

November 2024

Coates
Equipped for anything

Fair Wear and Tear Guide



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Introduction

The purpose of this document is to provide a guide to customers and Coates repair and maintenance staff on what is considered “**Fair Wear and Tear**” for Coates equipment.

During the hire term, some deterioration of the equipment may naturally occur, this is known as “**Fair Wear and Tear**”. Importantly, the term “**Fair Wear and Tear**” only relates to equipment that is being used under normal conditions and in compliance with the operating instructions and where daily checks are carried out by the operator.

“**Fair Wear and Tear**” should not be confused with damage. Damage occurs as a direct result of misuse, operator error, lack of attention to preventative measures, incorrect application and other external factors, or environmental conditions.

Users are financially responsible for the repair or make good costs if the equipment is damaged, while Coates is responsible for costs associated with Fair Wear and Tear.



User Responsibilities

The customer is responsible for any loss, theft, or damage to the equipment from any and every event during the hire period, except where any such loss, theft or damage was caused by our fault or constitutes Fair Wear and Tear. Similarly, if the equipment suffers a breakdown or malfunction due to any cause except for Coates default or Fair Wear and Tear, the customer is responsible.

In such cases, the customer will be liable for any costs incurred by Coates to recover and repair or replace the Equipment, plus hire charges during the repair period.

The customer is also responsible for daily maintenance and care of all equipment including checking all fluids (fuel, oil, water, battery levels, waste tanks etc.), checking all hoses (hydraulic, fuel and water), general tightening of any loose nuts, bolts, belts or fittings and lubrication of all grease points.

The customer must also ensure that the equipment is used only for the purpose for which it was designed by the manufacturer and avoid any other misuse or error.

Key Definitions

Damage means any damage caused to Coates' equipment during the hire which is not the result of Fair Wear and Tear or Coates default.

Damage includes dents, scratches, punctures, broken windows, broken casings, damaged engines or mechanical/hydraulic systems, graffiti, paint/render splatter, torn or pierced tyres and bent fixtures or parts. It includes damage resulting from any accidents, third party events or environmental conditions, even if the customer is not negligent.

Fair Wear and Tear means deterioration that occurs over time arising from the normal use of the equipment, where the equipment is operated by a reasonably competent operator, but excludes Harsh Environments. Fair Wear and Tear includes mechanical failures and breakdowns which occur under conditions of normal use.

Harsh Environments includes environments or applications that are excessively detrimental to the condition of the equipment, e.g. exposure to high levels of chemicals, salt, mine sites or prospective mine sites, underground projects and offshore locations. The customer will be liable for equipment deterioration due to a Harsh Environment.

Misuse is explained in the next section.



Misuse

Misuse means using equipment for purposes it is not designed for or is beyond its capacity, or any other incorrect or potentially dangerous or unsafe use. Misuse often leads to the equipment being damaged.

Some common examples of misuse are:

- The equipment being used when warning indicators are lit, especially if the warning indicates an overheated motor or engine, or low oil level in the engine or hydraulic system
- The equipment being used contrary to the warning labels displayed on the equipment
- The equipment being operated despite having obvious faults
- The equipment being used after it has been damaged in an accident
- Use of contaminated or incorrect fuels or oils
- Handling loads which are heavier, wider, or higher than the equipment is designed for, or are not uniformly loaded
- Misuse includes Operator Error as described below in the next section
- Inadequate cleaning of equipment used in fibrous, dusty, or harsh environments
- Using an attachment to handle a load for which it is not designed
- Unauthorised modifications
- Not carrying out prestart checks
- Exceeding safe working loads
- Pumping substances with a high level of corrosion or harmful materials
- Operation of the equipment beyond its design capacity or in a manner that is contrary to its design intent – e.g. using rollers to crush rock
- Use by an unlicensed or untrained operator
- Any non-compliance with user manuals

Operator Error

Operator errors can cause equipment failures and damage and constitutes misuse.

Examples include:

- Bent or missing protective panels and covers
- Failure to complete the daily checks resulting in damage or system failure
- Leaving AUX accessories (Leaving lights on) will flatten batteries, which can lead to non-start and require a service call for premature battery failure and replacement
- Starter motor problems due to over cranking
- Under/Overloading
- Incorrect use
- Running out of Fuel
- Activation of E-Stops
- Incorrect use of machine function/operation
- Inadvertent activation of battery isolator



General checks upon return of equipment

The following items should be checked by Coates staff when equipment is returned, either for repair or at the end of the hire period.

