



clean vehicle
assistance program

**IMPLEMENTATION MANUAL
FOR THE CLEAN VEHICLE ASSISTANCE PROGRAM**

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A. Introduction and Overview

In 2007, Governor Schwarzenegger signed into law the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (AB 118, Statutes of 2007, Chapter 750). AB 118 created the Air Quality Improvement Program (AQIP), a voluntary incentive program administered by the California Air Resources Board (CARB), to fund clean vehicle and equipment projects, air quality research, and workforce training.

As required in Health and Safety Code (HSC) Section 44274(a), the Board adopted regulatory guidelines in 2009 for AQIP. The Guidelines for the AB 118 Air Quality Improvement Program (Guidelines) define the overall administrative requirements and policies and procedures for program implementation based on the framework established in statute. Central to the Guidelines is the requirement for a Board-approved annual funding plan developed with public input. The funding plan is each year's blueprint for expending AQIP funds appropriated to CARB in the annual State Budget. The funding plan focuses AQIP on supporting development and deployment of the advanced technologies needed to meet California's longer-term, post 2020 air quality goals.

In 2012, the legislature passed, and Governor Brown signed into law three bills – AB 1532 (Pérez, Chapter 807), Senate Bill (SB) 535 (de León, Chapter 830), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39s) – that established the Greenhouse Gas Reduction Fund (GGRF) to receive Cap-and-Trade auction proceeds and to provide the framework for how the auction proceeds will be administered to further the purposes of Assembly Bill (AB) 32 (Núñez, Chapter 488, Statutes of 2006). Cap-and Trade auction proceeds have been appropriated to CARB for Low Carbon Transportation projects that reduce greenhouse gas (GHG) emissions, with an emphasis on investments that benefit the State's disadvantaged communities. Disadvantaged communities (DACs) are identified by the California Environmental Protection Agency's California Communities Environmental Health Screening Tool (CalEnviroScreen 2.0), which assesses all census tracts in the State to identify areas disproportionately burdened by and vulnerable to multiple sources of pollution. The identified DAC census tracts are available at <https://calepa.ca.gov/envjustice/ghginvest/>.

Per statute these funds must be used to further the purposes of Assembly Bill 32 (AB 32; Núñez, Chapter 488, Statutes of 2006). The Low Carbon Transportation investments build upon and greatly expand existing advanced technology and clean transportation programs, which provide mobile source incentives to reduce criteria pollutant, air toxic, and GHG emissions.

In late 2017, Beneficial State Foundation was awarded a \$5 million grant to administer the statewide Clean Vehicle Assistance Program, a three-year pilot program funded by the California Air Resources Board (CARB). The program will provide roughly 800 lower-income individuals with grants and low-cost financing to purchase clean vehicles including electric and hybrid vehicles. We will implement this program in close partnership with Beneficial State Bank, the Center for Sustainable Energy, and GRID Alternatives.

The Clean Vehicle Assistance Program is funded by California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work by reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment—particularly in disadvantaged communities. The Clean Vehicle Assistance Program intends to encourage and accelerate zero-and near zero-emission, on-road, light-duty vehicle deployment and adoption by providing down payment assistance to qualified individuals for the purchase of eligible vehicles. This program provides multiple benefits by contributing to air pollution reduction and development and deployment of the next generation of hybrid, zero-emission, and plug-in hybrid light-duty vehicles.

The Implementation Manual for the Clean Vehicle Assistance Program (Implementation Manual) provides necessary definitions, explanations, and processes associated with those minimum requirements. The Implementation Manual may be periodically updated as needed to clarify project requirements and improve project effectiveness. The Implementation Manual, including any updates, will be posted on the Clean Vehicle Assistance Program webpage at <https://cleanvehiclegrants.org/>.

