

HARLEY-DAVIDSON FINANCE*



HARLEY-DAVIDSON FAIR WEAR AND TEAR GUIDELINES

This document should be read in conjunction with your Harley-Davidson Finance Consumer Loan Agreement.

This document sets out the standards of acceptable and unacceptable wear and tear by which your bike will be assessed and can be used to help keep it in an acceptable condition.

FAIR WEAR AND TEAR EXPLAINED

Fair wear and tear is the wear and tear that can be reasonably expected in the life of a bike that is properly maintained and cared for. Unacceptable wear and tear may occur when faults and damage are unrepaired or poor quality repairs are undertaken. Unacceptable wear and tear may also occur when the manufacturer's recommended maintenance and servicing schedules are not followed and/or ongoing maintenance of the bike does not occur.

If the fair wear and tear requirements are not met in accordance with the acceptable standards set out in these Guidelines, a reduction to your Guaranteed Future Minimum Value will apply.

Prior to the expiry date of your contract we will contact you and ask if you intend to return your motorcycle on the expiry date in return for Harley-Davidson Finance paying you the Guaranteed Future Minimum Value nominated in your schedule.

We will assess the condition of your motorcycle when you return the asset to us and determine whether it meets this Guide and also check the odometer to determine whether an Excess Kms Adjustment charge will apply to reduce the Guaranteed Future Minimum Value amount.

MAINTENANCE REQUIREMENTS

BIKE SERVICING

Regular maintenance and servicing should be carried out by a Harley-Davidson franchise dealer or an approved service agent according to the manufacturer's guidelines. Approved parts and lubricants must be used at all times.

The following examples are conditions usually caused by mechanical neglect or misuse and therefore are not regarded as fair wear and tear.

- Grooved brake discs caused by metal to metal contact
- Engine Seized due to running bike with insufficient coolant, lubricating oil and with broken internal component
- Transmission Slipping, erratic gear changing, or clutch slipping

Your completed bike service and Harley-Davidson warranty booklets along with any documentation relating to bike equipment must be returned with the bike.

Failure to adhere to the servicing schedule, or if you do not return the completed bike service and Harley-Davidson warranty booklets along with any documentation relating to bike equipment, may result in a reduction to your Guaranteed Future Minimum Value.

APPEARANCE

At the end of the contract period the bike should be made available in a suitably clean condition to allow for proper inspection of the paint and body.

ADDITIONAL EQUIPMENT

All standard equipment, together with non-standard or 'customised' fittings originally supplied, must be returned with the bike at the end of the contract period. If these fittings are not returned, a reduction to your Guaranteed Future Minimum Value will apply.

BADGES AND LABELS

Non-standard badges, labels or advertising fitted to the bodywork or glass of the bike should be removed, with any damage caused by their attachment or removal rectified. If the attachment of advertising results in paintwork fading, a reduction to your Guaranteed Future Minimum Value will apply.

Advertising should never be painted directly onto the bike.

KEYS AND SECURITY

A full set of keys should be available and should be functioning.

If the bike was originally supplied with a security system, this should be intact and fully operational, including any key or key fob necessary for operation. Any additional non-standard security system should be fitted according to a recognised standard.

Failure to supply the full set of keys and/or damage to any security system will result in a reduction to your Guaranteed Future Minimum Value.



A GUIDE TO ACCEPTABLE AND UNACCEPTABLE FAIR WEAR AND TEAR

BIKE EXTERIOR

ACCEPTABLE

- Paintwork. Small areas of stone chipping and light scratches (up to 25mm in length) are acceptable, relative to the bike age and mileage, as long as they have not penetrated through to the base metal and caused corrosion
- Minor dents are acceptable as long as paint surface has not been penetrated through to the metal or corrosion has set in
- 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
- Minor paint touch ups or flaking
- Window glass damage if relatively minor and repaired using resin impregnation. Light scratches and minor chipping around the periphery of the windscreen is accepted as fair wear and tear.
- The windscreen must be able to pass a roadworthy inspection

