

# Guide

Vehicle return and assessment

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### Foreword



At the end of the contract, the leased vehicle is transferred to second-hand car marketing. When the vehicle is returned, a return report is produced with the customer and/or their appointed agent and signed. We then have a detailed assessment of the vehicle conducted by a neutral organisation.

In the interests of maximum transparency and fairness in evaluating any damage found, we act in line the guidelines of leading associations. The returns process is simple, transparent and designed to be neutral. It is handled transparently for all parties based on an objective viewpoint. Transparency is created by clear processes and by defining uniform quality standards. This guide for vehicle return serves as the basis for the process. This guide identifies descriptions of typical damage and a distinction is made between acceptable and unacceptable traces of use.

The unambiguous definition of acceptable and unacceptable is arrived at by means of precise descriptions and meaningful photos. The guide serves as a quality standard for a uniform inspection of "returned vehicles".

The overall condition of the returned vehicle is assessed on the basis of this guide. The cost of the necessary repairs is recorded and documented in a status report.

### 1. Conditions

#### Vehicle condition on return

The vehicle must be cleaned inside and outside and the interior must be free of personal items. The vehicle should be inspected either in normal daylight or under sufficient indoor lighting and in a dry condition, unaffected by the weather. The vehicle must be freely accessible from all sides and it must be possible to open all doors and flaps.

#### Vehicle accessories

All accessories, vehicle keys, vehicle documents and the wheels and tyres included in the scope of supply and/or the contract must be returned with the vehicle. Missing parts or documents, e.g. the certificate of registration Part I (vehicle licence) may preclude any proper acceptance of the vehicle. Any additional costs incurred as a result must be borne by the customer.

#### Return report

When the vehicle is returned, a return report is created in which the condition of the vehicle, all technical and visual defects as well as the accessories/equipment returned are documented. The return report is signed by the service representative charged with accepting the vehicle and by the customer or their appointed agent (e.g. the driver). The return report documents the exterior and interior condition of the vehicle and does not rule out technical or outwardly indiscernible damage or defects identified at a later point in time (e.g. damage to the floor if there is no car lift available when the return report is created or if the vehicle is returned in unfavourable weather [rain, snow] or lighting conditions [darkness]).





### 2. Definition of terms

Commercial vehicles are subject to natural wear and tear as a result of their use and they bear corresponding traces of use. The vehicle transitions from its new vehicle state to that of a second-hand car. Traces of use as occurring from use of the vehicle on public roads, are foreseeable and can be classified accordingly (acceptable). Besides such normal wear, there are also reductions in value and/or damage that differ from normal use (unacceptable). We differentiate between acceptable and unacceptable traces of use. But even an excessive accumulation of traces of use may lead to losses of value differing from normal use.

In the case of unacceptable traces of use, it makes no difference whether these are caused by the customer themselves or by third parties or whether they are settled by an insurer or other third party or not. Any non-contractual use of the vehicle during the term of the lease is also unacceptable (e.g. inadmissible use as a rental car or driving school vehicle, as a taxi or use of the vehicle for racing sport purposes).



#### Acceptable traces of use

These are traces of normal use as a function of the age of the vehicle and its mileage which have no negative impact on the overall visual impression of the vehicle. The customer will not be charged for such traces.

#### Previous damage professionally repaired

This relates to damage to the vehicle that has been professionally repaired, e.g. caused by an accident, with the result that the damage is no longer discernible or only visible to an expert, often only after removing panels. Previous damage that has been professionally repaired and power units (engine, transmission) or kilometres replaced during the contractual term must be declared by the customer on their own initiative when returning the vehicle and evidenced by copies of the repair bill or an expert appraisal.

#### Unacceptable traces of use

This relates to damage caused by normal use of the vehicle but which has a negative impact on the overall visual impression of the vehicle and/or technical consequences. But even an excessive accumulation of traces of use may lead to divergent losses of value.

Definition of terms

#### Accident damage

Accident damage relates to vehicle damage not or only partially repaired and caused by sudden, direct impact. It includes permanent deformation of the bodywork and attachments, breaks in bumpers, damage to axles, etc. The damage has either not been repaired at all or only partially so. It also includes unprofessional repairs and paintwork that leave clear signs of repair (e.g. defects in the application of filler and paint, significant colour discrepancies), or emergency repairs.