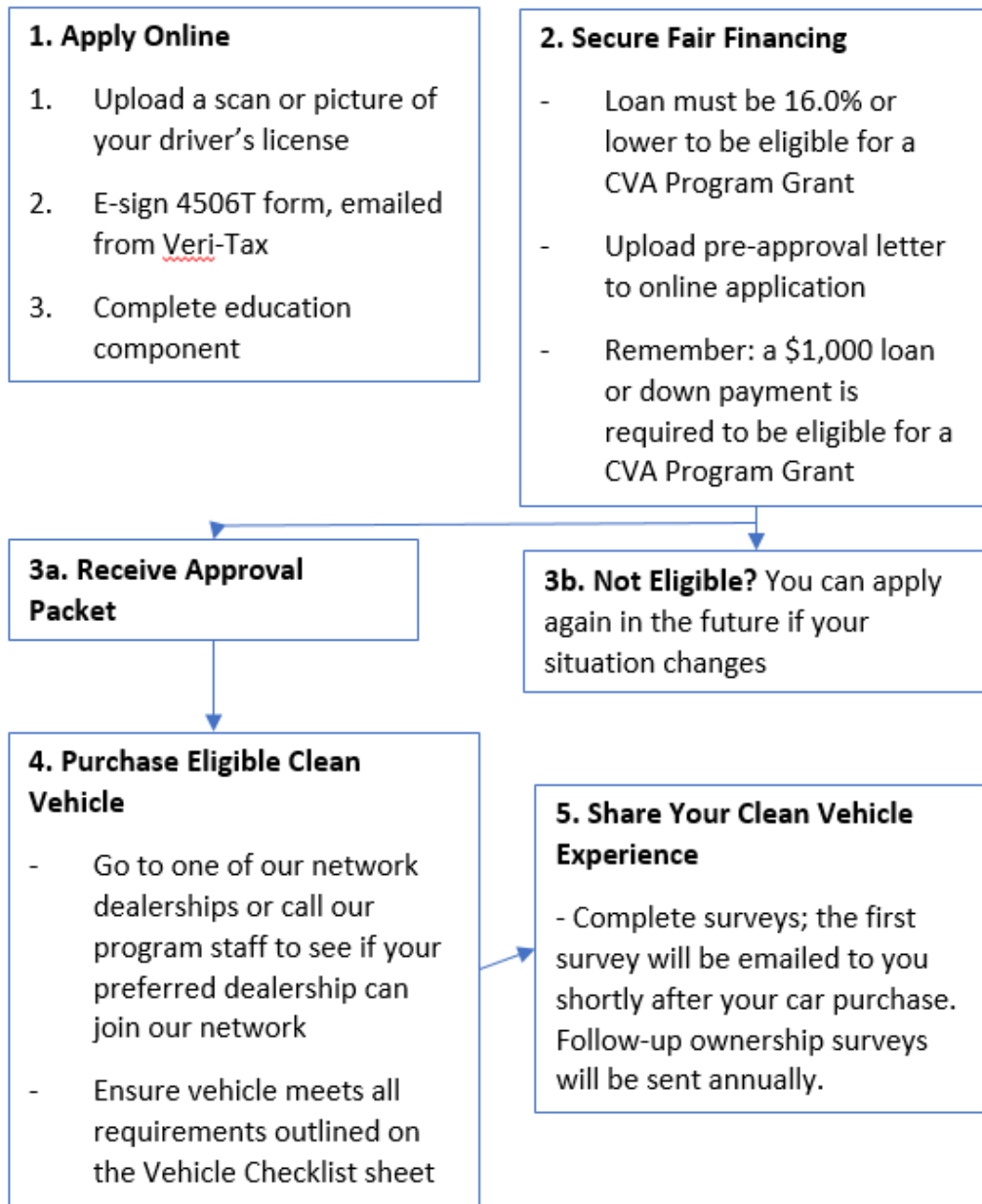
Note to Applicants: At the time an applicant submits a signed application for a grant, the most current Implementation Manual available will apply. The Implementation Manual in place at the time of application will determine an applicant’s eligibility for the program. These governing documents are updated several times every year to accommodate operational process changes and may impact the applicant’s eligibility for the program. Note that Beneficial State Foundation reserves the right to update the Implementation Manual outside of the scheduled updates. This document constitutes the Implementation Manual for the Clean Vehicle Assistance Program. Definitions of key program parameters are in Section H of this manual.

1. Clean Vehicle Assistance Program Overview

This project helps California meet its air quality and climate goals by reducing greenhouse gas (GHG) emissions and achieving co-benefit criteria pollutant emission reduction through the introduction of advanced technology clean vehicles to low-income consumers. The Clean Vehicle Assistance Program aim to benefit low-income consumers by providing additional mobility options, clean air, and affordable financing.

Clean Vehicle Assistance Program enables the purchaser of an eligible vehicle to receive a grant of \$2,500 for a hybrid electric vehicle (HEV), \$5,000 for a Plug-in Hybrid Vehicle (PHEV), \$5,000 for a Zero Emissions Vehicle (ZEV), which includes Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicle (FCEV), and \$2,000 in the form of a grant for the purchase and installation of Electric Vehicle Supply Equipment (EVSE) for any Battery Electric Vehicle (BEV). California residents must apply and be approved for this grant before purchasing a vehicle. After being preapproved, the applicant may select to purchase an eligible vehicle from an approved dealership and apply the pre-approved down payment assistance toward the purchase. The down payment assistance grant is then sent directly to the dealership after all paperwork is processed and confirmation has been received that all program criteria have been met. Clean Vehicle Assistance Program is available only to California residents. Applications are available online via the (enter the webpage) or calling (enter the phone number).

2. Process for Clean Vehicle Assistance Program Participants:



B. Vehicle Eligibility

1. Vehicle Categories

This section discusses the categories of vehicles eligible for grant funding under the Clean Vehicle Assistance Program and the specific criteria that a vehicle must meet to be considered eligible. Vehicles will be approved on a model-year and Miles Per Gallon basis.

There are three major categories of vehicles eligible for grant funding under the Clean Vehicle Assistance Program:

- a) Light-duty Hybrid Electric Vehicle (HEV)
- b) Light-duty Plug-in Hybrid Electric Vehicles (PHEV)
- c) Light-duty Zero Emissions Vehicle (ZEV)
 - a. Light-duty Battery Electric Vehicle (BEV)
 - b. Light-duty Fuel Cell Electric Vehicle (FCEV)

2. Vehicle Eligibility Criteria

Vehicles must meet the following criteria to be eligible for a rebate:

- i. Vehicle must be 8 years old or newer and have a combined fuel economy rating of at least 22 miles per gallon of fuel or more depending on the vehicle year. (please see table 1.0)
- ii. Vehicle selected must have less than 75,000 original miles.
- iii. This pilot project excludes neighborhood electric vehicles and zero-emission motorcycles.
- iv. A chassis that has been modified with aftermarket parts or equipment to create a PHEV or ZEV is not eligible.
- v. No modifications to the vehicle’s emissions control system, hardware, software calibration, or hybrid system is allowed (California Vehicle Code section 27156).
- vi. Vehicle title cannot be salvaged (as defined in California Vehicle Code section 544).
- vii. Vehicles with an open recall/s will not qualify for the grant.
- viii. Vehicle inspection must be completed by a licensed automotive mechanic.
- ix. Vehicle history report to be provided to the Clean Vehicle Assistance Program.
- x. Vehicle must be registered in California upon purchase to the preapproved grant applicant.

