

APPENDIX B

Draft Sample Clean Vehicle Rebate Project Terms and Conditions

*****These Terms and Conditions have not been updated to address recently adopted legislation and are subject to change.*****

PART 1: REBATE PROCESS

Note to Applicants: At the time an applicant submits a signed application for a rebate, the most current CVRP Implementation Manual available, as well as the Terms and Conditions signed by the consumer, will apply.

Rebates are distributed on a first-come, first-served basis and issued to qualified recipients in a single payment within 90 days of approval. Delays beyond normal processing times may occur. To apply for a rebate:

1. Submit an online application. The Project Administrator will reserve funds for your rebate.
2. Submit supporting documentation within 14 calendar days from the date you submitted your online application. The supporting documentation may be scanned and submitted through the CVRP website. Applicants without internet access may mail the supporting documentation to the Administrator:
_____. If mailed, submittal date will be determined by U.S. mail postmark. For security purposes, supporting documents that are sent on removable media (flash drives, CDs, DVDs, etc.) will not be accepted. Because of security and privacy concerns, applicants are strongly discouraged from emailing their supporting documentation. However, applicants may email their supporting documentation to the administrator with the understanding that they accept all risk associated with emailing these documents. Required documentation will include, at a minimum, the following:
 - a. A scanned copy of the submitted application signed by the vehicle purchaser, lessee or authorized representative.
 - b. Proof of temporary or permanent vehicle registration for the vehicle listed in the application. The applicant's name must be on the registration, and the registration must be current (not expired).
 - c. A complete copy of the sales or lease contract. A complete contract is executed and signed. It includes an itemization of credits, discounts, and

incentives received, if applicable, and all information needed to process the application.

- i. For eligible zero-emission motorcycles (ZEMs) evidence of sealed maintenance-free batteries (if lead acid) and a 24-month warranty.

d. Proof of California residency:

- i. For individuals, a legible copy of their current (not expired) California driver's license.
 1. Individuals who do not have a California driver's license will be required to provide a legible copy of a current alternate unique identifier as approved by the Administrator. They must also provide proof of California residency in the form of a utility or cable bill within the last 3 months, a copy of the current DMV registration of another vehicle in the name of the purchaser or lessee, a signed, dated, and notarized residential rental agreement, or other valid form of California residency as approved by ARB.
 2. For businesses, a copy of the formation document filed with the California Secretary of State, California business license, California business tax paid certificate, or other documentation as approved by the Administrator. In lieu of the options above, sole proprietorships may submit a DBA form.

e. Proof of income, if selected for income verification.

- i. For consumers applying for a standard rebate, a completed and signed IRS Form 4506-T. Alternate proof of income, such as recent tax returns, may be submitted as approved by the Administrator.
- ii. For consumers applying for an increased rebate, option A or B:
 1. Option A: A document confirming the applicant's participation in at least one of the public assistance programs on CVRP's Categorical Eligibility List.

2. Option B: One completed Household Summary Form and a completed IRS Form 4506-T for every household member age 17 and older.

Important: If you do not submit the required supporting documentation within 14 calendar days, the Administrator will release the reserved rebate funds back to the CVRP, and you will have to submit a new application. Rebate checks must be cashed within six months of the date on the check. Checks not cashed within this timeframe will be cancelled, and the rebate amount will be returned to the CVRP.

Rebate applications that have been denied or cancelled by the Administrator may be appealed within 10 days of the date of the cancellation. If the only basis for an appeal is that the applicant disagrees with the policies set forth in the CVRP Terms and Conditions, and the Implementation Manual, there is no basis for an appeal. A formal letter of appeal must be postmarked within 10 days of a cancelled application.

