

SCF DAMAGE WAIVER

Information Document

In this document, unless otherwise stated, capitalised terms have the meaning given in the SCF Terms and Conditions of Hire.

This document is for information only to explain how the Damage Waiver operates. This is not a substitute for the SCF Group Lease Terms and Conditions or your signed lease Agreement with SCF Group.

1. What Is The Damage Waiver?

The Damage Waiver is an option offered to Customers to limit their liability for Repairable Damage to Equipment they lease from SCF Group on payment of a Damage Waiver Fee.

If customers choose to pay the Damage Waiver Fee (as noted below), they will eliminate or reduce significantly the repair costs for damage caused to Equipment while on lease to them as further explained in this document.

2. What Is The Damage Waiver Fee?

To take the benefit of the Damage Waiver, the Customer will pay a fee which is calculated by multiplying the days on hire by the Damage Waiver Rate (set in the Quote and Schedule of Supply provided by SCF Group to the Customer). The Damage Waiver Rate will vary depending on the type of Equipment hired by the Customer.

The Damage Waiver Fee is added to the monthly Rental Charge for each Equipment in the Customer's monthly invoice.

3. What Does The Customer Pay If They Choose The Damage Waiver?

The Damage Waiver operates as follows:

- a. where the cost to repair Repairable Damage is \$1,000.00 or less (excluding GST), the Customer's liability for the Repairable Damage is waived in its entirety (i.e. the Customer does not pay anything for the cost to repair the Repairable Damage); and
- b. where the cost to repair Repairable Damage exceeds \$1,000.00 (excluding GST), the Customer's liability for the Repairable Damage is limited to the lesser of:
 - i. 15% of the total cost of repair of the Repairable Damage; or
 - ii. \$500.00 (excluding GST).

For example: If a Container is hired at a rate of \$20/ day and the Damage Waiver Rate for that type of container is \$3 per day. If the Container is returned with Repairable Damage which cost \$750 (ex-GST) to repair, the Repairable Damage cost will be waived.

Other examples are noted below:

Cost of repair of Repairable Damage (excluding GST)	Customer pays (excluding GST)
\$250	\$0
\$1,000	\$0
\$1,500	\$225
\$5,000	\$500
\$7,000	\$500

4. What Happens When The Customer Has Chosen The Damage Waiver And The Equipment Is Returned Damaged?

When the Equipment is de-hired and returned to the SCF Group depot, the Equipment will be inspected for damage against the condition of the Equipment at the start of the Lease. If the Equipment, or any part of the Equipment, is assessed by SCF Group (acting reasonably) to have sustained Repairable Damage, it will be repaired by SCF Group.

The cost of repair of the Repairable Damage is then subject to the Damage Waiver obtained by the Customer as outlined in section 2 and 3 above.

5. What Does The Damage Waiver Cover?

The Damage Waiver only covers Repairable Damage.

Repairable Damage means damage (other than fair wear and tear) to the Equipment occurring while the Equipment is leased to the Customer which, in SCF Group's reasonable opinion, can be repaired.

For the avoidance of doubt, Repairable Damage excludes damage beyond repair and:

- damage caused by misuse, deliberate or intentional abuse or overloading of the Equipment or lack of maintenance as required under the Lease;
- destruction, loss or theft of the Equipment or of accessories within the Equipment (for instance, if relevant, fridge, microwave, chairs, table, desks, zip boiler);
- removal of animals, rubbish, graffiti or labels from the Equipment;
- wrongful modifications, additions, conversion of the Equipment (including screws or accessories) not approved by SCF Group;
- surface damage from fixing and/or removal of signage, screws/fasteners and/or added accessories not undertaken by SCF Group;
- glass/ window breakage;
- damage caused by exposure to substances (including salt, paint, concrete/ cement, welding, cyanide, glues, solvent or acids);
- cost of recovery of the Equipment (including transport and access equipment, including hire crane or excavator);
- damage from termite, rodent or other animal; or
- water damage (including flooding or surface water runoff).

The Customer remains solely liable for any loss or damage which is not Repairable Damage (i.e. such damage will not be subject to the Damage Repair Waiver set out in this document).

6. When Does The Damage Waiver Apply?

When the Customer enters into a lease agreement with SCF Group, the Customer may choose to pay the Damage Waiver fee as set in the Quote or the Schedule of Supply. If chosen and paid during the lease, the Damage Waiver will apply for the duration of the lease. If the Customer ceases paying the Damage Waiver Fee at any time, they will not have the benefit of the Damage Waiver on and from the date that they ceased paying the fee.

7. Is The Damage Waiver The Same As Insurance?

The Damage Waiver is not the same as insurance. The Customer must continue to insure the Equipment in accordance with clause 13 of the Terms.