Table 1.0

Minimum U.S. EPA Combined Fuel Economy Rating by Vehicle Year	
Vehicle Year	Minimum U.S. EPA Combined Fuel Rating

2011	25
2012	28
2013	29
2014	30
2015	31
2016	32
2017	37
2018	38
2019	40
2020	42
2021	45

3. Eligible Electric Vehicle Supply Equipment (EVSE)

CVA Program participants who have purchased a battery-electric vehicle may qualify for an EVSE grant of up to \$2,000 for a Level 2 charger and its installation by our program partner, GRID Alternatives. To redeem this grant, an applicant must first purchase a battery electric vehicle with a CVA Program grant or loan, provided the applicant has not received an EVSE incentive from another CARB equity program, then complete a home-readiness survey through GRID Alternatives. To receive an EVSE grant, the applicant must meet installation requirements identified by GRID Alternatives in the home-readiness survey. If installation requirements are not met, the applicant can address the identified issue(s) independently and contact GRID Alternatives to arrange to re-take the home-readiness survey at a later date. If qualified, the applicant will schedule installation of the Level 2 charger with GRID Alternatives. Installation and EVSE equipment will be covered by the grant, which will go directly to GRID Alternatives. Applicants do not receive grant funds directly and are not expected to pay for costs covered by the grant.

Eligibility Timeframe for EVSE Grant: Requests for EVSE grants by qualified CVA Program participants are attended to in the order that they arrive, without other biases or preferences. An applicant must apply for the EVSE Grant within 30 days¹ after they purchase a battery electric vehicle using CVA Program grant money. However, EVSE funding is not guaranteed and funds are limited. It is advised to apply as soon as a battery electric vehicle purchase is complete.

¹ If a participant has extenuating circumstances and would like to apply for the EVSE grant after the 30 day time limit, **within 30 days of purchasing their battery electric vehicle** they must submit written justification for why the deadline should be extended. BSF may request additional documentation, and requests will be reviewed on a case-by-case basis. **An extension of the application deadline for the EVSE grant does not guarantee that funding will be available upon receipt of the application.**

4. Vehicle Down Payment Assistance Amounts

- i. For a hybrid electric vehicle, eight years old and newer with combined fuel economy rating of at least 25 miles per gallon of fuel or more depending on the vehicle year as described in Table 1.0, a maximum vehicle down payment assistance of \$2,500 is available.
- ii. For PHEVs and ZEVs, which include BEVs and FCEVs, eight years old and newer with combined fuel economy rating of at least 25 miles per gallon of fuel or more depending on the vehicle year as described in Table 1.0, a maximum vehicle down payment assistance of \$5,000 is available.

5. Availability of Funding

If the Clean Vehicle Assistance Program funds are depleted, participants will be notified through the Clean Vehicle Assistance Program website. Participants will have the ability to continue to submit new applications and provide all requirements but will not receive any grant funding until further funding is provided by CARB. During this period, funding updates will be provided through the Clean Vehicle Assistance Program website. Consumers who proceed with a vehicle purchase during this time will not qualify for a retroactive grant, grants are only made at the time of purchase.

C. Vehicle Purchaser Duties and Requirements

1. Income Eligibility and Verification

Applicants must have a household income less than or equal to 400 percent of the Federal Poverty Level. The Federal Poverty guidelines (U.S. Department of Health and Human Services, Office of Assistant Secretary for Planning and Evaluation: <https://aspe.hhs.gov/poverty-guidelines>) on income thresholds are updated annually and vary by household size. (Please see table 1.1). For this program, household is defined as the number of exemptions listed in the participants' tax returns. If participant did not file taxes, we rely on the household number provided by the participant.

Table 1.1 - This data will be updated annually to incorporate most recent Federal poverty guidelines

Persons in Family Household	Poverty Guideline	400% of FPL
For families/households with more than 8 persons, add \$4,320 for each additional person.		
1	\$12,140	\$48,560
2	\$16,460	\$65,840
3	\$20,780	\$83,120
4	\$25,100	\$100,400

5	\$29,420	\$117,680
6	\$33,740	\$134,960
7	\$38,060	\$152,240
8	\$42,380	\$169,520

[The following policy will be implemented once upgrades have been performed on our applicant system] Applicants that claim married on their tax returns but file separately must submit their spouse's income taxes. If the spouse did not file taxes, they must submit other required income documents.

