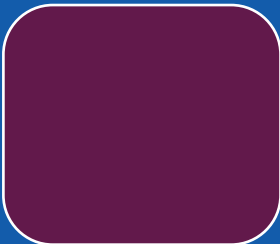


Masterlease

End of Contract Recharge Guide





Privilege Purchase

Buying Your Car!

When your vehicle is nearing the end of its contract, we hope that you have enjoyed driving it and it has performed well for you. The good news is - You don't have to say goodbye!

Why not purchase the car you have been test driving for years? Or why not give your family, friends or even colleagues an opportunity to enjoy it?

Benefit from:

- Excellent quality 1 owner vehicles, with known history.
- Complete package available including: highly competitive financing; extended warranties and breakdown cover.

For a quote, call the Cherrypick team with your current mileage, (a maximum of 3 months before you wish to purchase):

Cherrypick - 0870 420 1288

Privilege Purchase

Alternatively, if your vehicle is not suitable, your family and friends also have access to 100's of returned Masterlease vehicles, also at discounted prices. (Wide selection of models available)

Through Privilege Purchase, you can purchase a good quality vehicle with independent inspections, a 1 year warranty, delivery options and money back guarantees*.

Visit : www.privilegepurchase.co.uk

User: Client
Password: Exclusive

Call Privilege Purchase on: 0870 428 1842

* Terms and conditions apply



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Introduction to Policy

The purpose of this guide is to outline the End of Contract Recharge policy for Masterlease, and to create a general understanding and awareness of why, and under what circumstances, recharges will be made.

It is also designed to offer advice and recommendations on the measures that can be taken to avoid such recharges.

The policy is based on the British Vehicle Rental and Leasing Association "Fair Wear and Tear Guide", which was developed and endorsed by the RAC.

Recommendations

The following procedures are recommended by the RAC and endorsed by the BVRLA.

- Initiate a vehicle logbook system for each car and note any damage, mechanical problems or areas of worsening wear and tear in the vehicle logbook.
- A minimum weekly check on oil, water and tyre pressure should be the responsibility of the driver/user, with the result of each check noted in the vehicle logbook. This will also help to keep a check on vehicles that may be losing oil or water or have a slow puncture.
- Where a vehicle is used for the carrying of heavy, dirty or sharp items, the use of a suitable load compartment liner is recommended.
- The use of protected carpet over-mats, supplied by Masterlease or the vehicle manufacturer, is recommended to avoid unnecessary wear to carpet, especially on the drivers side of high usage vehicles.

Light Commercial Vehicles

All load areas should be plylined to prevent serious damage to the vehicle interior.

Appearance

Regular cleaning and valeting of both the interior and exterior of the vehicle should be recorded in the logbook by the driver/user, according to a schedule laid out by the fleet manager.

Whilst it is acknowledged that automatic car washes are convenient, over a period of time they can cause scratching, fading and dulling of paintwork. Hand washing or "jet washing" is recommended where possible. Masterlease also recommends that wheels, especially alloys are cleaned weekly.

What Constitutes Fair Wear and Tear?

Taking into account a vehicle's age and mileage; covering overall condition, including the mechanics, electrics, the bodywork and upholstery, fair wear and tear summarises the degree of deterioration judged to be reasonable when a fleet vehicle is returned at the end of a contract period.

Abuse or neglect are the main reasons fleet vehicles suffer from excessive wear and tear.

Customers can expect to incur charges if vehicles are returned with an unreasonable level of wear and tear at the end of a contract period.

The main causes of unreasonable wear and tear of a fleet vehicle are:

- Lack of regular checks by the vehicle user leading to faults and damage going undetected and unrepaired.
- Not adhering to the vehicle manufacturer's recommended maintenance and servicing schedule.
- Drivers not taking responsibility for the day-to-day care and maintenance of the vehicle, leading to general neglect.
- Poor quality of body repairs.



Some amount of wear and tear damage may occur through normal, everyday business use, especially for high mileage fleet vehicles.

After a typical fleet lifespan of three years or 60,000 miles, for example, stone chips and minor abrasions to a vehicle's paintwork would be deemed fair wear and tear for its age and would not adversely affect the disposal price.