Documentation

Logbooks must have been completed by the customer. All documents relating to the equipment including manuals and logbooks must be returned at the completion of the hire period.

Appearance

Equipment should be returned suitably clean to allow inspection of equipment condition, this includes removal of any debris and mud.

Accessories

All items supplied with the equipment must be present, complete and fully operational when the equipment is returned. Examples include safety systems (harnesses and lanyards), a camera system, lighting, weight gauges, fire extinguishers, battery chargers, attachments, GPS devices, control boxes, remotes and/or other non-attached accessories. (e.g. All correct hose fittings and/or attachments must be returned.

Modifications/Tampering

Equipment including attachments must not have been modified or tampered with in any way. All accessories provided by the customer such as communication systems, toolboxes, lighting or electrical installations must have been installed in such a way that the equipment is not permanently modified or damaged e.g. drilling of holes to secure accessories is prohibited.

Badges, Labels and Decals

Any non-standard badges, labels or decals attached to the bodywork or glass must be removed, and any damage caused by their attachment or removal must be made good before the equipment is returned.

Keys/Security and Fleet Management Systems

All keys must be returned with the equipment. Similarly, if the equipment was supplied with a security system, then this must be intact and in working order.

Examples

The following pages in this document contain examples of “**Fair Wear and Tear**” vs “**Damage**” to equipment.





Fair Wear and Tear

- Protective panels and covers present and undamaged
- Minor dents within 20mm diameter and light scratches up to 25mm in length, where the paint surface has not been penetrated



Unacceptable Damage

- Mechanical deformation of supporting components, panels and covers
- Broken, cracked or deformed plastic components
- Multiple dents occurring in a single panel or dents larger than 20mm in diameter and abrasions of more than 25mm in length
- Unapproved modifications
- Removal of compliance and/or rating plates or decals





Exterior **Paint and Decals**

Fair Wear and Tear

- Minor scuffing of painted surfaces and decals
- Scratching of surfaces subject to contact with abrasive materials during 'normal operation' e.g. roller drum frames, excavator dipper arms etc. may be accepted at the discretion of Coates Management



Unacceptable Damage

- Excessive residue from customer-applied decals
- Customer painting or graffiti
- Damage to decals necessitating replacement before the next hire
- Damage to painted surfaces necessitating repaint before the next hire
- Excess concrete, paint or other substances
- Hail damage
- Dents of any diameter on bonnets, roofs, wheel arches, style lines, door sills or door edges
- Multiple dents within a specific local area regardless of size



Exterior **Overhead Guard,** **Cabin and Railings**



Fair Wear and Tear

- Minor dents (20mm in diameter) are acceptable as long as the paint surface has not been penetrated so that bare metal is visible or corrosion has set in
- Repairs to bent or distorted upright legs and/or overhead frame due to impact



Unacceptable Damage

- Deformed and/or damaged Overhead Guard, Cabin panels, or Cabin components
- Holes or unauthorized penetrations in the Overhead Guard structure – ROPS/FOPS
- Damage to cabin accessories (items that are not in working order) and railings (that are bent in any way, shape or form)
- Repairs to bent or distorted upright legs and/or overhead frame due to impact
- Overhead Guard, Cabin panels, or Cabin components shall not be dented, deformed and/or damaged
- No holes or unauthorized penetrations should be made to the Overhead Guard structure
- Any cracked or broken glass – including but not limited to the front windscreen or overhead roof, side windows





Exterior **Lighting and Working Lamps**

Fair Wear and Tear

- Water Ingress
- Blown Globes
- Minor Scuffing on exterior surfaces



Unacceptable Damage

- Missing, damaged or broken lights
- Cracks, fractures or deep scratches in the glass
- Bent headlight mountings or protective frames
- Scratches, chipping, cracks, holes or damage to lamps; and external mirror lens, as all such damage may affect the roadworthy status of the equipment
- Globes/Lamps missing