Applicants that do not file taxes and/or receive income from sources other than an employer must submit additional required documents to verify their income. (Please see Table 1.2)

Table 1.2

Income Type	How to collect	Additional Requirements
Previous Year Income Tax	Veri-Tax	N/A
Social Security	Award letter	N/A
Permanent Disability	Award letter	N/A
Pension/Annuity Benefits	Benefit verification letter	N/A
VA Benefits	Benefit award letter	N/A
Wages	Employee Paystubs	3 months required
Self-Employment	Contract/W-2's/Bank Statements	3 months required
Unemployment	Award letter/Bank Statements	3 months required
Workers Compensation	Award letter/Bank Statements	3 months required
Public Assistance or Welfare	Award letter/Bank Statements	3 months required
Alimony	Court letter/ Bank Statements	3 months required
Child support	Court letter/ Bank Statements	3 months required
Inheritance	Court letter/ Bank Statements	3 months required
Other income not listed	Any verifying documents	Must be reviewed by CVAP leadership Team and CARB

Acceptable Income Verification Sources:

- Paycheck stubs
- Bank statements
- Proof of SSI
- Written statement from Employer(s)
- Previous year tax forms (1 year)
- Award letter from the state, court, or county for low-income/ support programs

To accurately determine income eligibility for the Clean Vehicle Assistance Program, all applicants using reportable wages to verify income must provide documentation dated no more than 30 days from the request.

2. Financial Education

Applicants must complete the following education: (Topics included are subject to change and are not limited to the following)

Customers will be directed to participate in four Revolution Credit financial education courses as a required part of the application process. These online and mobile-friendly courses will be available in both Spanish and English. The four courses each include interactive lessons that utilize gamification, real-time budget planning, and comprehension tests.

The four Revolution Credit courses cover Budgeting, Credit Reports & Scores, Setting Financial Goals, and Saving for an Emergency. The courses were designed to enhance the financial success of individuals about to take out a loan and taken together they will equip Clean Vehicle Assistance applicants with the necessary knowledge for successful financial management. Each course contains video content that combines actor-led, white board animation and animation footage. There are quizzes in each module that ensure engaged learning throughout the course.

- i. Budgeting
 - a. Introduction
 - b. Four Basic Steps: Overview
 - c. Step 1: Gather and record all monthly income and expenses
 - d. Step 2: Categorize monthly expenses and add them up
 - e. Step 3: Review monthly expenses compared to income
 - f. Step 4: Review your budget regularly
 - g. My Budget Worksheet

- ii. Credit Reporting Scores
 - a. How do the various elements of the U.S. credit reporting system fit together?
 - b. What is a credit report?
 - c. What is a credit score?
 - d. How to get your free credit report

- iii. Setting a Financial Goal
 - a. Introduction
 - b. Step 1: Define a Goal
 - c. Step 2: Set a Timeframe
 - d. Step 3: Design a Plan

- e. Step 4: Put the Plan to Work
- iv. Saving for an Emergency
 - a. Introduction
 - b. How Much is Enough?
 - c. Where to Keep it
 - d. Getting Started

3. Vehicle Technology Familiarization Training

Two informational flyers, [Electric Vehicles 101 and Hybrid Vehicles 101](#), will be provided in the Approval Packet to Clean Vehicle Assistance applicants who have met the program's eligibility requirements. The flyers will contain key information about the clean vehicle's unique technology and maintenance requirements. The Electric Vehicle 101 sheet will also contain a section with information about charging infrastructure and installation options. This information will also be available on the program's website.

4. Applicant Requirements

- i. Applicant must register the vehicle they purchase with a program grant and/or loan in California.
- ii. Applicant must possess a valid California Class C driver's license or AB-60 driver's license. If the applicant possesses a temporary Class C driver's license, then a secondary form of a California government-issued ID, such as a passport, military ID, or CA ID may be submitted along with a temporary license.
- iii. Consumer must have a minimum loan or down payment of \$1,000 to purchase a car using the CVA Program grant. Participants may use the EFMP Plus Up scrap incentive from scrapping their old vehicle to cover the \$1,000 amount.
- iv. If a consumer participates in the grant of the EFMP Plus-up program or rebate portion of the CVRP program then they are not eligible for this program grant, but they are eligible for the loan if income and other loan requirements are met. Appropriate documentation must be provided to show proof of participation in other CARB incentive programs.
- v. Participants seeking financing are required to provide financing pre-approval to CVA Program. All financing must have an interest rate of 16.0% or lower to qualify for the grant.
- vi. Applicant must purchase and maintain minimum required automotive insurance. In California, drivers must carry at minimum liability insurance of \$15,000 for injury/death

to one person, \$30,000 for injury/death to more than one person and \$5,000 for damage to property.

- vii. Applicant must live in California for the term of the loan or 30 months, whichever is longer based on the loan term (if applicable).
- viii. Applicant must agree to complete surveys and self-certify that they are meeting the requirements of this section annually.

5. Application Processing

- i. Upon completion of the review of the application, the participant will be notified of a decision via email. The email will be sent to the primary email provided by participants in the initial application.
- ii. Processed applications receive two separate emails:
 - a. Revolution Credit - A link is provided to complete four financial education courses that are required to participate in the Clean Vehicle Assistance Program grant. Completion of Revolution Credit is verified by Clean Vehicle Assistance Program Team.
 - b. Veri-Tax – An electronic signature is required to release participants previous year tax transcripts. Previous year tax transcripts are reviewed by the Clean Vehicle Assistance Program Team.
- iii. Qualified participants receive an approval packet with instructions on how to proceed
- iv. Participants seeking financing are required to provide financing pre-approval to Clean Vehicle Assistance Program. All financing must have an interest rate of 16.0% or lower to qualify for the grant.
- v. After all required documentation has been received, grant payments are issued to qualified dealerships that the participant has elected to purchase their clean vehicle from.

Application Processing time frames are subject to change based on volume of applications in our system. Processing time may vary from 2 to 4 weeks.