#### Other defects

Other defects relate to visual and technical damage which may also have occurred as a result of normal use of the vehicle but which nevertheless impair the overall condition or roadworthiness of the vehicle. Among other things, they include worn tyres, stone chips and cracks in glass parts, defective power units and maintenance work not carried out.

#### Damage under warranty

This relates to defects caused neither by unprofessional use / incorrect operation nor by overloading or external interference. It is incumbent on the vehicle manufacturer to recognise any warranty damage; the manufacturer's conditions (e.g. evidence of complete, punctual maintenance) must be observed. The costs must be assumed or the claim processed through warranty / goodwill and the associated repair carried out before the vehicle is returned!

#### Mercantile reduction in value

Any loss of value remaining after a damaged vehicle has been repaired is referred to as a mercantile reduction in value. It is designed to take account of the fact that after a repair caused by an accident, a vehicle has a lower value than one that is accident-free. To determine the mercantile reduction in value, the extent of the accident, the age and mileage of the vehicle are taken into account. The mercantile reduction in value is calculated for previous damage professionally repaired and for vehicle damage that has not been repaired or only partially so.

#### Types of repair

The assessment of unacceptable traces of use / damage and their repair is subject to technical and economic considerations. In selecting the type of repair, the focus is on a professional repair, but also on the manufacturer's specifications, where applicable.

#### Smart repair

For all repairs to be carried out, the option of using so-called "smart repair" methods is the primary consideration. Such methods represent attractively priced repair alternatives recognised by manufacturers.

#### Repair and paintwork

The traditional method of repair and/or painting is used if a "smart repair" either

- a) makes no financial sense,
- b) is not technically feasible or if
- c) the result of the repair is not guaranteed for the long term.

#### Replacement

Replacement is only considered if none of the above-mentioned methods is possible or makes financial sense.

#### Basis of calculation

The types of repair specified above serve as the basis for the calculation; for replacement and painting, the manufacturer's specifications are observed.



### 3. Evaluation criteria

The following evaluation criteria describe the acceptable and unacceptable condition of a vehicle with an average term of three years and an average mileage for its age. Other criteria can be used for vehicles with a considerably different term and/or mileage. The same applies to vehicles that are subject to different from average wear and tear due to their contractually agreed type of use.

# Bodywork

#### Acceptable

"Soft" dents in the bodywork up to a diameter of 20 mm and a maximum depth of 1 mm (up to max. two dents per component) which do not require a new paint job; no more than two components may be affected.



- × "Soft" dents in the bodywork with a diameter of more than 20 mm and/or a depth of more than 1 mm
- × More than two dents per part
- imes Sharp-edged dents requiring a new paint job
- Unprofessionally carried out repair work(e.g. orange peel, spray, paint inclusions, swirl marks)
- × Unrepaired vehicle/accident damage
- imes Hail or conker damage





### Paintwork

#### Acceptable

- Minor paint damage not requiring a new paint job, e.g. scratches on the paint surface that can be removed by polishing
- √ Paintwork slightly weathered by environmental effects
- ✓ Typical swirl marks caused by the car wash
- Small number of minor stone chips not affecting the overall appearance
- ✓ Light stone chips not reaching the primer





- × Scratches that penetrate the top coat (clear lacquer)
- X Reapplication of lacquer or paint touch-ups that don't meet the manufacturer's standard and exhibit significant colour differences and thicker lacquer layer both due to unprofessional repair work
- × Lacquer contaminations (e.g. etching)
- × Small number of minor stone chips affecting the overall appearance
- × Paint peeling, large stone chips and/or stone chips with rust formation
- × Decals or stickers
- × Paint damage or not inconsiderable colour differences as a result of decals, stickers and/or partial lacquer finishes
- × Flash rust





# Bumpers, bumper covers and lateral protection

#### Acceptable

- Light scratches or light paint wear (mostly in rounded areas) that don't penetrate down to the base material and are less than 50 mm in length
- Light scuffing or dents in rubber parts not negatively affecting strength or the visual appearance



- × Scratches or paint wear that penetrate down to the base material and/or are more than 50 mm in length
- × Scuff marks or dents in rubber parts negatively affecting strength or the visual appearance
- × Breaks, cracks
- Deformations as a result of which there is no longer a perfect fit
- imes Deformation of bumper cores or fixtures