However, stone chip damage which exposes base metal, if left untreated, allows penetrating rust to set in. This deterioration will not be accepted as fair wear and tear.

Responsibilities

VEHICLES SHOULD BE RETURNED TO MASTERLEASE IN A 'CLEAN CONDITION' WITH ALL KEYS, THE MANUFACTURERS GUIDE BOOK AND THE SERVICE BOOK.

By taking full responsibility a customer can avoid excessive wear and tear and the recharges they incur. This section outlines what these responsibilities are.

Servicing and Documentation

Regular maintenance and servicing should be carried out by a franchised dealer, or Masterlease approved servicing agent, according to the manufacturer's guidelines. The driver must ensure that the service book is stamped. Any defects or damage that occur during normal vehicle use should be rectified as soon as authority for the repair has been granted. Missed services could incur charges.

The vehicle instruction book, full service record and any other documents relating to vehicle equipment are the responsibility of the vehicle driver/user who must ensure that they are intact and available. **All documents must be in the vehicle on its return at the end of contract** - including any details of radio codes. **A charge will be made for any missing documentation.**

Telephones/Telephone Kits

If a car telephone has been installed it should be removed and any holes or damage should be made good to a professional standard. **A charge will be made for all telephones/kits left in vehicles.** These cannot be returned with the vehicle without prior notification to Masterlease. Aerials must be left in place or the hole professionally repaired. All standard equipment must be returned at the end of the contract period.

Keys and Security

A full set of keys should be available along with a note of the numbers at the time of collection. If the locking system is remote, the appropriate key fobs should be available and functioning. **Return of all keys including the master key (e.g. red key), that controls the vehicle's engine management system is mandatory. A charge will be made for any missing keys or fobs.**

If the vehicle was originally supplied with a security system, this should be intact and fully operational, including any key or remote control necessary for operation. Any additional, non-standard security system must be fitted according to a recognised standard, i.e. the Vehicle Security Installation Board (VSIB).

Vehicle Inspection Reports - Exterior and Interior

It is the responsibility of the driver to ensure that the vehicle is washed and vacuumed, before the vehicle is returned.

Collection/Return of a Vehicle that will not Start/Run

Vehicles that will not start at collection or are transported as non-runners, may incur additional charges. These could include aborted collection fees, transportation fees or even engine repair costs (particularly on non maintenance vehicles).

Chargeable Items

Vehicle Exterior

Body Damage

Any damage must be **repaired as and when it occurs**. All work should be completed to a professional standard, with any applicable anti-corrosion guarantees taken into consideration. Obvious evidence of repair such as colour mismatch, or mis-alignment between panels is unacceptable.

Dents

Minor dents (up to 10mm across) are acceptable as long as the paint surface has not been penetrated so that bare metal is visible or corrosion has set in. If multiple dents occur on a single panel, no matter how small, the panel should be repaired or replaced.

Paintwork

Small areas of stone chipping, door edge chipping and light scratches (up to 25mm) are acceptable, relative to the vehicle's age and mileage. If stone chippings have penetrated the metal, professional repairs should be carried out immediately to prevent further paint deterioration.

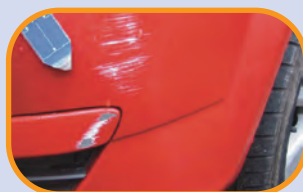
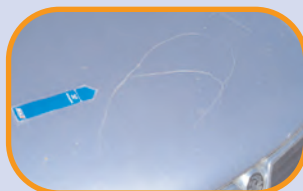
Exterior paintwork should be free from major abrasions (more than 25mm) and have good gloss and colour. Colour mismatch or poorly fitting panels are unacceptable. All repairs to the bodywork must be suitably rust proofed to the manufacturer's recommended standards.

Bumper Sections and Rubber Strips

Provided these are not broken, cracked or deformed a limited amount of scuffing and score marks are acceptable.