Interior Operator's Compartment



Fair Wear and Tear

- Light marks that can be removed by vacuum or general cleaning
- Light scuffing or smears or regular day-to-day debris that is removable by general cleaning
- Minor cosmetic damage that does not in any way affect the functionality of the keys, accessories, or equipment



Unacceptable Damage

- Broken, bent or damaged levers
- Display glass badly scratched
- Switches and levers damaged or missing
- Deformation, deep scratches, holes, cracks or fractures in the dashboard
- Missing covers
- Metal floor plate or anti-slip covering missing
- Operator interfaces discoloured or obscured due to oil, paint or chemicals
- Tears, cuts, scratches, holes or burns
- Any damage to the structure, shape or positioning of a seat
- Excessive soil, mud or sand





Interior Seat

Fair Wear and Tear

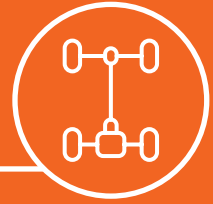
- Minor scratches in the seat
- Wear and soiling through normal use including any stitching that has come apart



Unacceptable Damage

- Missing seat parts (e.g. rear cover)
- Seat cushions with parts broken off or large splits
- Missing or inoperative restraint system covering
- Seat and seat belt cuts, frays, ripped, torn, burnt holes, stained or evidence of tampering
- Damaged or inoperative seat adjustment controls





Fair Wear and Tear

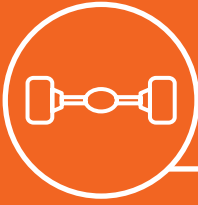
- Minor dents and deformation to the machine underbody, covers or protective mounts are acceptable where surface damage has not exposed the underlying steel structure



Unacceptable Damage

- Any major impact damage to components or machine chassis frame





Vehicle Underside Axles, Wheel and Rollers

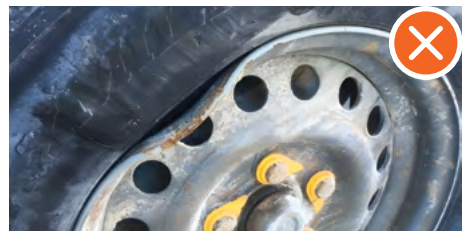
Fair Wear and Tear

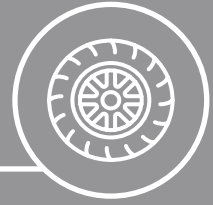
- Wheels are not covered by the Fair Wear and Tear Policy as they are not a wear component. Any deterioration or degradation to load wheels and castors is chargeable as customer damage
- Drive and steer axles fully functioning, without leaks, external damage or making excessive noise
- Minor scuffing due to everyday use
- Wheel rims without deformation and wheel fixings complete
- Wheels operative and free from dirt or obstruction



Unacceptable Damage

- Leaks or external damage
- Foreign matter contamination e.g. concrete
- Deformation of the tread and tyre walls. Broken-off parts and/or considerable cuts or chunking in the tyre surface
- Wheel fixings sheared or missing
- Damage resulting from foreign materials
- Damage to wheels or rims
- Equipment returned from hire with tyres and/or wheels that were not fitted at the commencement of hire e.g. customer has swapped out with one of their own (typically with an old and worn-out tyre/wheel)





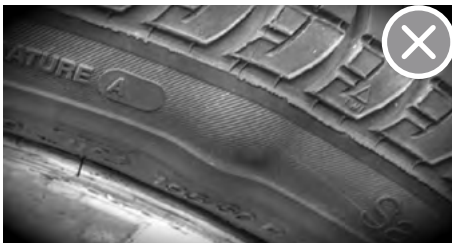
Fair Wear and Tear

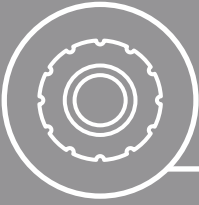
- Pneumatic Tyres are not covered by the Fair Wear and Tear Policy Wheels as they are not a wear component
- If uneven tyre wear is identified, and the minimum depth has not been reached, tyre rotation is a practical option to reduce the risk and increase the useful life of a tyre



Unacceptable Damage

- Flat spots or areas of rapid wear on the tyre indicates excessive braking or cornering
- Deformation of the tread and tyre walls from contact with gutters or other obstructions
- Damage includes broken off parts and/ or considerable cuts or chunking in the tyre surface