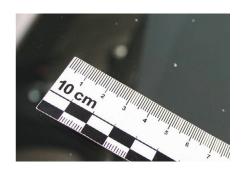




# Glass and lights

#### Acceptable

 Small number of tiny superficial stone chips or scratches not impairing roadworthiness



- imes Stone chips or scratches with glass chips
- × Damage impairing roadworthiness
- $\times$  Fracture or crack formation
- × Stone chips or splintering in the driver's field of vision
- × Broken or no longer watertight headlights, rear lights, indicator or side marker lights and their housings





### Tyres, rims and hubcaps

#### Acceptable

- Residual tread depth (at the weakest point) of more than 2 mm for summer tyres
- ✓ Slight scuff marks on tyre sidewalls
- Light scratches and scuff marks on the rim flange up to 50 mm in length
- ✓ Scuffing on hub caps up to 100 mm in length
- √ Vehicle fitted with summer tyres
- √ Vehicle fitted with winter tyres, summer tyres also returned
- Residual tread depth (at the weakest point) of more than 4 mm for winter and all-weather tyres



- × Residual tread depth (at the weakest point) of 2 mm or less for summer tyres
- ★ Uneven tyre wear (measurement required)
- × Backing plates, saw teeth, cracks, cuts
- X Clear loss of material on the side of tyres or rims
- × Cracks, deformations on rims
- × Fractures, cracks, missing hubcaps or not the original hubcaps
- × Vehicle fitted with winter tyres, summer tyres not returned
- Inadmissible or unregistered tyres/rims (size, manufacturer, index, etc.)
- × Residual tread depth (at the weakest point) of 4 mm or less for winter or all-weather tyres





### Interior

#### Acceptable

- Slight signs of wear as a result of being used for its intended purpose, normal wear on foot mats, floor coverings, upholstery and trim parts such as inside door handles, steering column stalks, operating elements
- ✓ Slight discolouration caused by sunshine



- × Burn holes
- X Cracks, cuts, holes, fractures or deformation of moulded parts
- × Damage to safety belts or safety locks
- × Contaminations, discolourations
- × Mould or abnormal odours
- × Missing parts such as head rests, covers, seat rows
- imes Cracks in or detachment of door and flap seals
- × Scratches on display screens, e.g. radio and navigation units
- × Non-functioning or damaged control elements such as steering column stalks, push buttons, knobs







## Deinstallation damage

#### Acceptable

Small drill holes not in the field of vision of vehicle occupants, e.g. on the underside of the dashboard



- × Changes to the vehicle that can no longer be restored to its original condition, e.g. drill holes on bodywork parts
- Drill holes in the field of vision of vehicle occupants,e.g. on the dashboard, central console, in door panels
- × Large holes, e.g. occurring from the installation of loudspeakers in door panels or rear window shelf
- imes Damage caused by stickers and labels and their removal





# Maintenance, mechanical systems, electrical systems and power units

#### Acceptable

Normal wear and tear for the age and mileage of the vehicle while maintaining roadworthiness and operating safety



- Maintenance work that cannot be demonstrated (e.g. missing service book) or overdue services and repairs resulting from missing dates; all damage, defects or excessive wear on the vehicle's mechanical systems (drive, steering, shock absorbers, bearings, brakes, exhaust, catalytic converter, etc.)
- × Any damage or defects which impair the roadworthiness of the vehicle; any damage, defects or excessive wear to the vehicle's electrical systems (air conditioning, radio, navigation, etc.)
- × Seeping or dripping seals
- X Noticeable (annoying) noises from power units (e.g. engine, transmission, alternator, etc.)
- × HU (roadworthiness test) / AU (exhaust emissions test) due (if overdue at the time of inspection)





### Scope of supply and accessories

#### Acceptable

- All elements installed and delivered in accordance with the delivery note/scope of supply must be present
- You can find a checklist for vehicle returns at www.alphabet.de/fahrer



#### Unacceptable

#### Missing or defective parts from the scope of supply, e.g.:

- X Key code card
- × Vehicle key
- × Radio code card
- × Vehicle toolkit, jack, tyre puncture set
- × Remote controls
- × Satellite navigation system (screen, CD/DVD)
- imes CD changer magazine cartridge
- × Mobile phone, car telephone
- × Spare wheel
- × Fuel card
- × Service card
- imes Service booklet, operating instructions
- × First Aid kit