Window Glass

Cracks or damage to window glass is not acceptable and will require windscreen replacement. Light scratches and minor chipping around the periphery of the windscreen is accepted as fair wear and tear, **provided it does not detract from the saleable value of the vehicle.**



Lamp and Lenses

All lamps must be operational. Minor scuff marks or scratches are acceptable, but holes or cracks in the glass or plastic covers of lamp units are not.



Wheels and Wheel Trims

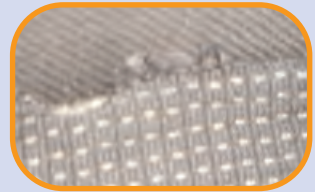
Dents or damage to the rim or main body of the wheel is not acceptable. All four wheel trims must be intact, with no more than minor scuffing due to everyday use. **Alloy wheels should not be pitted, scuffed, or show signs of corrosion due to break dust "build up",** which can be avoided by regular cleaning. If mudflaps are standard equipment they must all be intact and properly attached. The spare wheel, jack and appropriate wheel tools must be stowed properly and be in good working order.



Vehicle Interior

Interior Trim

The interior should be clean and tidy with no visible burns, tears or permanent staining to the seats, headlining or carpets. Slight wear and soiling through normal use is accepted, as are any repairs that are not readily visible. **The use of the protected carpet over-mats is mandatory and helps to avoid unnecessary wear to carpet, especially on the drivers side of high usage vehicles.**



Luggage Area

Surface scoring and light blemishes that reflect normal use are acceptable, but floor coverings and surrounding trim panels should not be torn or split. Where a vehicle is used for the carrying of heavy, dirty or sharp items, the use of a suitable load compartment liner is recommended.

Door Aperture Tread Area

A reasonable amount of scuffing to the door and luggage area treads and sills is acceptable providing paintwork has not been damaged to bare metal and aperture seals are not torn.



Controls

All original controls must be intact and operate correctly. If replacement has been necessary, e.g. due to theft, then equipment of a similar value and specification, preferably of the same manufacture as the original, should have been fitted. All odometer alterations must be reported and any evidence of unauthorised odometer changes is unacceptable.



Missing Items/Parts

Any items that are missing from the vehicle, will be recharged at replacement cost.



Vehicle Underside

Minor dents and deformation, such as stone damage is acceptable as long as it has not caused major corrosion. Any suspected impact damage should be investigated and dealt with professionally, as significant damage or distortion to chassis components is not acceptable.

Mechanical Condition

The following examples are conditions usually caused by vehicle neglect or abuse and therefore are not regarded as fair wear and tear:

- Brakes:** Grooved brake discs caused by metal to metal contact.
- Engine:** Seized engine due to running vehicle with insufficient coolant, lubricating oil or with broken internal components.
- Transmission:** Slipping clutch, erratic gear changing, noisy transmission or ineffective synchromesh.

Exhaust System

The system should be properly suspended and in efficient working order, with no gas leaks, or evidence of blowing from the exhaust system joints, and in an undamaged condition. The exhaust system should be in a condition to meet the MOT test requirements in all aspects, particularly if fitted with a catalytic converter.

Oil Leaks

Any serious oil leakage should be rectified at the earliest opportunity. Some minor oil misting or dampness around seals or gaskets is acceptable, providing oil drips are not present.

Tyre Wear and Damage

All tyres, including the spare, must be in a legal condition and comply with the vehicle manufacturer's recommendations of tyre type, size and speed rating. There should be no obvious damage to sidewalls or tread caused by 'kerbing' or other abuse.



Commercial Vehicles/Car Derived Vans

Our policy for Commercial Vehicles is based in the BVRLA “fair wear and tear standard” for light commercial vehicles.

Damage to aluminium or fibreglass body panels is reasonable where damage has not caused distortion of body sides, scratches are not more than 300mm in length and internal body framework is not distorted. Minor scratches to body panels, where the paint surface has not been penetrated to bare metal are acceptable.

Paint scratches on roller shutter doors are reasonable when caused through normal usage. Damaged to shutter doors caused by impact or movement of the load, are not reasonable and the customer will be recharged the cost of repairs. Doors must be able to close and be secure at all times when the vehicle is on the move.