UNACCEPTABLE

- Dents greater than 20mm in diameter
- 2 or more dents occurring on a single panel (no matter how small) is unacceptable, and the panel should be repaired or replaced
- Abrasions/scratches more than 25mm in length
- Colour mismatch between panels, or poorly fitting panels, are unacceptable
- Prominent paint touch ups or major paint flaking
- Tank / Panel rust
- Poor paint/panel repairs
- Spoils from bird/tree droppings
- Exterior damage caused by the attachment/removal of stickers/decals
- Damage resulting from Hail
- Body buckling, distortions, or missing bike badges
- Screen cracks or damage within the rider's sight line is not acceptable
- Cracked lamp glass/lens is not acceptable. Lamps must be operational
- Holes caused by the removal of accessories
- Stitching that has come apart is unacceptable and needs to be repaired
- Burns, tears or permanent staining to the seat
- Damage to the seat structure
- Unauthorised odometer changes
- Missing controls/accessories
- Holes caused by the removal of accessories
- Damage to bike rubber seals as a result of neglect or misuse

A GUIDE TO ACCEPTABLE AND UNACCEPTABLE FAIR WEAR AND TEAR

BIKE UNDERSIDE

ACCEPTABLE

- Minor dents and deformation, such as stone damage, is acceptable as long as it has not caused major corrosion
- The Exhaust 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 undamaged condition
- Some minor oil misting or dampness around seals or gaskets is acceptable, providing oil drips are not present

UNACCEPTABLE

- Significant damage or distortion to chassis components is not acceptable
- Oil leaks
- Damaged exhaust system
- Poor repairs
- Significant impact damage

WHEELS AND WHEEL TRIMS, AND TYRES

ACCEPTABLE

- All wheel trims must be intact, with no more than minor scuffing due to everyday use
- Minor scuffing

UNACCEPTABLE

- Dents or damage to the rim or main body of the wheels are not acceptable
- Un-roadworthy tyres that do not meet motor registry requirements
- Damage to sidewalls or tread caused by 'kerbing' or other heavy misuse
- Mismatched tyres and wheel trims

Fair Wear and Tear Guidelines Summary

GENERAL

| | |
|--|----|
| Missing Service Manual, Owner's Manual | No |
| Missing keys or security system remote (if applicable) | No |

GLASS

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|---|-----|
| 1 or 2 minor chips, bullseyes and stars (not in field of vision) | Yes |
| Major chips, bullseyes and stars (and minor chips in field of vision) | No |
| Non-operational or cracked / broken headlights, indicators or lenses | No |

TYRES

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|--------------|----|
| Unroadworthy | No |
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WHEELS

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|--|-----|
| Missing, split, badly disfigured, heavy scuffing | No |
| Minor scuffing | Yes |

SEATS AND CONTROLS

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|---|-----|
| Seats - burnt, cut, holed, ripped and visible repairs | No |
| Soiling to seats - caused by normal use | Yes |
| Permanent soiling to seats - caused by abuse, grease, spills, etc | No |
| Missing or inferior quality replacement controls | No |

PAINT/BODY WORK

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|---|-----|
| Minor scratching - less than 25 mm in length and shallow | Yes |
| Major scratching - more than 25 mm in length and deep | No |
| Minor touch ups or minor flaking | Yes |
| Prominent touchups, spoils from bird/tree/bat droppings, major flaking | No |
| Evidence of poor repairs, colour mismatch, misalignment etc | No |
| Major abrasions - more than 25mm | No |
| Dents - greater than 20mm in diameter or paint surface penetration | No |
| Dents - less than 20mm diameter, no paint surface penetration | Yes |
| Hail damage, buckling, distortions, missing badges | No |
| Minor stone chipping | Yes |
| Prominent areas of major stone chipping | No |
| Un-repaired or poorly repaired aerial holes (or aerial must be left in place) | No |
| Removal of non-standard or customised fittings from the bike | No |
| Damage caused the bike due to the attachment/ removal of decals / stickers | No |
| Damage from bird, bat and tree droppings | No |

UNDERBODY

| | |
|--|-----|
| Minor dents and deformations | Yes |
| Major impact damage | No |
| Exhaust leaks which are the result of visible damage to the exhaust system | No |

MECHANICAL CONDITIONS

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|---|----|
| Failure to service and maintain the bike as per the manufacturer's care requirements, resulting in premature component or assembly failure (e.g. engine seizure, metal to metal brakes, transmission failure) | No |
|---|----|