to seat cover due to normal usage



Rips to seat cover exposing foam padding



Fifth wheel clip rusty - wear & tear



Battery cover missing - exposing battery to the elements

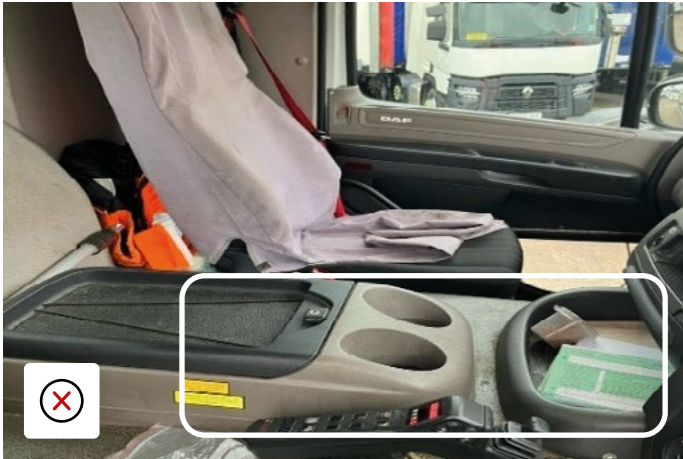


Screw holes in dash & trim missing



Blanking covers missing

TRACTOR UNITS & RIGID VEHICLE CABS



Cab not cleaned prior to return



Driver's personal belongings left in centre console



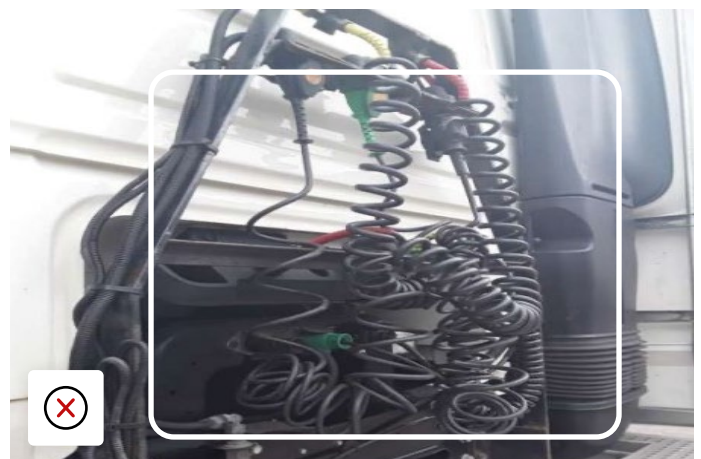
Excess dirt on vehicle



Excess dirt on vehicle



Suzie couplings in good condition & correctly stored



Suzie couplings stretched due to misuse

TRACTOR UNITS & RIGID VEHICLE CABS



Mattress with light markings treated as wear & tear



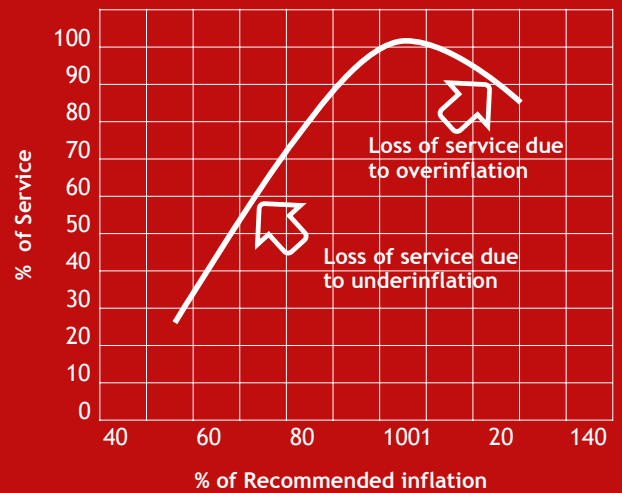
Heavily soiled mattress in a non-acceptable condition