D. Vehicle Loan Options

Participants may select any of the following loan options for the purchase of a qualifying vehicle in the Clean Vehicle Assistance Program:

- I. Applicants may obtain a loan from Beneficial State Bank. Beneficial State Bank, in partnership with the Clean Vehicle Assistance Program, guarantees an interest rate of 8% or lower for all qualifying Clean Vehicle Assistance Program participants.

- a. All participants who elect to finance their remaining balances with Beneficial State Bank will be required to provide the following criteria:
 - i. Valid Driver's License
 - ii. Proof of Income
 - 1. Standard W-2 Employee: Two (2) most recent paystubs from employer
 - 2. Self-Employed: Two (2) years Tax Returns with Schedule C's
 - 3. Retirement Income: Three (3) most recent Bank Statements showing Deposits, or award letter citing retirement income (Pension, SSI, Annuity, etc.)
 - iii. Proof of Residency
 - 1. Utility Bill, Bank Statement, Credit Card Statement, Phone Bill showing physical address
 - iv. Proof of "Full Coverage" Insurance
 - 1. Full Coverage Insurance requires Comprehensive and Collision coverage with deductibles no greater than \$1,000/\$1,000 – 6-month policy cycle at minimum
 - v. Personal References
 - 1. 3 personal references; Name, Address, Phone, Relationship

- b. Beneficial State Bank loan applications are credit based. Applicants applying with Beneficial State Bank will be subject to having their credit pulled and reviewed by a Beneficial State Bank underwriter. The CVA Program is not involved in the decision making of Beneficial State Bank loan applications.

II. Applicants may obtain a loan from a financial institution of their choice which must have an interest rate of no more than 16.0%. In this case, dealerships are required to provide the following documentation to Beneficial State Foundation via email. Beneficial State Foundation does not cover costs of this documentation and its delivery. These documents are required, and Beneficial State Foundation will not process a grant payment until these documents have been received:

- a. Vehicle Inspection by a licensed mechanic
- b. Vehicle History Report (Carfax, Auto Check, AVRS, DMV)
- c. Vehicle Purchase Contract
- d. No open recalls (NHTSA)
- e. Signed Vehicle Grant Confirmation Page (Provided by program upon approval)

III. Applicants may opt out of a loan and purchase the clean vehicle in full. In this case, applicants must have a minimum down payment of \$1,000 to receive the CVA Program grant. If participating in EFMP Plus-up, consumer can meet this requirement through the scrap incentive for turning in their old vehicle. All applicants in this section are required to provide the following documentation to Beneficial State Foundation via email:

- a. Vehicle Mechanical Inspection
- b. Vehicle History Report (Carfax, Auto Check, AVRS, DMV)
- c. Vehicle Purchase Contract.
- d. No open recalls (NHTSA)
- e. Signed Vehicle Grant Confirmation Page (Provided by program upon approval)

E. Clean Vehicle Assistance Program Dealership Responsibilities and Requirements.

Dealerships participating in the Clean Vehicle Assistance Program agree to apply an applicant's preapproved down payment assistance grant amount to the purchase of an eligible vehicle. Dealerships will receive grant payment following program guidelines as outlined in the implementation manual when completing the sale.

1. Purchase

To receive the grant funds for an eligible vehicle, the following requirements in the purchase agreement must be met.

- i. The name of the purchaser or lessee must match the name of the Clean Vehicle Assistance Program Preapproval applicant.
- ii. The correct grant amount for the applicant and vehicle is applied to the purchase contract.
- iii. The agreement is complete, executed and signed.

2. Applying the Clean Vehicle Assistance Program Grant to the Vehicle Purchase Contract

- i. The full amount of the applicant's preapproved amount must be clearly listed on the purchase agreement in a separate line for down payment and show on the contract as CARB Grant.
- ii. To receive grant funds, vehicle must meet all vehicle criteria listed in Section B.

3. Approved Dealership

To receive the grant funds for an eligible vehicle, applicant must purchase a vehicle from a dealership in one of the following networks:

- i. Credit Union Direct Lending (CUDL) AutoSmart Dealerships:
 - a. All dealers participating in the CUDL dealer network are vetted and reviewed by CUDL and will be approved by Beneficial State Foundation.
 - b. For more information about CUDL, please visit <https://www.cudlautosmart.com/>
- ii. Franchise Dealerships:
 - a. All franchise dealerships are approved and may participate in the California CVAP.
 - b. Examples of franchise dealers (Ford, General Motors, Honda, and other major brands).
- iii. Beneficial State Bank Vetted Dealerships:
 - a. All dealerships that have been vetted and approved by Beneficial State Bank are approved.
 - b. The complete list of Beneficial State Bank Vetted Dealerships can be found [here](#).

4. Grant Payment to Approved Dealership

To receive the grant funds for an eligible vehicle, dealerships must provide the following information to the Clean Vehicle Assistance Program Team:

- a. Business License
- b. DMV License
- c. Seller's Permit
- d. Mechanic's Inspection report (for used vehicles)
- e. Carfax report (for used vehicles)
- f. Purchase Contract
- g. Signed and Dated Grant Confirmation Document
- h. Name of Dealer Contact
- i. Name of Company/Dealership
- j. Accounting Number
- k. Routing Number
- l. Type of Account

5. Vehicle Returns and Recalls

If a vehicle is returned to the dealership, both the participant and dealership have the responsibility of reporting the return and reason for return to the Clean Vehicle Assistance Program. The grant money must be returned to the Clean Vehicle Assistance Program by contacting the program directly for further instructions.