On tail lifts the loss of paint from platforms is reasonable. Platforms and runners must be free from impact damage or distortion. All lifting gear should be operational and serviceable.

On dropsides, tippers and platform bodies, cargo floors must be free from holes or broken boards. Body sides and tailboards must have all hinges and panels intact and must be able to fasten.

Van body interiors including lining kits and bulkheads (where fitted) should be intact and in a clean condition.

For dropside and tipper load areas discolouration is acceptable, however, the removal of residual materials is not reasonable and the customer will be recharged the cost.

Ancillary equipment including power take-offs, battery operated packs and cranes should all be operational and serviceable, and should have been used in line with manufacturer guidelines.

Commercial vehicles should be returned to Masterlease clean and without residual loads/materials. Failure to do this will result in either a) the vehicle or the contents being returned to the customer at their cost or b) the contents being disposed of by Masterlease at the customer’s cost.

All decals must be removed to an acceptable standard before the vehicle is returned. Any damage to paintwork or decals left on will be chargeable.

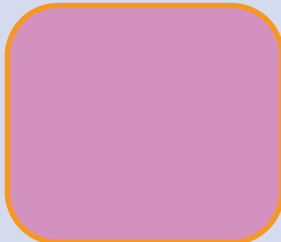


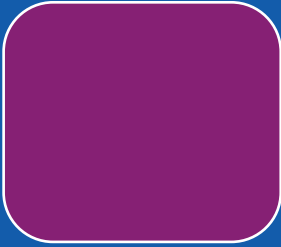
Summary

Masterlease appreciates that a fleet vehicle is generally used as a working tool. Accordingly, Masterlease assesses it as such when it is returned at the end of its contract period.

However, if a vehicle is returned in a damaged condition, Masterlease expects the customer to cover the cost of its rectification. Masterlease believes its recharge policy to be very fair and seldom experience difficulties relating to non-agreement. All rechargeable damage is photographed.

Masterlease will always use its best endeavours to reach an amicable agreement with the customer. However, if arbitration is required, Masterlease will call upon the expertise of the RAC/BVRLA or other independent organisations for comments on the vehicle's condition, and base the solution on their findings.





Masterlease

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Offices: Birmingham

Vehicle condition check

Masterlease

Please note that this form is for your reference only - Masterlease will carry out their own inspection to assess the vehicle's condition.

Vehicle Details

Date

Mileage

Vehicle Reg No

Colour

Make / Model

Item

Acceptable Standard

Checked

VEHICLE EXTERIOR

Any damage?

repaired to a professional standard before vehicle collection

Appearance?

clean exterior and interior

Stickers and decals?

removed thoroughly to a professional standard

Chips?

small areas of chipping are acceptable if no corrosion/rust present

Dents?

acceptable if up to 10mm and no corrosion/rust present

Scratches?

acceptable if up to 25mm and no corrosion/rust present

Mouldings and trim?

light scuffing acceptable

Door Mirrors?

fully operational - minor scuff marks/scratches are acceptable

Windscreen and windows?

light scratches acceptable

Lamps and lenses?

fully operational - minor scuff marks/scratches are acceptable

WHEELS AND TYRES

Wheel condition?

all present and intact, including spare-minor scuffing to outside edge of wheel trim/alloy wheels is acceptable

Tyre condition?

must meet minimum UK legal requirements and comply with manufacturer recommendation of type, size and rating

INTERIOR

Condition of interior?

seats, carpets, headlining and trim must be present and free of burns and heavy staining

Radio cassette/cd and speakers condition?

all accessories and controls must be intact and fully operational

Parcel shelves, handles and knobs

intact and fully operational

DOCUMENTATION, KEYS ETC

Tax disc present?

present, valid and affixed to windscreen

Keys (All)

complete set, including spares, present and tagged

V5 registration document

if you are in possession of the V5, your leasing company will advise you how to fulfill your responsibilities to transfer keepership

MOT certificate?

if applicable, it must be available on collection of the vehicle

Service book present?

complete and available on collection of vehicle

Handbook or operation guide present?

complete and available on collection of vehicle