TYRES

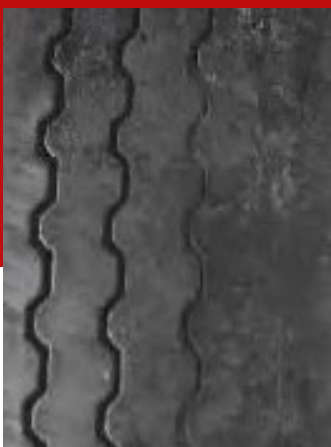
ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- Examples of Customer damage are cuts requiring repair, impact damage resulting in tyre repair or failure, penetration by foreign objects and excess wear due to running conditions and incorrect tyre pressures.
- Non-return of high-pressure valve caps supplied with the trailer are to underinflation considered customer liabilities, as is damage to the wheel through operating conditions and impact.
- Fair wear is based on miles run or millimeters worn, if protected by a “tyre cap” and within the tyre manufacturers’ wear guidelines.

Wear acceleration caused by incorrect tyre pressure



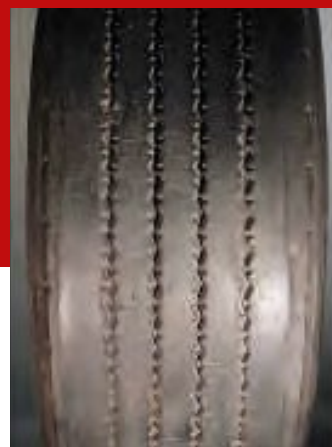
UNACCEPTABLE... DAMAGE AND EXCESS WEAR DUE TO OPERATING CONDITIONS AND INCORRECT PRESSURE



Uneven wear due to misalignment or camber



Uneven wear due to suspension problem



Rapid shoulder wear due to under inflation



Tread groove cracking due to over inflation

TYRES



Deep penetration to tyre, shoulder and sidewall damage.



Deep penetration sidewall damage to tyre



Elephant skin effect or Feathering due to tight manoeuvring creating drag on tyres.



Side wall blow out due to inner line penetration.



Twin tyres different diameter or mismatch.

TYRE SENSORS (TPMS)

ACCEPTABLE/UNACCEPTABLE DEFINITIONS

- TPMS sensors consist of electronic components which must not come into contact with any liquids within the tyre e.g. tyre sealant.
- TPMS sensors should be in a working condition when the asset is returned. A working condition means that the TPMS sensors should send values towards the ECU e.g. pressure, temperature and axle position.
- All tyres (including spare wheel, if applicable) should be equipped with TPMS sensors that are fully operational and capable of transmitting accurate data to the vehicle's monitoring system. Communication between TPMS sensors and the vehicle's onboard system should be seamless and reliable.
- TPMS sensors must remain in optimal working condition throughout any maintenance contract. Any issues or malfunctions with TPMS sensors should be promptly addressed and resolved according to the terms of the maintenance agreement.



TPMS sensor in an acceptable condition



TPMS sensor contaminated by sealant



DAILY ASSET SAFETY CHECKS

CUSTOMER RESPONSIBILITY

GENERAL:

- Correct tyre pressures.
- Tyre condition.
- Wheel nut security.
- Check brake operation.
- Check light operation.
- Check for air leaks.
- Drain air reservoir tank when parked (this drains moisture and avoids freezing).
- Check overall condition of trailer for safety and compliance with legal requirements.

UNIT:

- Visual battery status
- Mirrors
- Driving controls, steering & clutch
- Registration plates
- Horn, wipers & washers
- Engine oil, water, fluid, Ad Blue & DEF (if applicable) levels
- Exhaust
- Tachograph, speedometer & speed limiter
- Dashboard status
- Air conditioning, radio, radar and camera operation
- Condition of seats and belts
- Condition of the passenger compartment, rear floors and trims
- Condition of doors and mirrors
- Indoor heating operation
- Ventilation operation
- Windscreen condition
- Steering wheel condition

REEFER:

- Check/adjust oil and water levels.
- Check Battery connections and security.
- Check Engine ready to start with no alarms present in memory.
- Sufficient fuel in the diesel tank.
- Evaporator, air ducting and vents free from obstruction.

TAIL LIFT:

- Platform secure and free moving.
- Tracks straight and undamaged.



GROUP



THANK YOU