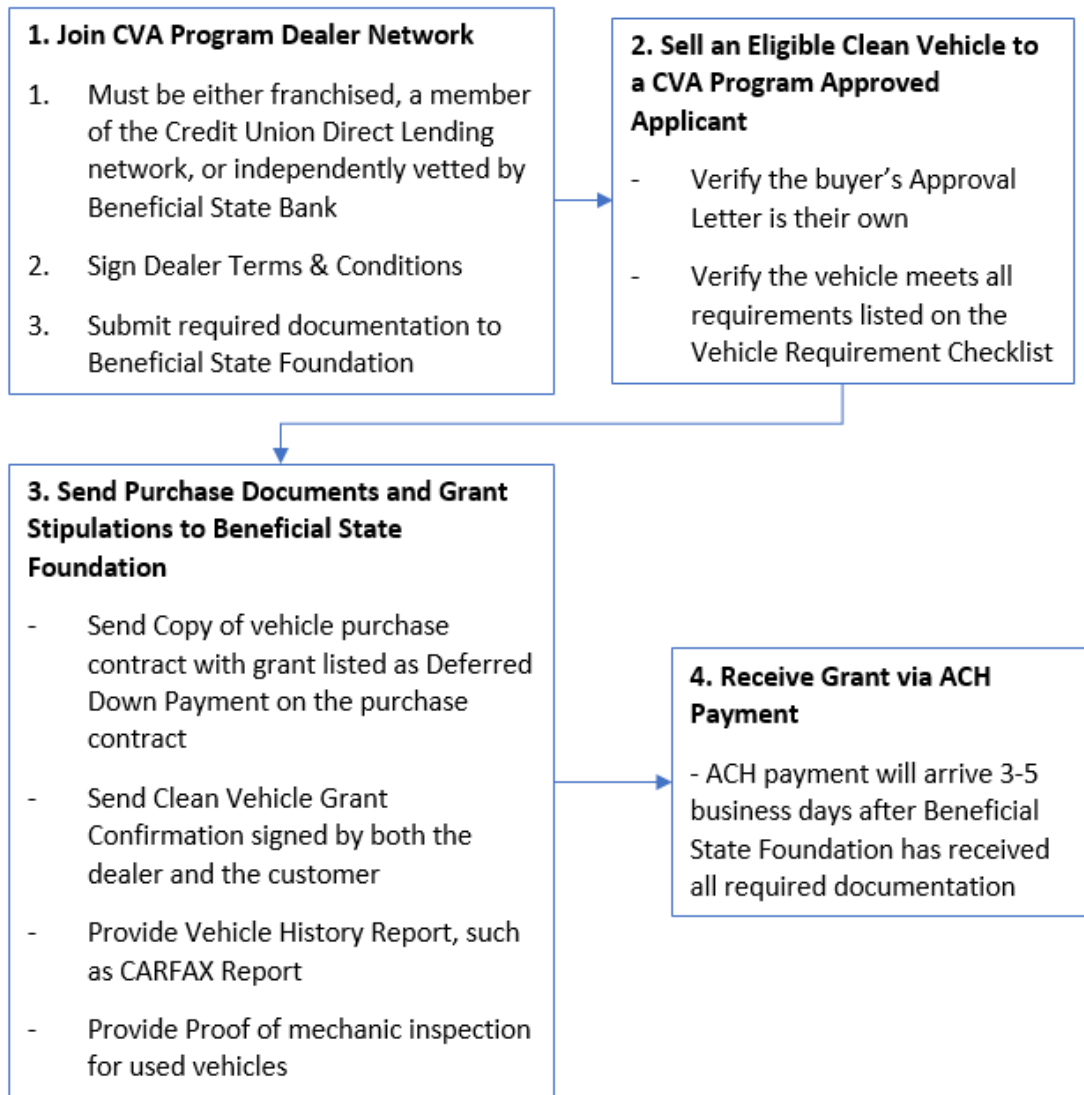
Vehicles that have open recalls must have a solution and show proof of being fixed prior to the vehicle sale and any grant payment being issued. If there are no current solutions to the recall from the manufacturer, then the vehicle is not eligible for this program and the grant payment will not be made. Grants may only be issued for vehicles with no open recalls.

6. Termination

Beneficial State Foundation may terminate a dealership's participation in CVA Program if the dealership does not follow the program requirements described in the Dealership Terms and Conditions. Dealership Terms and Conditions are provided to dealerships that participate in the Clean Vehicle Assistance Program.

Dealerships shall adhere to Beneficial State Bank and Foundation's partner Ethics Commitment. Dealerships that violate the commitment are subject to termination of the Clean Vehicle Assistance Program partnership.

7. Grant Disbursement Process for Dealerships



F. Program Participant Policies

1. Open Application Expiration Policy

Open Clean Vehicle Assistance Program applications shall expire after 90 days, beginning the day the application is created. Two emails will be sent to applicants with inactive applications to remind them to complete the application before the expiration date. If your application expires you will need to begin a new application.

2. Application Approval Expiration Policy

Applicants have 35 days to shop for and purchase a vehicle from the date their Clean Vehicle Assistance Program application is approved. If a vehicle purchase is not made within 35 days of the application approval date, then the applicant must re-apply for the program and submit updated applicable documents for income and residency verification.