Tyres **Polyurethane Foam Filled**

Fair Wear and Tear

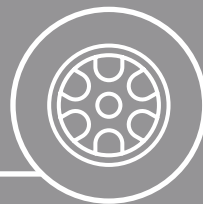
- Wear not exceeding minimum tread depth
- Minor abrasions
- Small amount of tread block damaged or missing but the outer case is not damaged
- Bolt in the tyre to plug air hole after foam filling does not constitute damage



Unacceptable Damage

- Cuts through the cord plies which exceeds 10% of the tread width
- Tears or rips (ragged edges) in the cord plies which exceed 25mm in any direction
- Punctures of any type
- Damage to the bead area cords of the tyre
- Evidence of fluid leaving the tyre at the valve stem, bead of tyre or at any punctures/holes in the tyre





Fair Wear and Tear

- Small amount of tread missing
- Small amount of tread damage and minor wear



Unacceptable Damage

- If a tear, chunk, or any other discrepancy exceeds 76mm in length or 10% of the tyre diameter in length
- If a tear, chunk, or any other discrepancy exceeds 19mm wide or 19mm deep
- If the metal wheel is visible at any point through the tread of the tyre
- Excessive damage to sidewall and separation between tyre and rim
- Tread pattern no longer visible





Mechanical Engine/Transmission

Fair Wear and Tear

- Excessive oil consumption more than average with high hours and km
- High hours & high km will determine proportional shifting and friction disc wearing e.g. clutches, linkages & bushes

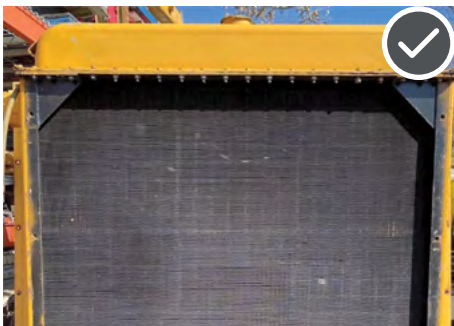
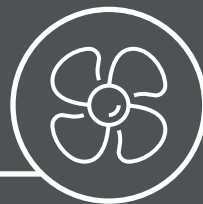


Unacceptable Damage

- Damaged engine and/or ancillary components
- Seized due to running vehicle with insufficient coolant, lubricating oil and broken internal components
- Oil or fluid leaks from the engine or hydraulic system due to damage
- Damage to the exhaust system
- Damaged or missing mountings, hoses or covers
- Debris and foreign matter within the engine compartment
- Fuel or fluid system contamination
- Engine cooling system not functioning correctly due to debris or damage
- Transmission slipping, erratic gear or direction changing, or noisy faults caused by operator abuse



Mechanical Radiators and Aftercoolers



Fair Wear and Tear

- Minor level of dirt and debris in radiator cooling fins
- Low coolant level, provided it is not excessively low and detrimental to the operation of the equipment
- Minor water leaks from water hoses
- Minor leaking of coolant
- Sludge build up in radiator



Unacceptable Damage

- Excessive dirt, debris or foreign matter clogging the radiator
- Bent or damaged cooling fins
- Fluid leaks from fins, header tanks and seals
- Damaged or missing mountings, hoses, or shrouds





Mechanical Hydraulics/Hoses

Fair Wear and Tear

- Damages to hydraulic cylinders, dents or bent piston rods will not be covered by the Fair Wear and Tear Policy
- No visible signs of leaks, abrasion, discolouration, or exposed inner layers
- Minor wear on the exterior of the hoses is acceptable provided it does not penetrate the braiding
- Some small scuffs and nicks on the outer cover of the hose are acceptable



Unacceptable Damage

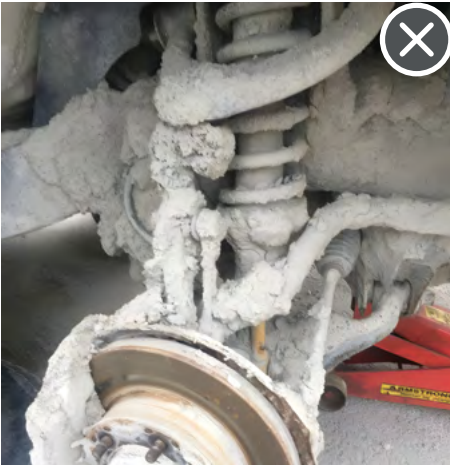
- Cuts, and abrasions to the outer hose. Refer Coates Help Sheet HS212
- Blisters, colour changes, or hard spots
- Inner steel braiding is exposed (showing) AND damaged. (If the hydraulic hose inner steel braiding is exposed but NOT damaged, the hose should be replaced, or scheduled for replacement at the next possible opportunity)
- Hose reel hoses needing replacement due to catching on racking or damage as a result of damage to the hose reel