PART 2: APPLICANT AND VEHICLE REQUIREMENTS

As a condition for receiving State of California, Air Resources Board (ARB) rebate funds, you (the applicant/purchaser/lessee) must comply with the requirements below. You are responsible for reviewing the CVRP program requirements prior to applying for a rebate. Eligible applicants must meet requirements that include, but are not limited to, the following:

1. Income eligibility requirements apply to rebate applications for vehicles purchased or leased on or after March 29, 2016.
 - a. Consumers are not eligible for CVRP rebates if their gross annual incomes are above the following thresholds: \$250,000 for single filers, \$340,000 for head-of-household filers, or \$500,000 for joint filers. The income cap applies for all eligible vehicle types except fuel-cell electric vehicles.
 - b. Rebate amounts will be increased by \$1,500 per rebate for consumers with household incomes less than or equal to 300 percent of the federal poverty level. Applicants who are claimed as dependents are not eligible for increased rebates regardless of their income. Increased rebate amounts are available for fuel-cell electric vehicles, battery electric vehicles, and plug-in hybrid electric vehicles.
2. Except for rental, public, and car share fleets, no single entity is eligible to receive more than two CVRP rebates either via direct purchase and/or lease as

of January 1, 2015. All rebates issued prior to this date do not count toward the two rebate limit. Rental and car share fleets are subject to limits of 20 per calendar year. Public fleets are subject to limits of 30 per calendar year.

3. Be an individual, business, or government entity that is based in California or has a California-based affiliate at the time the rebated vehicle is purchased or leased.
 - a. Eligible vehicles may be purchased out-of-state, but consumers must be California residents at the time of vehicle purchase. All businesses must be licensed to operate in California. Active duty military members stationed in California, but with permanent residency in another state are eligible to apply and may use military orders in lieu of other proof of residence documentation.
4. Be a purchaser or lessee of a new, eligible vehicle and submit a CVRP application prior to exhaustion of available rebate funds.
 - a. Vehicles previously used as dealership floor models and test drive vehicles (demo vehicles) are eligible for the rebate only if the vehicles have not been previously registered with the California Department of Motor Vehicles (DMV). Vehicles determined by the Administrator to be unrebated rollback or unwind vehicles will be eligible to receive a rebate.
5. Submit a rebate application within 18 months after the date of purchase/lease to be eligible for a rebate. For the purposes of CVRP, the date of purchase is the day of sale. A sale is deemed completed when the purchaser of the vehicle has executed and signed a purchase contract or security agreement. For the purposes of CVRP, a vehicle is deemed to be leased on the date upon which the lease of the vehicle commences, as specified in a signed lease agreement. For Tesla vehicles ordered prior to March 29, 2016, the vehicle order date will be considered the date of purchase or lease. For Tesla vehicles ordered on or after March 29, 2016, the date of first registration with the California DMV will be considered the date of purchase or lease.
6. Not make or allow any modifications to the vehicle's emissions control systems, hardware, software calibrations, or hybrid system.
 - a. Commit that any emission reductions generated by the purchased vehicle will not be used as marketable emission reduction credits, to offset any emission reduction obligation of any person or entity, or to generate a

compliance extension or extra credit for determining regulatory compliance.

7. Retain ownership of the vehicle for a minimum of 30 consecutive months immediately after the vehicle purchase or lease date.
 - a. The original lease must be a minimum lease term of 30 months.
 - b. Only rental and car share vehicles are eligible for a reduced ownership provision if retained in California for a minimum of twelve consecutive months but less than 30 consecutive months.
8. Rebate recipients who do not retain the eligible vehicle for the full 30-month ownership or lease period will be required to reimburse ARB all or part of the original rebate amount.
 - a. Vehicle purchaser or lessee is required to notify the Administrator to arrange for early termination of vehicle ownership in advance of intent to sell or terminate a lease prior to the required 30-month ownership period.
 - b. ARB will periodically check vehicle identification numbers with vehicle registrations to ensure that CVRP applicants meet this requirement. If an applicant violates this requirement, ARB or its designee reserves the right to recoup CVRP funds from the original vehicle purchaser identified on the rebate application form and may pursue other remedies available under the law.
9. Register the new vehicle with the DMV for a minimum of 30 consecutive months from the original purchase or lease date for use in California.
 - a. Any government owned vehicle not registered with the DMV is still required to operate within California for 30 consecutive months immediately after the vehicle purchase or lease date.
10. Be available for follow-up inspection if requested by the Administrator, ARB, or ARB's designee for project oversight and accountability.
11. ARB reserves the right to request participation from rebate recipients in ongoing research efforts that support the CVRP and AQIP goals as well as ARB Research Division efforts.