3. Waitlist Policy

The CVA Program will do its best to project, in advance, when available grant funds will reach a balance that will necessitate a waitlist. The waitlist will be put in place to ensure that funds are distributed fairly once the waitlist is lifted, and that participants with Approved Applications are guaranteed funding to redeem a Clean Vehicle Assistance Program grant if they choose to. The CVA Team will continue to work with existing applicants but the online application will no longer be accessible to new applicants while the waitlist is in place.

We will treat all applications equally and follow a first come first serve process. This means the first person to complete their application after a waitlist is put in place will be reviewed first. We will move people off the waitlist by sending them an Approval Letter, serving participants in the order that applications were completed as funds become available.

For every Approved Application, we will reserve \$5,000 to guarantee that the individual can redeem a CVA Program grant if they choose to. Approvals are good for 35 days. If an approved participant does not redeem a grant, or redeems a grant less than \$5,000, the remaining funds become available for the next applicant on the waitlist.

Participants who proceed with their vehicle purchase before receiving an Approval Letter will not qualify for a retroactive grant, grants are only made at the time of purchase to Approved Applicants.

This Waitlist Policy will become effective when the balance of funds reserved for grants reaches \$250,000. Applicants and dealerships will be contacted with information about the Waitlist via email. Information about the waitlist and notices regarding additional funding will be posted on the CVA Program website.

4. Survey Requirements

CVA Program participants must agree to complete surveys as part of the terms of their grant. Grant recipients will be sent surveys via email: an Adoption Survey and two Ownership Surveys, which they are expected to complete in a timely manner. Each survey will take roughly 10-15 minutes. If the survey format is inaccessible to an individual for any reason, the individual

should contact the CVA Program operations team at 1-559-271-1957 to arrange accommodations.

G. EFMP & CVRP Participant Loans

Participants of the Enhanced Fleet Modernization Plus Up Program (EFMP Plus Up) and Clean Vehicle Rebate Program (CVRP) can participate in the Clean Vehicle Assistance Program 8% or less interest rate auto loan for the purchase of their qualified vehicle. Please refer to pg.14, Section D.

Participants of EFMP Plus Up and CVRP will be instructed on when to contact the Clean Vehicle Assistance Program for the Beneficial State Bank auto loan and must be pre-approved by the EFMP Plus Up or CVRP administrator. Pre-approval will be verified by the Clean Vehicle Assistance Program and the loan application will be processed by Beneficial State Bank. Participants must also meet the income requirements of the Clean Vehicle Assistance Program (see table 1.1) when applying for a Beneficial State Bank auto loan.

H. Definitions

Battery Electric Vehicles – (BEV) Is any vehicle that operates solely by use of a battery or battery pack, or that is powered primarily using an electric battery or battery pack but uses a flywheel or capacitor that also stores energy produced by the electric motor or through regenerative braking to assist in vehicle operation.

California Air Resources Board – (CARB) is charged with protecting the public from the harmful effect of air pollution and developing programs and actions to fight climate change. For more information please visit CARB: <https://ww2.arb.ca.gov/homepage>

Clean Vehicle Assistance Program – (CVAP) Program administered by Beneficial State Foundation in partnership with CARB.

Clean Vehicle Rebate Program – (CVRP) Rebate Project that promotes clean vehicle adoption in California by offering rebates for the purchase of new, eligible zero-emission vehicles. For more information please visit CVRP: <https://cleanvehiclerebate.org/eng/about-cvrp>

Down Payment Assistance – means a grant provided directly to the dealer from the administrator to pay down the vehicle price for a pre-qualified consumer purchasing an advanced technology clean vehicle.

Electric Vehicle Supply Equipment – (EVSE) Is a portable, pedestal-mounted, or wall-mounted unit that delivers electricity to BEVs or PHEVs. EVSEs establish two-way communications with the on-board charger in the car.

Enhanced Fleet Modernization Program – (EFMP) Voluntary car retirement and replacement incentive program. Focused on low income California motorists to scrap their older, high emitting cars and replace them with newer, cleaner and more fuel-efficient cars. For more information please visit EFMP:
<https://www.arb.ca.gov/msprog/aqip/efmp/efmp.htm>

Federal Poverty Level – (FPL) Means the income level published in the poverty guidelines which are updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 0002(2). See Federal Poverty guidelines website for the current poverty levels. <https://aspe.hhs.gov/poverty-guidelines>

Fuel Cell Electric Vehicles – (FCEV) Is any vehicle that receives propulsion energy from both an on-board fuel cell power system and either a battery or a capacitor FCEV is equivalent to “Hybrid fuel cell vehicle.”

Hybrid Electric Vehicles – (HEV) Means any vehicle that can draw propulsion energy from both of the following on -vehicle sources of stored energy: 1) a consumable fuel and 2) an energy storage device such a battery, capacitor, or flywheel.

Low Income – For the purpose of this project means a household income less than or equal to 400 percent of the FPL.

Plug in Hybrid Electric Vehicles – (PHEVs) are hybrid electric vehicles that have zero-emission vehicle range capability, in addition to a combustion engine that uses gasoline, an on-board electrical energy storage device, and an on-board charger, and are rechargeable from an external connection to an off-board electrical source.

Zero Emission Vehicle – (ZEV) Means any vehicle certified to zero-emission standards. Includes BEVs and FCEVs

I. Appendix

1. Dealership Terms and Conditions

Last Updated: November 1, 2018

Dealership Roles and Responsibilities

As a dealership participant in the Clean Vehicle Assistance Program (CVA Program), your dealership agrees to apply a CVA Program grant toward the purchase of an eligible vehicle for individuals who have been approved by the CVA Program, following the terms below.