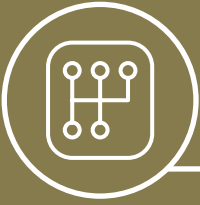
Fair Wear and Tear

- Service and Parking brake in working order



Unacceptable Damage

- Brake system not operating correctly due to damage
- Missing parts or brake system components
- Damage to brakes systems caused by foreign matter or abuse
- Grooved brake discs caused by metal-to-metal contact
- Damage conducted by driving with the handbrake engaged



Electrical **Electric Motors** and **Electrical System**

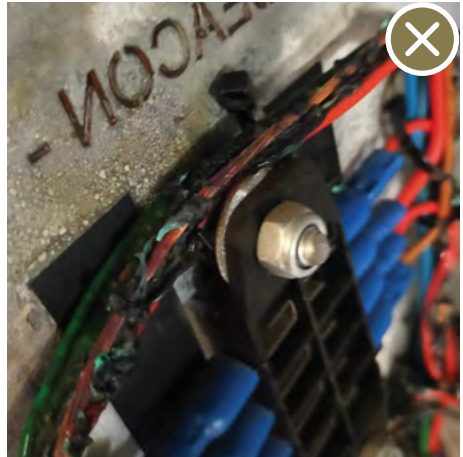
Fair Wear and Tear

- Drive and electrical systems in working order
- All connecting cables intact and undamaged
- Minor cracks or abrasions to the outer sheath providing wire core is not exposed

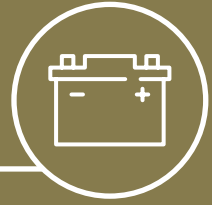


Unacceptable Damage

- Damage to motor parts, electrical systems, and fleet management devices due to impact or abuse
- Unauthorised repair, modification or tampering of the electrical system
- Damage due to water entering the electrical system

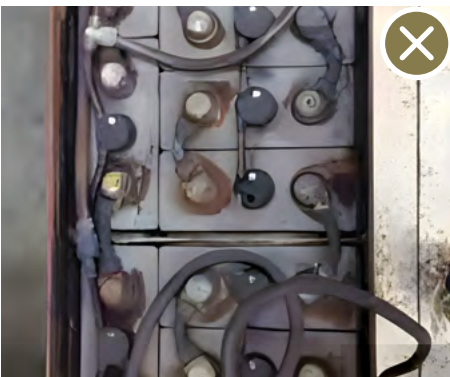


Electrical Batteries



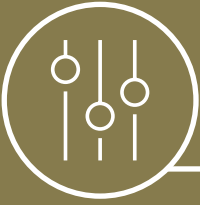
Fair Wear and Tear

- Batteries have the correct level of electrolyte, no corrosion on the cell connectors, cell tops or battery box
- Battery plugs/cables are free from damage, with no exposed wires or splits in the insulation
- Battery plugs are defect free and connect/disconnect correctly
- Chargers must be operational without impact damage to the outside casing
- Charger cables must be free from damage, with no exposed wires or splits in the insulation



Unacceptable Damage

- Low electrolyte level
- Evidence of corrosion or acid damage
- Damaged battery plugs or cables
- Charger not working or Impact damage to charger casing
- Charger cables with damaged insulation
- Damage to battery monitoring systems and devices
- Over discharged batteries



Electrical **Control Panels**

Fair Wear and Tear

- No missing components such as knobs and buttons
- No broken or damaged gauges



Unacceptable Damage

- Non-original labelling
- Obscured or illegible OEM labelling
- Broken or damaged gauges



Vermin Damage



Unacceptable Damage

- Damage to wiring looms, electronic controls and data monitors
- Damage to Battery Terminals
- Damage to upholstery
- Damage to filters







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