- × Warning triangle
- × Foot mats
- × Trailer coupling (removable) with key
- × Cigarette lighter
- → Original wheel/tyre combination from the factory
- × Winter tyres (if part of the contract)
- × Fittings and/or special fixtures and tarpaulins supplied, special fittings must be functional
- Vehicle documents such as registration certificate Part I/vehicle registration document
- X HU (roadworthiness test)/AU (exhaust emissions test) certificates if due during the term

# 4. Checklist Vehicle return/exchange

We have put together this checklist for you to ensure that the return and/or exchange of your company vehicle runs as smoothly as possible. Please make sure to inform Alphabet Fuhrparkmanagement GmbH of your vehicle return and/or agree a return date. Your point of contact at the Alphabet office will be glad to assist you. You will find the contact details on our website www.alphabet.de

#### Are the following items and vehicle components present?

All keys

Registration certificate Part I (vehicle registration document) Full vehicle manuals (completed

service booklet and operating instructions)

Kev code card\* Radio code card\*

Remote control for auxiliary heating\*

Mobile phone kit\*

CD changer magazine cartridge\*

DVD/data carrier for navigation system\*

Complete toolkit

Warning triangle and First Aid kit

Partition net and boot cover\*

Windshield with protective cover\*

Trailer coupling with all keys and ball mount\*

Spare wheel\*

Tyre puncture set\*

Foot mats

Charging cable, adapter plug for electric

vehicles\*

Complete set of summer tyres with original rims and associated wheel bolts/anti-theft

wheel bolt adapters\*

Complete set of winter tyres with rims (if tyre service is included in the lease agreement)

#### Are the following criteria met?

Is the vehicle roadworthy and operationally

Does the vehicle still have a valid roadworthiness and exhaust emissions certificate?

Is there enough fuel in the tank

(minimum range 80 km)?

For electric vehicles (e.g. BEV/PHEV):

Is the drive motor battery fully charged?\*

Is the oil level sufficient?

Is the profile depth of the tyres fitted to the

vehicle at least 2.0 mm?

Has all damage covered by the insurance

been documented and reported?

Have all technical steps and warranty services

been performed?

Have all services and maintenance been registered in the service booklet?

Was the vehicle clean inside and out on the return date and in perfect condition both visually and technically?

Had all personal items (incl. high-viz vest)

been removed from the vehicle?

Are all loose items (boot cover, wind deflector, wheels, etc.) safely stowed and secured? Has all glass damage (e.g. stone chips on the windscreen) been repaired by our glass partner?

You can find a list of our glass partners at www.alphabet.de

<sup>\*</sup> Only for corresponding vehicles or packages

- If the vehicle return is performed under difficult conditions (e.g. darkness, multi-storey car park, snow/ice, rain, dirt), it may not be possible to fully document vehicle defects in the return report.
   In this case we will charge you for any reductions in value in accordance with an expert report.
- Please make sure that any glass damage is repaired before the vehicle is returned. Fictitious bills (e.g. as per report) will not be accepted by insurance companies. It is imperative to submit a repair invoice. It is not possible to carry out glass damage repairs on Alphabet's sales sites.
- We will have to charge you for missing parts as per the report. It is not possible to deliver them later.
- Please note that we will have to bill you for the cost of any trips which the distribution company makes in vain.
- Please delete all personal details before returning your vehicle.

#### Tips for a successful vehicle return:

- Service booklet cannot be found: Please bring your last customer service invoice with you when you return the vehicle.
- Registration certificate Part I (vehicle registration document) cannot be found:
  - a) Notify the responsible certifying office of the loss
  - b) Apply for a new certificate to be issued by the responsible certifying office

#### Vehicles cannot be returned if the following criteria apply:

- The registration certificate Part I (vehicle registration document) cannot be found.
   The vehicle has no valid roadworthiness and exhaust emissions certificate.
- The original wheels / tyres (summer) are missing.

For further information, please contact eot@alphabet.de



You can find further information on returning vehicles and vehicle assessment at www.alphabet.de

Your personal contact or account manager in the office will be happy to answer your questions or provide information.