Dealership Requirements

Dealerships must fall under one or more of the following categories:

- Franchise Dealership
- Members of the Credit Union Direct Lending (CUDL)
- Independently vetted by Beneficial State Bank

If your dealership does not fall under these categories and would like to be independently vetted by Beneficial State Bank, please contact our program at 559-271-1957 or by email at cleanvehicles@beneficialstate.org

To be approved for the CVA Program, dealerships must follow the Dealer Instructions. Dealer Instructions are given to approved CVA Program participants, and can be found at our website: <https://cleanvehiclegrants.org/dealerships/>

Contracts will not be reviewed, and payments will not be made until the dealership has provided the required items outlined in the Dealer Instructions.

At all times, Dealership shall maintain a valid DMV vehicle dealer's license and shall maintain a dealer's bond at or above the minimum amount required by the DMV.

Purchase Contract Requirements

The purchase contract must be fully executed and signed and include the following information:

- The name and address of purchaser matches the name and address of CVA Program approved participant.
- The correct grant amount for the customer and vehicle is applied to the purchase agreement as a down payment (preferably as a deferred down payment).

Loan Requirements

Participants who are financing the vehicle balance must provide the CVA Program with a loan pre-approval at a 16% annual interest rate or below to be eligible for the grant.

Pricing

In addition to the participant's approved CVA Program grant, all other applicable discounts and incentives (such as manufacturer and dealer discounts) must be made available to participants. The dealer should grant additional discounts or incentives to the customer if negotiated by the dealer and customer.

The CVA Program grant cannot be stacked with other California Air Resources Board (CARB) grant programs, such as the Enhanced Fleet Modernization Program (EFMP) and the Clean Vehicle Rebate Program (CVRP).

Vehicle Eligibility

Eligible vehicles must meet all the following requirements:

- Must meet all vehicle requirements: <https://cleanvehiclegrants.org/vehicles/>
- Be registered in California upon purchase
- Vehicle must have California's minimum required automotive insurance.

Vehicle Warranties, Mechanical Issues, and Open Recalls

- Dealerships must offer an option to purchase, if available, extended vehicle warranty for BEV and PHEV batteries.
- Vehicles experiencing mechanical issues within 7 days of ownership will be reviewed against the mechanical inspection report provided at the time of purchase. If it is determined that the mechanical issue should have been identified in the inspection, the dealership must provide a resolution to the participant and the CVA Program that is fair and reasonable.
- Vehicles with open recalls must have a solution and show proof of being fixed prior to the vehicle sale. If no solution is available from the manufacturer, then the vehicle is not eligible for this program.

Grant Payment

All participating dealerships must provide Automated Clearing House (ACH) payment information to the CVA Program and agree to receive grant payments by ACH.

ACH payments will be made 3-5 business days after participants and dealerships have met program requirements.

Funding Availability

If CVA Program funds are depleted, a notice will be posted on our website. New applications will not be accepted until additional funds are available. Only participants with existing pre-approved applications at the time that funds are depleted will be considered for grant payment. During any period in which CVA Program funds are depleted, dealerships must contact the CVA Program at 559-271-1957 to verify availability of funds prior to signing a vehicle purchase contract and must continue to follow the processes outlined in these Terms and Conditions.

Code of Ethics and Fair/Non-Discriminatory Treatment

Dealerships shall abide by all applicable consumer protection laws, including but not limited to the Automobile Sales Finance Act (Civil Code section 2981 et seq.), the Consumer Legal Remedies Act (Civil Code section 1750 et seq.), the Song-Beverly Consumer Warranty Act (Civil Code section 1790 et seq.) and the Unfair Practices Act (Business & Professions Code section 17000 et seq.)

Dealerships shall also adhere to Beneficial State Bank and Foundation's Partner Ethics Commitment. Dealerships that violate the commitment are subject to termination of the CVA Program partnership. To receive a copy of the Partner Ethics Commitment, please contact us at 559-271-1957 or by email at cleanvehicles@beneficialstate.org.

Termination

Termination without cause: Beneficial State Foundation reserves the right to unilaterally terminate a dealer’s participation in the CVA program without cause on 30 days’ written notice.

Termination for cause: upon receipt of a claim or complaint regarding the dealer’s sale of a vehicle to a participant, Beneficial State Foundation will conduct an investigation and upon determining, in its sole discretion, that the dealer did not comply with these Terms and Conditions, may terminate the dealer’s right to participate in the CVA program immediately on written notice.

Authorized Representative

The dealership shall designate a person to serve as the Authorized Representative with respect to the CVA program. The Authorized Representative shall sign these Terms and Conditions on behalf of the dealership and shall be responsible for all communications between Beneficial State Foundation and the dealer. The dealership shall immediately notify Beneficial State Foundation in the event there is a change in the person serving as the Authorized Representative.

By signing below, the Authorized Representative represents and warrants that they are duly authorized to sign these Terms and Conditions on behalf of the dealership, that the dealership accepts, agrees to, and agrees to be bound by, the Terms and Conditions stated above.

Dealership Business Name: _____

Dealership DMV License Number: _____

Dealer’s bond number: _____ Bond issued by:

Dealership Address: _____

Dealership Authorized Representative Name: _____

Dealership Authorized Representative Title:

Dealership Authorized Representative Address:

Dealership Authorized Representative Signature:

Date: _____